

How did we get here?

The evolution of Illinois' tax system

TAXING TIMES, SMARTER STRATEGIES

CHICAGO, IL

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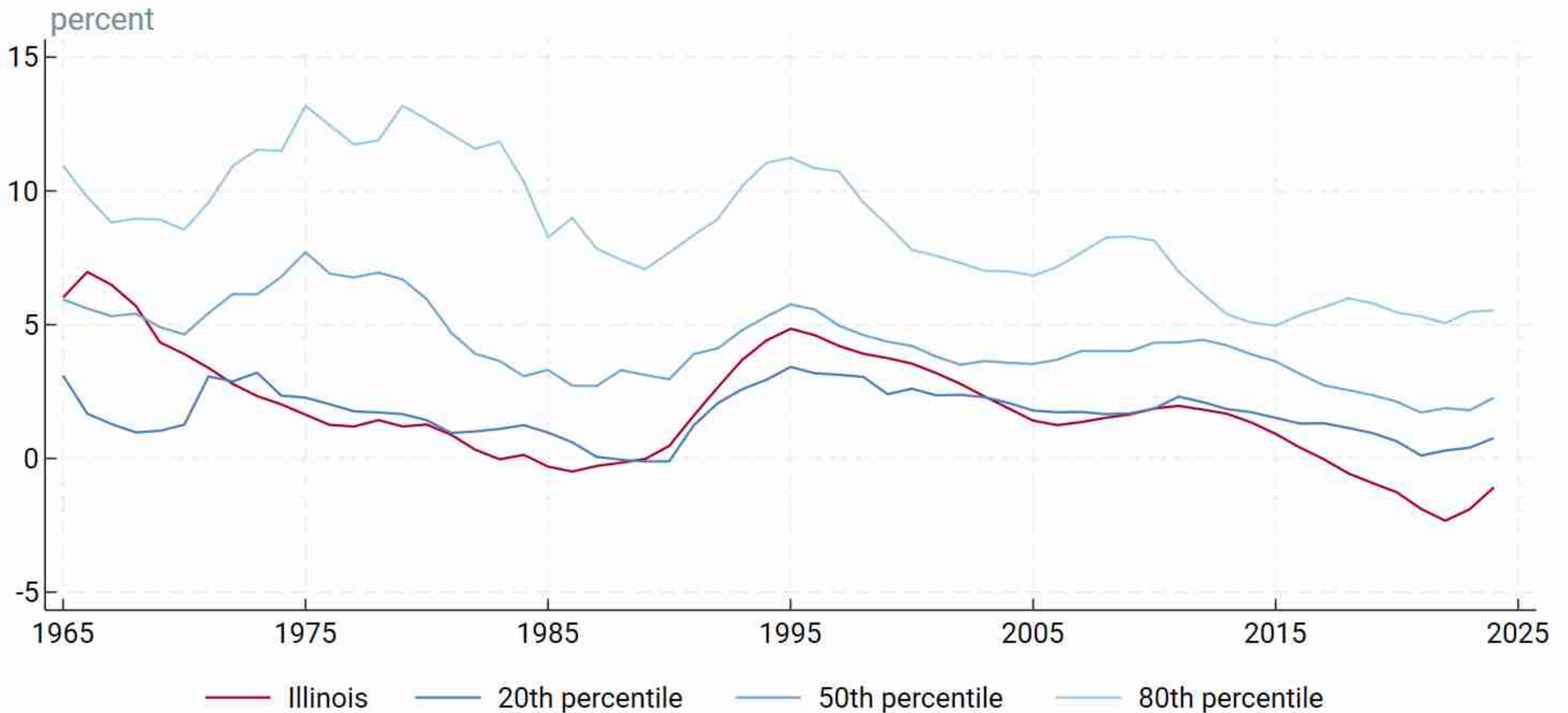
BUSINESS ECONOMIST

FEDERAL RESERVE BANK OF CHICAGO

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Illinois grows slowly

State 5-Year Population Growth

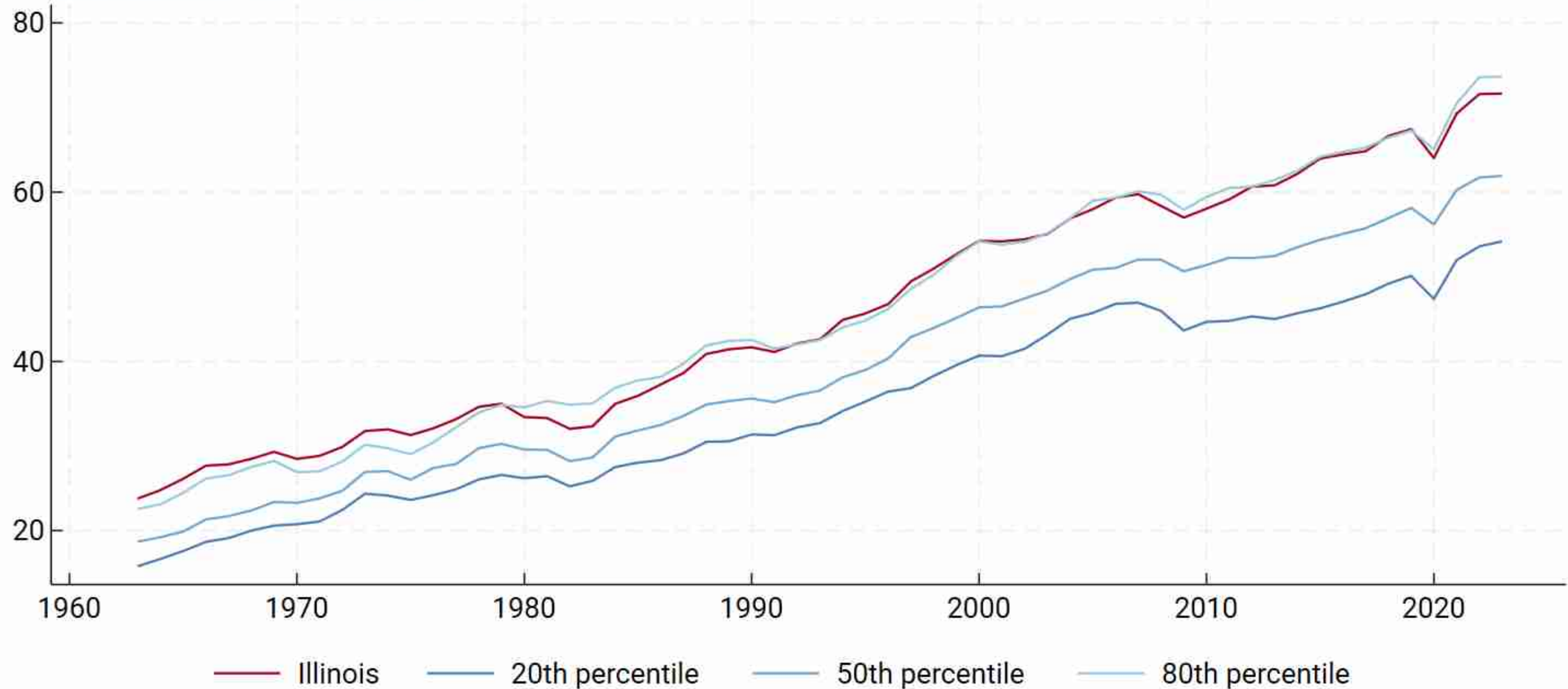


Source: Authors' calculations using data from the U.S. Census Bureau via Haver Analytics.

Illinois is prosperous

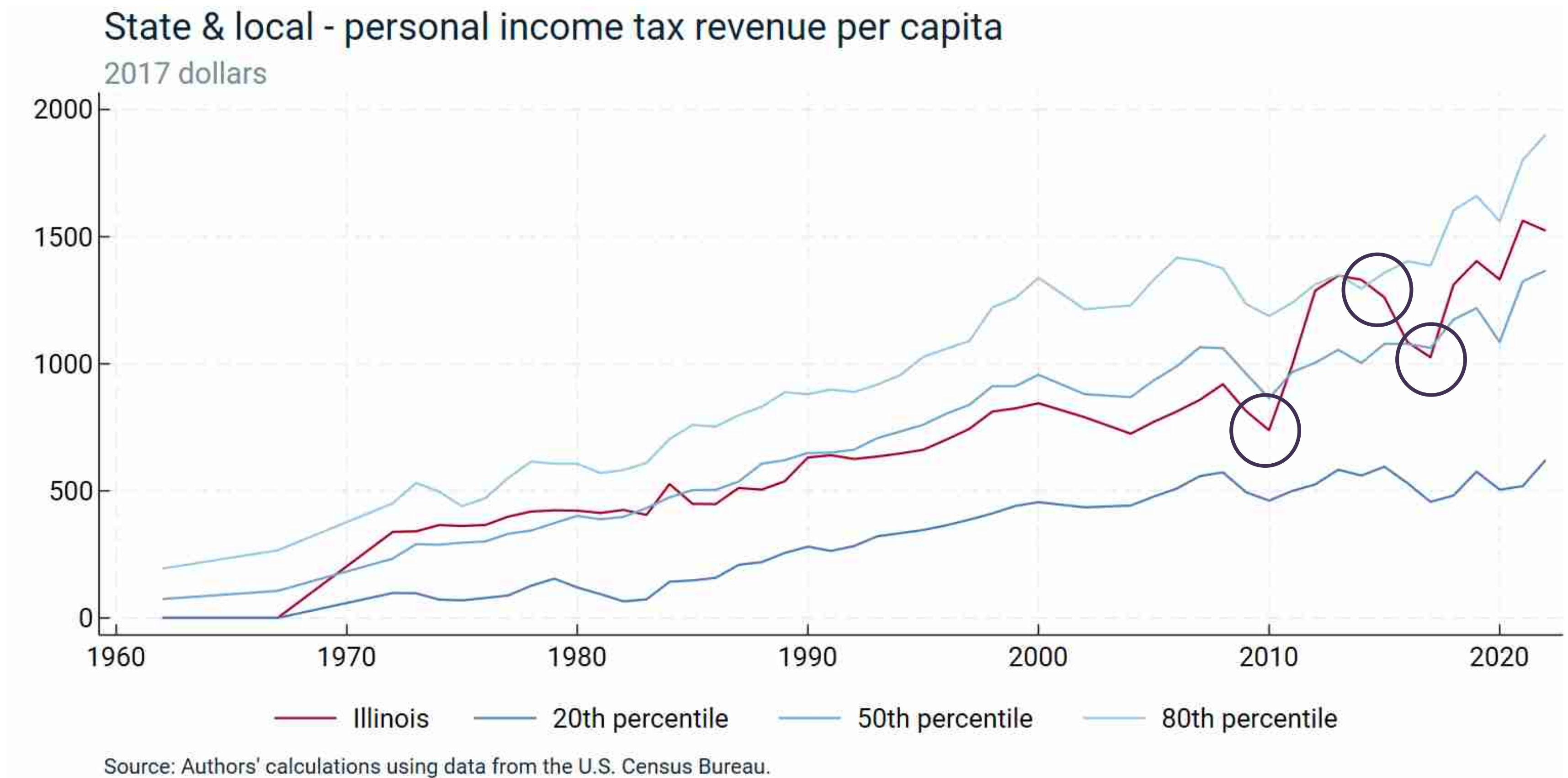
Gross State Product per capita

thousands of 2017 dollars



Source: Authors' calculations using data from the Bureau of Economic Analysis via Haver Analytics.

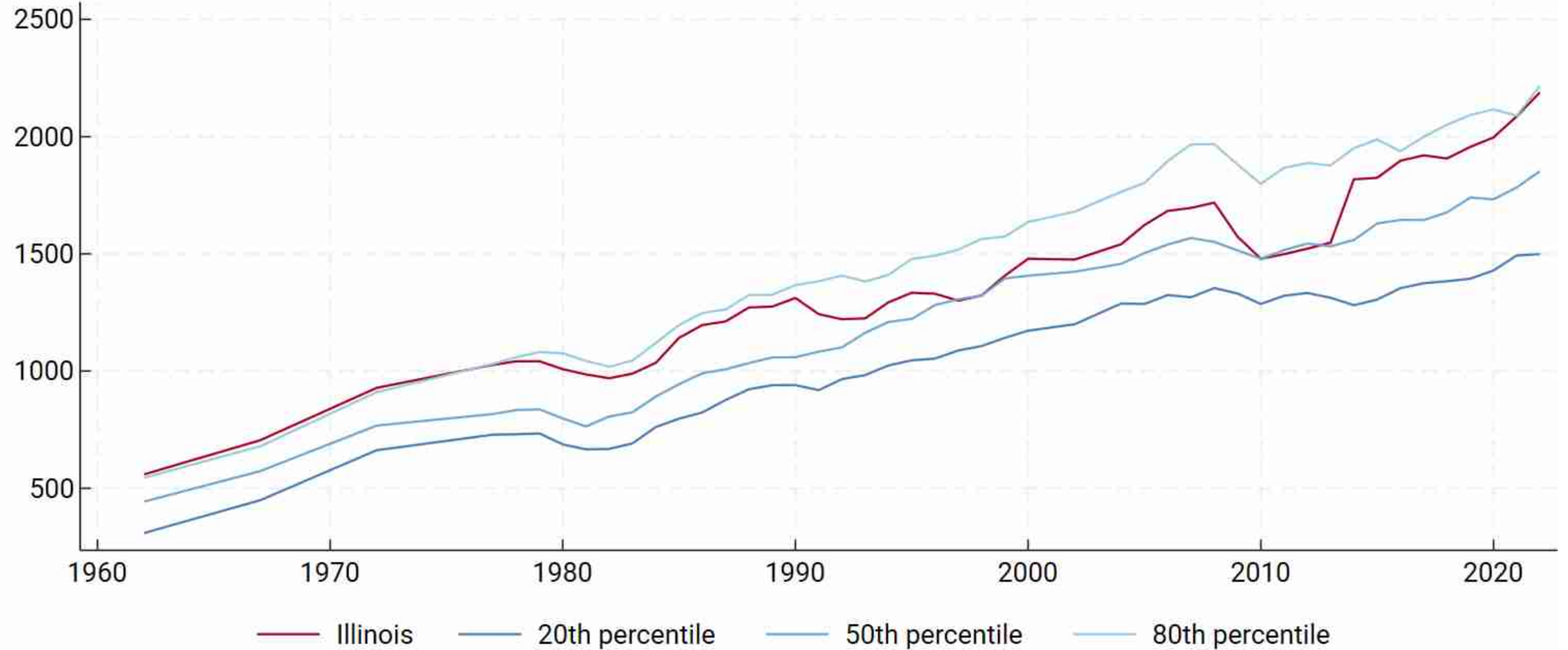
Income tax revenue per capita – higher now



Sales tax revenues – higher now

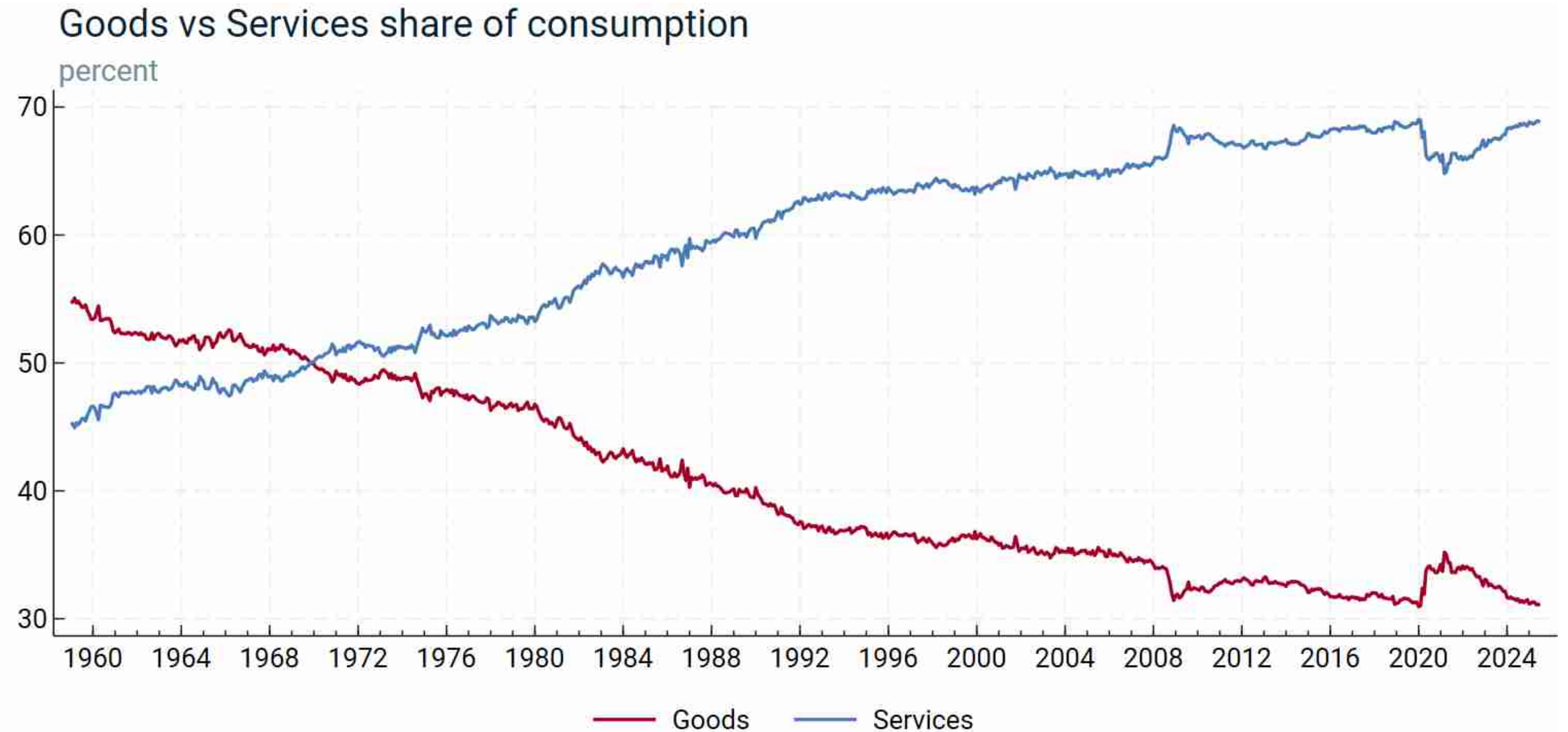
State & local - sales tax revenue per capita

2017 dollars



Source: Authors' calculations using data from the U.S. Census Bureau.

Nationally, we consume more services

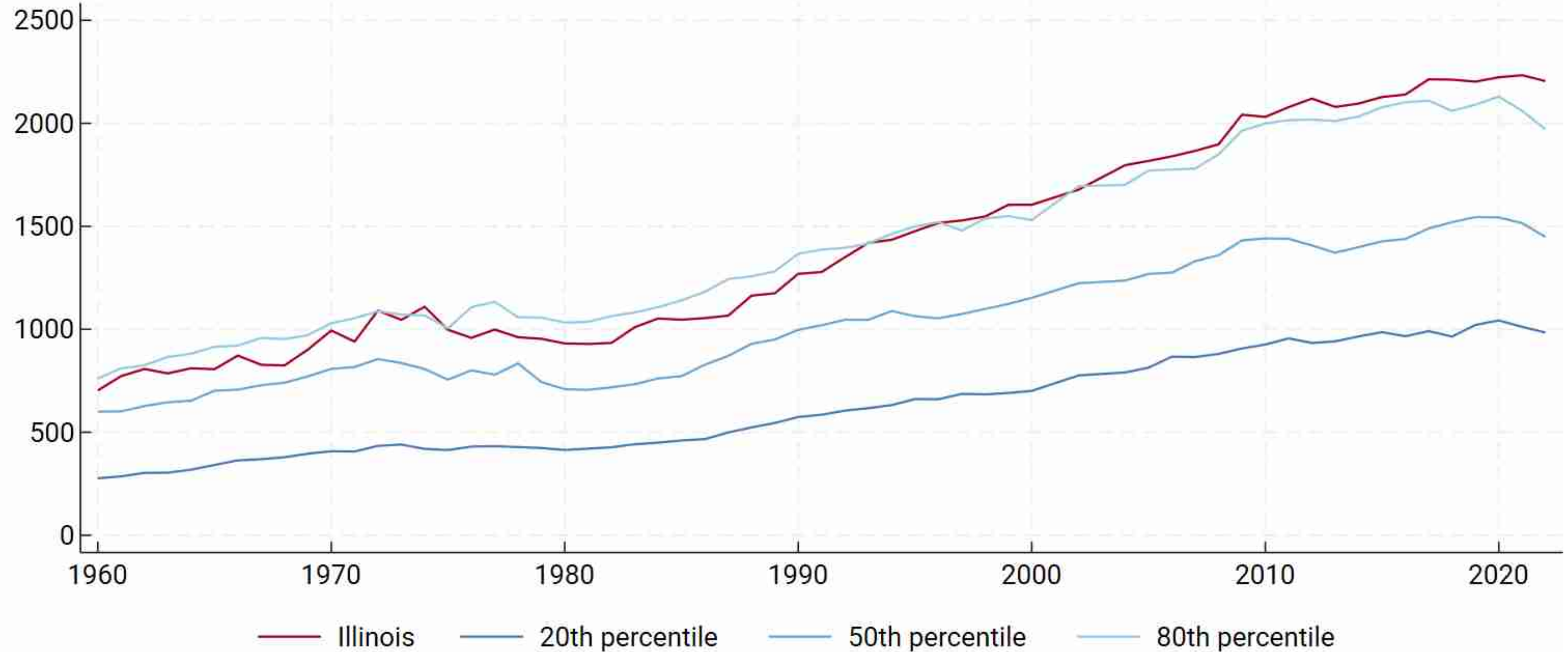


Source: Authors' calculations using data from the Bureau of Economic Analysis via Haver Analytics.

Property tax revenues – consistently high

State & local - property tax revenue per capita

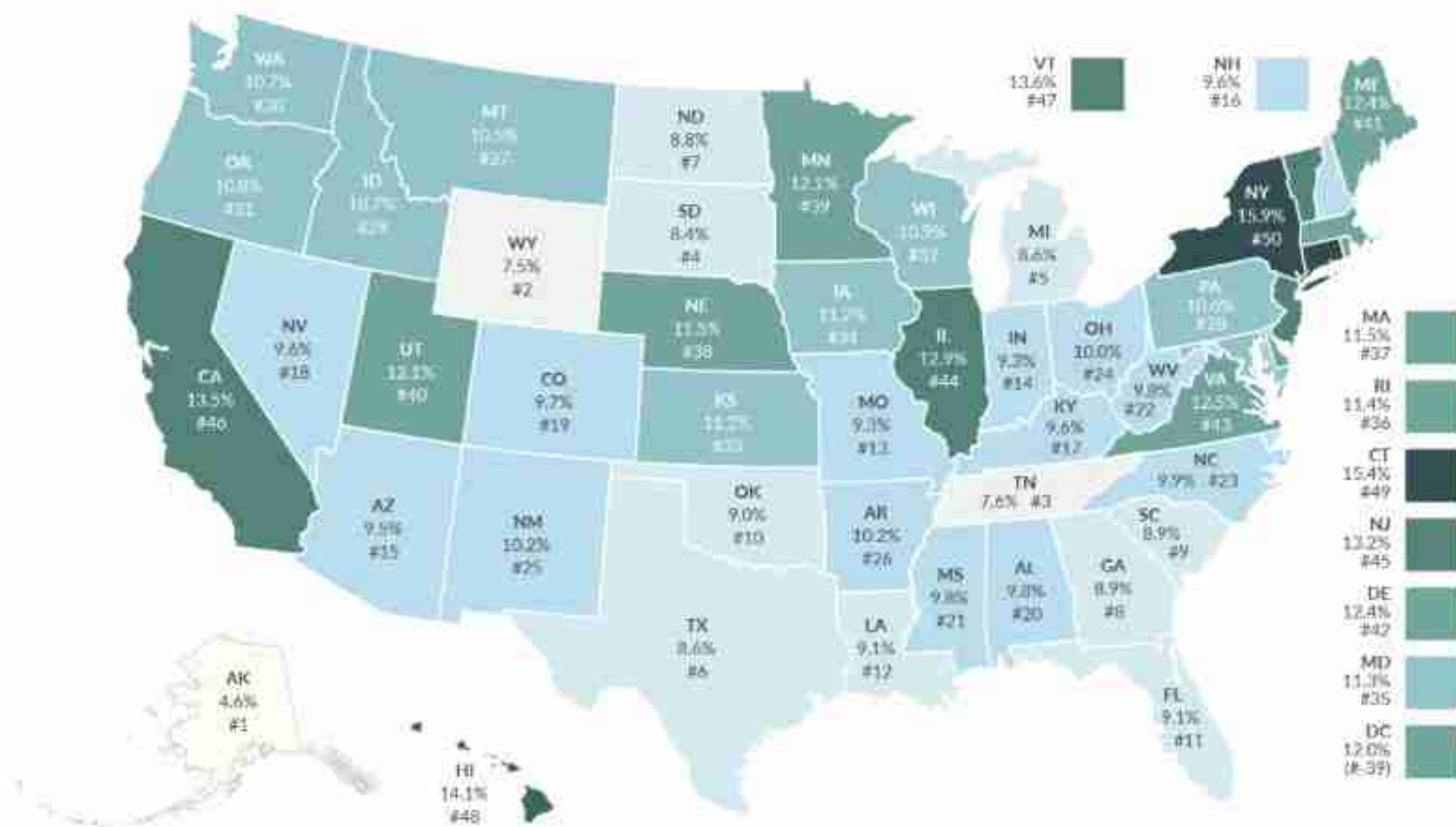
2017 dollars



Source: Authors' calculations using data from the U.S. Census Bureau.

Tax burden in Illinois

State-Local Tax Burdens by State, Calendar Year 2022



Note: D.C.'s rank does not affect states' ranks, but the figure in parentheses indicates where it would rank if included.

Source: Tax Foundation calculations.

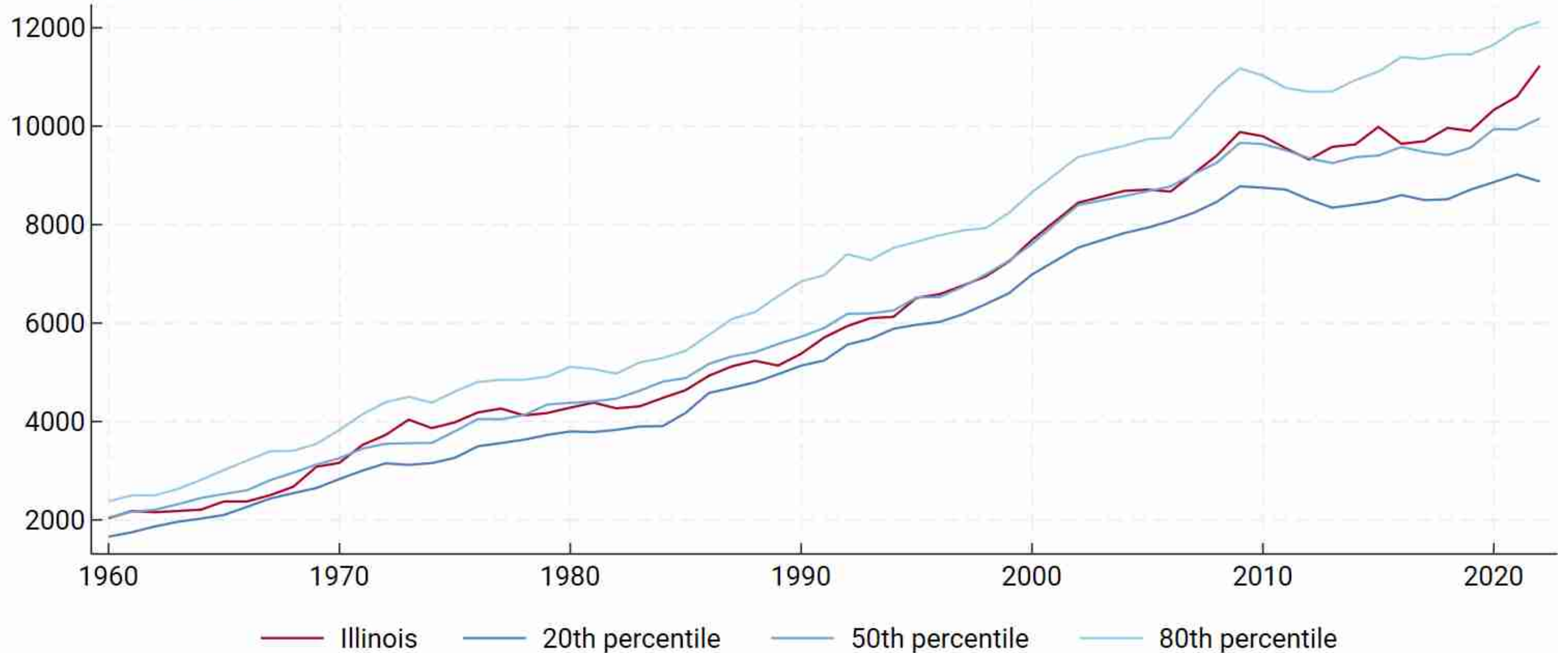
State-Local Tax Burden by State, Calendar Year 2022



Expenditures are average

State & local - non-insurance trust expenditures per capita

2017 dollars

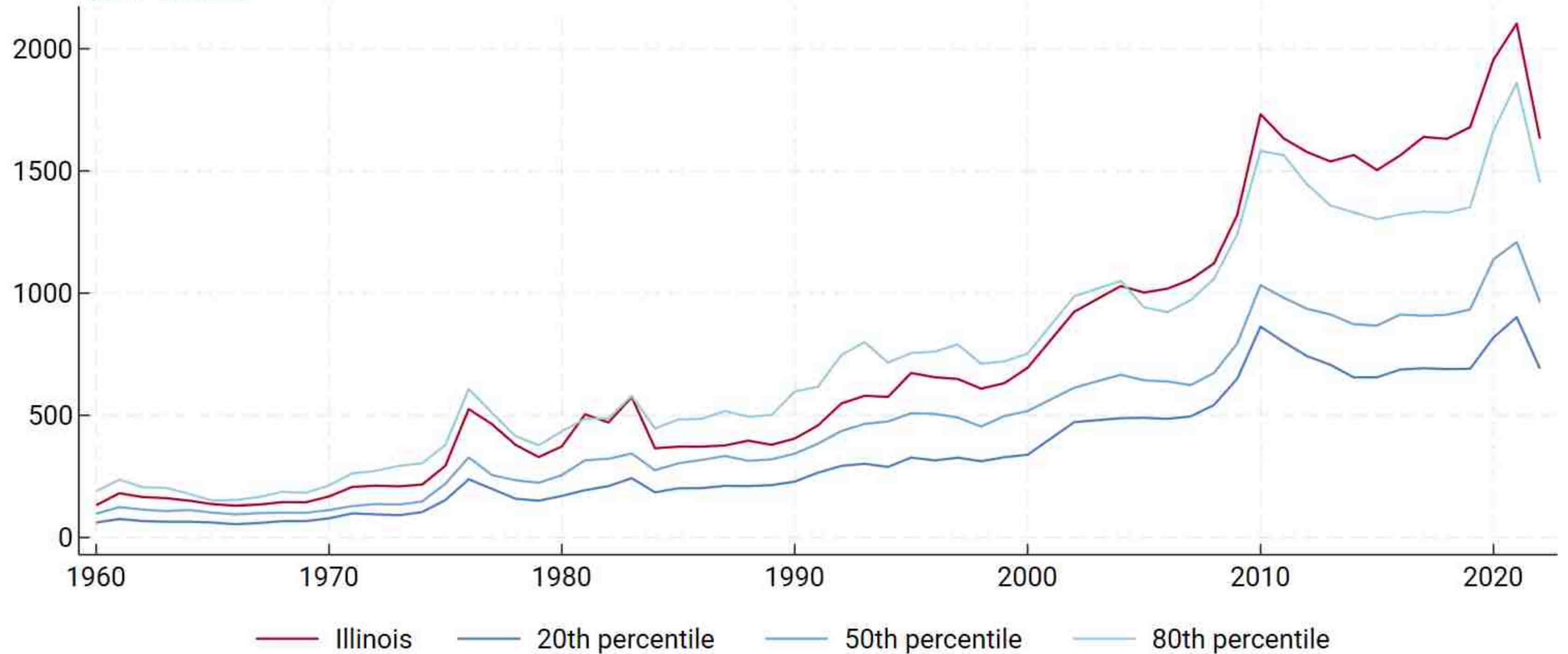


Source: Authors' calculations using data from the U.S. Census Bureau.

But insurance trust expenditures are high

State & local - insurance trust expenditures per capita

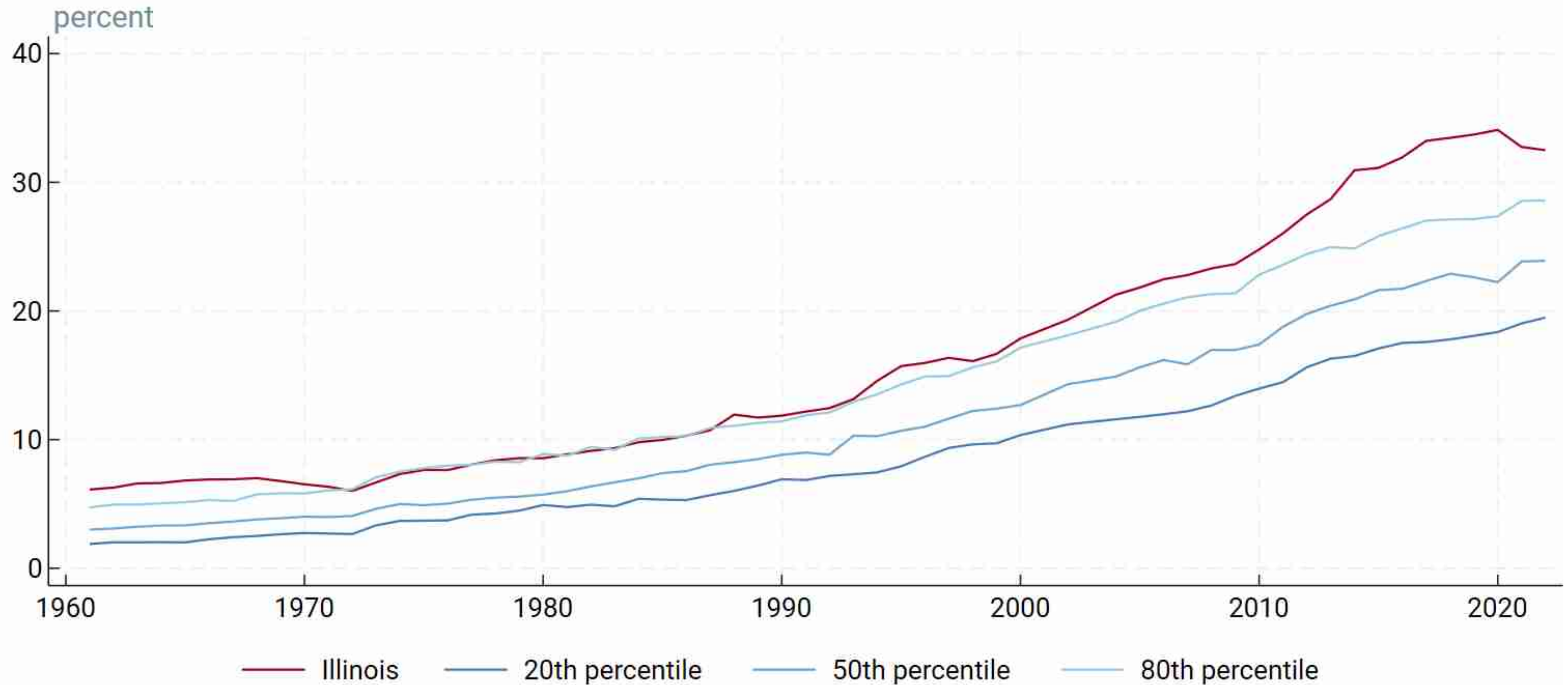
2017 dollars



Source: Authors' calculations using data from the U.S. Census Bureau.

Compensation to retirees is a large share of compensation

State & local - retiree share of compensation



Source: Authors' calculations using data from the U.S. Census Bureau.



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