



2015 State Budget Position

Extend the current 5% income tax rate to maintain state revenues

Position Support

Action

Work in coalition to maintain current revenue through the extension of the 5% income tax rate, at least until other revenue sources can be evaluated and implemented, if appropriate. As a part of this effort, we must emphasize the critical importance of maintaining these revenues to pay off the State's backlog of unpaid bills and adequately fund critical services.

Rationale

At present, there appears to be no other short-term revenue measures that are both politically feasible and sufficient to address the state's backlog of bills and maintain appropriate funding of critical services. Therefore, Donors Forum believes that the former 5% income tax rate should have been extended beyond December, 31, 2014. However, if other fair and equitable sources can be found to help replace the lost income, we stand ready to support such alternatives. If other fair and equitable sources can be found to help replace the lost income and address these issues, we stand ready to support such alternatives. We also urge the state to continue to find ways to reduce costs and increase efficiencies to lessen the need for additional revenue. Since the partnership between the public and private sector is predicated on trust and respect, it is vital that the state budget clearly delineate the allocation of funds to maintain, protect and strengthen Illinois communities.

We believe that the State of Illinois should adopt a budget that adheres to the best practices of transparency, accountability and sustainability as healthy communities are dependent upon healthy nonprofits. The state plays a crucial role in this interconnectedness seeing that the general revenue fund accounts for a large portion of funding. The philanthropic sector also contributes but cannot match anywhere near the level of state government. Donors Forum supports proposals that promote financial stability while making sure the critical work of nonprofits is sustained.