

Learn About the Proposed Amendment to the Illinois Constitution

Amy and Laurel from the Civic Lab team discussed some of the frequently asked questions about the proposed amendment to the Illinois Constitution that is on the November 3 ballot. See the questions and answers below. You can also watch the video of the live conversation through the [library's Facebook page](#).

What is the proposed amendment?

- This amendment is referred to as the Illinois Allow for Graduated Income Tax Amendment.
- This proposed amendment would change Section 3. Limitations on Income Taxation in Article IX - Revenue of the Illinois Constitution.
- The change would grant the State of Illinois the authority to impose a graduated income tax.
- The change would remove existing language in the constitution that limits the State of Illinois to imposing flat income taxes only.
- This amendment is a legislatively referred constitutional amendment, which means that state lawmakers voted to have this amendment on the ballot for voters to decide.

What is a flat income tax?

- A flat income tax is when every person pays the same percentage of their income in taxes to the government, regardless of how much money they make. In Illinois, we currently have a flat income tax with a rate of 4.95% of all personal income.

What is a graduated income tax?

- A graduated income tax is when the rate at which personal income is taxed is determined by a person's income level. Different income levels are taxed at different rates, typically with individuals at the higher ends of the income range paying a greater rate of their income in taxes, while people who earn less income pay a lower rate.

Will the amendment raise my income taxes?

- No, the amendment itself would not raise anyone's income tax rate. Tax rates are not included in the Illinois Constitution.
- However, state legislators have expressed that, if this amendment passes, they want to impose a new graduated income tax structure. Under Illinois SB 687, the proposed tax rates would range from 4.75% to 7.99%.
- If this amendment passes, and state legislators enact their proposed graduated income tax structure, and you make less than \$250,000 a year, then your personal income tax rate would either decrease or stay the same.
- If this amendment passes, and state legislators enact their proposed graduated income tax structure, and you make more than \$250,000 a year, then your personal income tax rate would increase.

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Will the amendment raise my other taxes?

- No, the amendment would not impact any other existing or potential taxes.
- There is lots of misinformation being shared right now about this amendment and suggesting that it would lead to a new tax on retirement income. This is false. Illinois does not currently tax retirement income, and the proposed tax framework if the amendment passes does not include a retirement income tax rate.

What are the arguments against the amendment?

- Opponents of this amendment argue that it is a problem that the proposed language does not include any limits or accountability for how the State could increase tax rates or spend additional tax revenue.
- They also argue that the State should not be allowed to change tax rates because they feel that “taxes and spending are out of control” in Illinois. They cite the state’s pension liabilities as a particular example.
- Another key argument from opponents of the amendment is that, “In the wake of the COVID-19 pandemic, now is the worst possible time for a massive tax increase” (from the Secretary of State’s pamphlet “Proposed Amendment to the Illinois Constitution That will be submitted to voters November 3, 2020, which was mailed to Illinois voters). It is important to note that this amendment itself would not increase taxes at all.

What are the arguments in favor of the amendment?

- Proponents of this amendment note that the federal government and a majority of other states in the U.S. already impose a graduated income tax.
- They also argue that the State’s current flat income tax system benefits millionaires and billionaires at the expense of middle-class and working Illinoisians. This argument uses math to analyze what different Illinois taxpayers pay when all state and local taxes are considered. The bottom 20% of earners in Illinois currently pay about 14.4% of their income to taxes, while the top 1% of earners in Illinois--the wealthiest--pay about 7.4% of their income in taxes. This argument states that the people have more ability to contribute to the state’s finances pay less, and the people with less ability to pay, pay more.
- Another key argument from proponents of the amendment is that “under the current tax system in Illinois, policymakers already have the authority to set any tax rate and to change tax rates at their will. The current system forces policymakers to charge the same tax rate to everyone, regardless of how much money they make” (from the Secretary of State’s pamphlet “Proposed Amendment to the Illinois Constitution That will be submitted to voters November 3, 2020, which was mailed to Illinois voters). These proponents argue that the amendment is not about the right to change tax rates--which legislators already have--but rather is about the ability to change tax rates equitably.

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Where can I find out more?

- Registered voters were sent a pamphlet in the mail explaining the proposed amendment.
- You can also find out more information from Ballotpedia, a nonpartisan, nonprofit digital encyclopedia of U.S. politics and elections. You can go to ballotpedia.org and search for the name of the amendment, the Illinois Allow for Graduated Income Tax Amendment.
- The [Ballotpedia entry on this amendment](#) includes information on the amendment and what it would mean for Illinois residents, arguments both for and against the amendment, as well as information on major donors and Political Action Committees advocating for either side of the issue, including how much money they have spent trying to persuade voters to their argument.

When was the last time that an amendment was made to the Illinois Constitution?

- The last amendment to the Illinois Constitution was approved by voters in 2016. This amendment is referred to as the Illinois Transportation Taxes and Fees Lockbox Amendment, and it prohibits lawmakers from using transportation funds for anything other than their stated purpose.

How will the amendment appear on my ballot?

- If you have requested a mail-in ballot, the amendment text will appear on your ballot in both English and Spanish.
- If you are voting in person, either early voting or on Election Day, touchscreen ballots are available in 5 languages: English, Spanish, Mandarin Chinese, and Hindi. Audio ballots at in-person voting are available in these same languages.
- The section of the ballot where you vote on the amendment will read:
 - For the proposed amendment of Section 3 of Article IX of the Illinois Constitution, YES or NO
 - A “yes” vote means you DO want the State to have the ability to set a graduated tax rate.
 - A “no” vote means you want the State to be limited to a flat income tax only.

What percentage of voters must vote YES for the proposed amendment to pass and be added to the Illinois Constitution?

- There are two ways that a constitutional amendment can pass in Illinois:
 - The first is getting approval from at least 60% of votes cast on the particular ballot question.
 - This second is getting a simple majority of all ballots cast in the election. This situation accounts for the number of Illinois voters who do not vote on the amendment--they leave this part of their ballot blank. In this case, the amendment passes if more than 50% of all voters voted YES, and less than 50% of voters either voted NO or left the amendment question blank.