

InterBusiness Issues Article  
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September 2020

Family farms are businesses....some are small and some are large. Whether small or large, a farm cannot be moved and the family that's farming it will have to stay put if they want to continue their love and desire to farm.

Just like others in the workforce, Illinois farmers have seen an increase in their income tax rates with the reinstatement of the income tax rate to 4.95%; an increase in the gasoline tax from .19 cents a gallon to .38 cents on July 1, 2019 (as of July 1, 2020 it is .387 cents); vehicle registration fee increase from **\$101 to \$151**, and a significant increase on licensing fees on trucks which many farmers find a necessity to own in order to transport their crops.

And now another slice of freedom is being proposed to be taken away from Illinois citizens this November 3 through the proposed Progressive or Fair Income Tax. It can also be referred to and more appropriately termed the Graduated Income Tax. Every time a new tax or fee is increased or imposed on people, it's taking hard earned money from all of us and putting it into the hands of the few (politicians) to spend it.

Currently, Illinois has a flat income tax which means everyone pays the same rate of 4.95% which would be the "true fair tax." If you earn more, you are paying more. Similar to Illinois, nine states have the flat tax rate structure. Thirty two states have the Progressive Income Tax with the number of tax brackets varying widely by state. Seven states do not have a state income tax. Two states exclusively tax dividends and interest income.

As mentioned earlier, farmers cannot move the farm, nor do they want to. Too many people have already moved out of our state because of the poor business climate. 2019 marked the sixth consecutive year of population decline in Illinois. Of the top 5 fastest growing states in population in the last 10 years, 3 have no income tax and 2 have a flat tax. Of the 5 states that have lost the most population, 4 have a Progressive Tax and one has a Flat Tax (which is Illinois). People are moving to states with no income tax or have a flat tax.

Since farmers cannot move the farm, they are locked into paying property taxes...and as homeowners know, property taxes are high. In addition, farmers are paying taxes on machine sheds, livestock buildings, and grain bins.... all necessities if you are going to have a successful farm operation. Needless to say, **Illinois has the 6th highest property tax rate in the nation.**

On November 3, voters will decide whether or not to change the Illinois Constitution and empower elected officials to decide the future of who is taxed and how much they are taxed. Currently, with the Flat Tax, everyone is taxed equally at 4.95%. The proposed tax is being called the Progressive or Fair Tax. Think about it...the businesses and people that will see progress are the wealthy that have the resources to move out of Illinois and reset their foundation in a state with lower taxes where they CAN MAKE PROGRESS. We need businesses and people to stay in Illinois. They are a key cornerstone in supplying the foundation of jobs and our states tax resources.

The proposed Progressive Tax or Income Tax Amendment to the Illinois Constitution is being marketed that it will reduce taxes or taxes will stay the same for 97% of Illinois taxpayers. The lowest the income tax will go under the proposal is 4.75% (from the current 4.95%). The Amendment gives our elected officials in Springfield the power to increase taxes on any group of taxpayers with no limits and no accountability. It would give legislators unlimited new authority to increase income tax rates on any

group of taxpayers at will, including low-income and middle-income families and small business owners. There would be no limit on the number of tax brackets that could be created and no limit on how high tax rates could be increased on individual taxpayers.

Farmers are staying in Illinois. We have to stay. Farmers just want the chance to be rewarded for doing an honest, hard days work. They want the opportunity to choose how they put money back into our local economy. Higher fuel taxes, property taxes, licensing fees, trucking fees, and now another proposed income tax hike which will trickle down and effect all of us. In a free society, the people that earn a dollar should be able to spend that dollar as they choose.