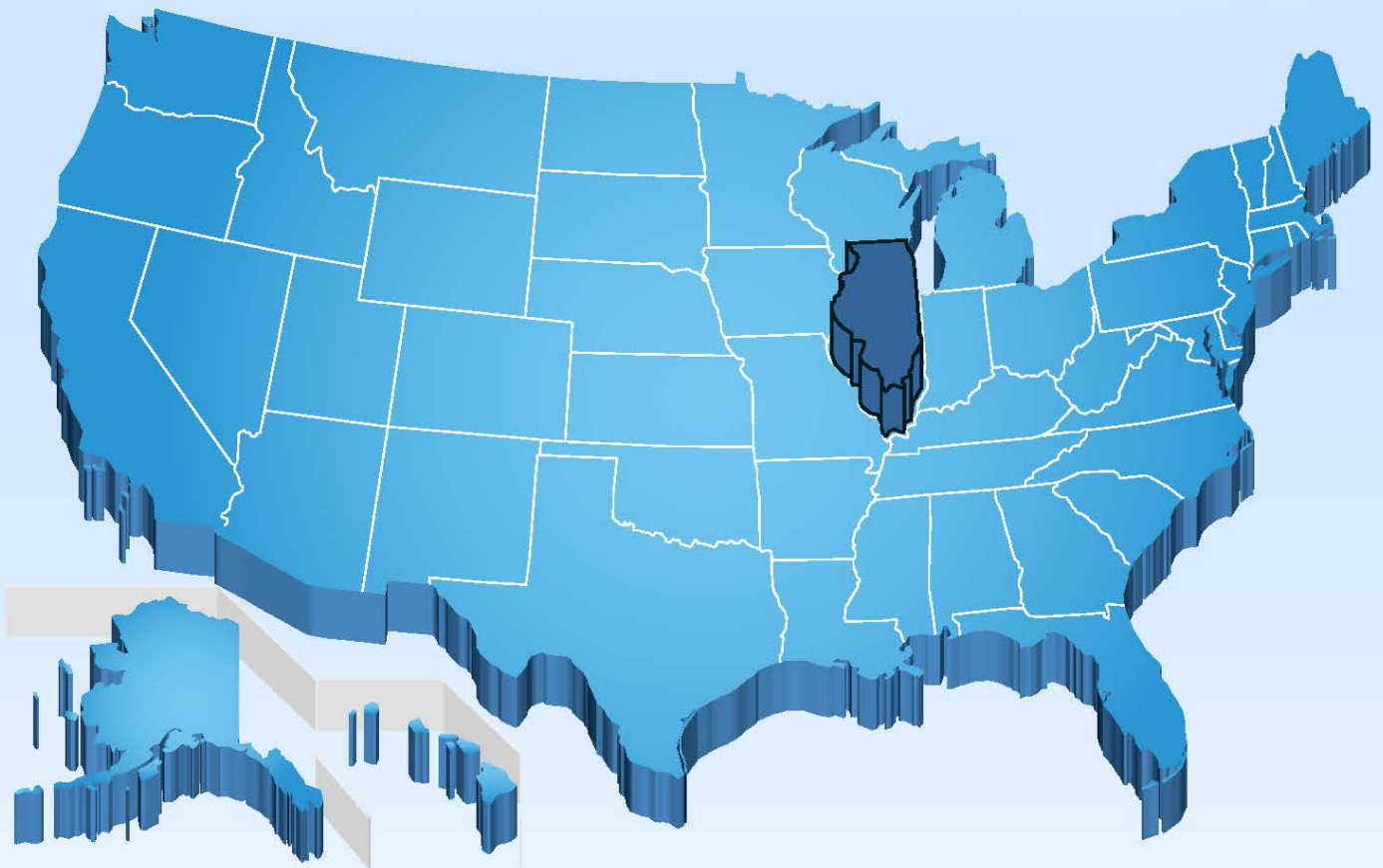


2012 Illinois' National Rankings



A State-by-State Comparison of Tax Rates,
Tax Revenues, Government Spending, and Employment



*Commission on Government Forecasting
and Accountability*

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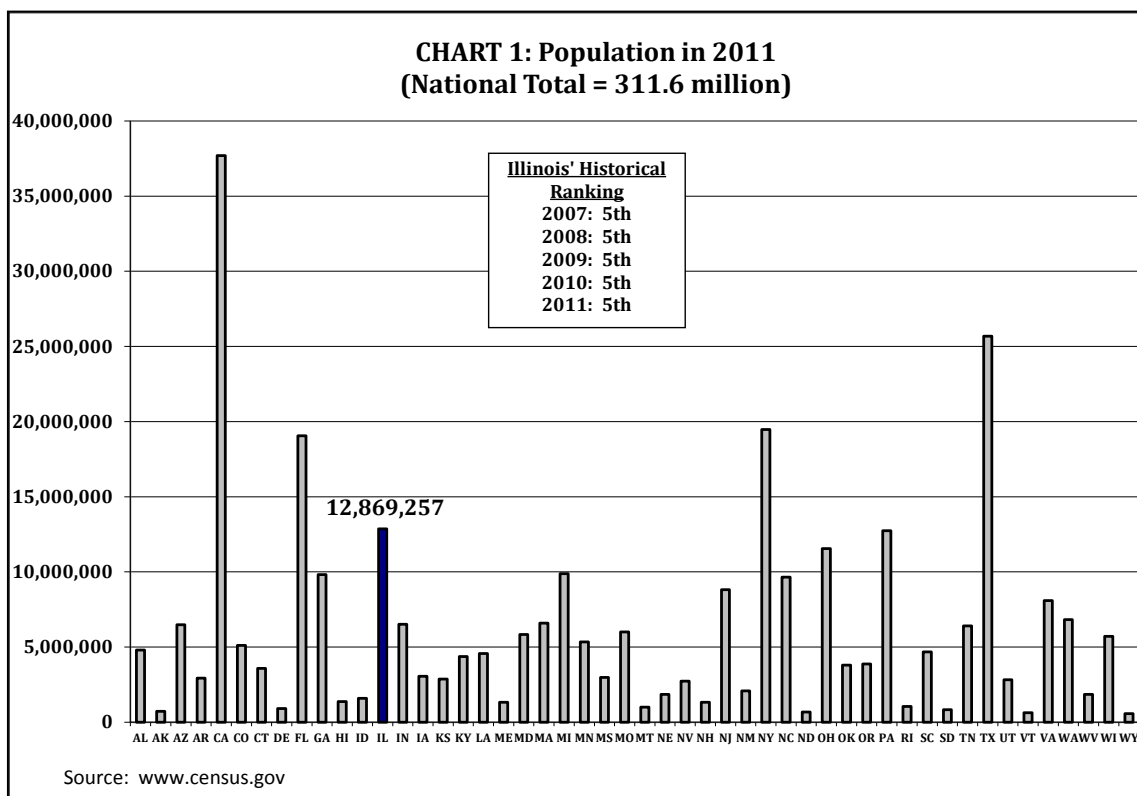
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Introduction

The Commission is often asked by lawmakers how the State of Illinois compares nationally in revenue and spending categories. In response, the Commission has created the following report, *Illinois' National Rankings*. This 2012 edition is the latest in a series of updates to the initial rankings report completed by the Commission in 2001.

This report addresses specific State revenue related topics, including current overall tax levels in Illinois, how these levels have changed in recent years, and how these levels compare to other Midwestern industrial states. The report provides a quick guide as to how Illinois stacks up against the other 49 states in the various areas of state government financing. The information comes from a variety of sources including the U.S. Census Bureau and the Bureau of Labor Statistics. Initial reports were based upon the publication series *State Rankings: A Statistical View of the 50 United States*.

Due to its large population size, Illinois ranks high in most areas on a total dollar basis. As shown below in Chart 1, according to the U.S. Census Bureau, Illinois ranks 5th in the nation in total population with 12.9 million people. As a result, Illinois is among the top ten states in nearly every category dealing with total dollars received or spent. Because of this, in order to get a better picture of how Illinois compares to other states, the provided information is in two formats: in total dollars and on a per-capita basis. The per-capita format is useful for comparing a highly populated state, like Illinois, with states with much lower populations, such as neighboring Iowa (ranked 30th with approximately 3.0 million people), to account for the population discrepancy.



Whether it is better for a state to be ranked high or low in the rankings is open to interpretation. When observing revenue-related rankings on a per-capita basis, some believe that if a state is able to financially survive on tax rates that create relatively low per-capita figures, the better the financial situation for the people of that state. Others, however, would view low per-capita figures as missed opportunities for revenue growth, and subsequent program spending.

A similar argument holds true for the rankings dealing with government spending. Those benefiting from spending in a particular area would likely view the rankings as the higher the better. On the other hand, those who do not benefit from a specific area of spending would likely view a high ranking negatively, as spending for one source prevents monies from being reallocated to other areas.

In this year's report, there are 23 different categories that compare Illinois with the rest of the nation in various financial areas. The first section looks at the amount of government revenue collected from the various major revenue sources in the State. The second portion looks at where these revenues are spent at the State and local government level.

For each category, a table is provided which displays each State's amount, their amount per-capita, and their specific ranking in each category. On these tables, Illinois' totals are highlighted, along with the states bordering Illinois: Iowa, Wisconsin, Indiana, Kentucky, and Missouri. Ohio and Michigan are also highlighted due to their proximity to Illinois and because of their similarities to Illinois in population and in demographics. For the purpose of this report, this group of states will be considered the *Midwest Region*.

Following each table are charts displaying the figures graphically. Listed on the top of each chart ranked in total dollars is the national total amount of revenue for that particular source. For the charts shown on a per-capita basis, the overall national per-capita figure is included. Each chart also includes a history of how Illinois has ranked in a particular area over the past several years. Most of the revenue data are from 2011, unless stated otherwise. Most of the spending data are from 2010. These years are the most recent years of compiled data available from the U.S. Census Bureau at the time of this report.

Included in each category of charts is a short synopsis of Illinois' rankings. In most categories, Illinois ranks near the middle of the pack with revenue on a per-capita basis. However, there are a few charts that show Illinois at the high end of the rankings, while some show Illinois near the low end of the national rankings. Examples of this contrast are highlighted throughout the report.

Complicating this year's report is the fact that Illinois has recently been involved in a variety of different tax increases over the last couple of years. In many cases, the effect of these tax increases are not yet able to be seen in the comparative data provided by the U.S. Census Bureau. However, in the situations where this does occur, the Commission provides discussion of what Illinois' expected totals and comparative national rankings will likely look like when these tax increases take full effect. This is especially the case in the income tax and total tax revenue categories as Illinois' recent

income tax hikes have had led to a significant increase in State revenues. This increase in revenues will most likely cause Illinois' rankings to rise in these categories in future years of comparative data, assuming other states throughout the country do not have similar tax increases.

Throughout the report are tables displaying pertinent information relative to certain taxing categories. This includes several tables identifying the tax rates of states throughout the nation and how these tax rates compare to Illinois. If a tax increase has recently occurred, such as Illinois' recent cigarette tax increase, the Commission highlights this information in that particular table.

Also discussed in the report is the State Tax Business Climate Index, an index created by the Tax Foundation which compares Illinois with other states in the ability to attract and retain businesses. This study shows Illinois ranked in the top half in the individual income tax portion of the index, but in the lower half of the rankings for the corporate tax index, sales tax index, unemployment insurance tax index, and property tax index.

Repeated in this year's version of *Illinois' National Rankings* is a comprehensive section on employment. As Illinois and the nation's unemployment rate continues to remain relatively high compared to rates of the past, the Commission often receives inquiries on how Illinois' recent employment declines and employment composition compare to other states across the nation. In response, the Commission, with the assistance of information from the Bureau of Labor Statistics, has again created an extensive selection of employment data tables which should assist in answering questions regarding Illinois' current employment situation. This includes a historical look at Illinois jobs by sector to see which area of employment has been hurt the most over the last twenty years and how Illinois' change in employment compares nationally.

In previous editions, the Commission's *National Rankings* report ended with a section displaying demographic information for Illinois. However, this section has been omitted this year since the Commission recently released an extensive report specifically dealing with this topic entitled "Illinois Demographics". Therefore, for detailed information and rankings regarding population comparisons, housing characteristics, income levels, and poverty statistics on a State and local level, please see this report on the Commission's home page.

Category 1: State Government Tax Revenue

In the category of state government tax revenue, Illinois had the 6th highest amount of revenues collected in 2011 and was the highest ranked state in the Midwest Region in total dollars. California had the highest dollar amount overall with revenues totaling \$116.7 billion. On a per-capita basis, Illinois ranked 30th in the nation with an amount of \$2,287 per capita. Illinois' ranking has fluctuated between 24th and 34th over the last several years. Illinois' value was slightly less than the national per-capita rate of \$2,430. Alaska had the highest per-capita ranking with an amount of \$7,662 per capita.

TABLE 1: State Government Tax Revenue in 2011									
§ in billions									
State	Total	Total	Amount	Per Capita	State	Total	Total	Amount	Per Capita
Government Tax Revenue	Dollars Ranking	Dollars Ranking	Per Capita	Per Capita Ranking	Government Tax Revenue	Dollars Ranking	Dollars Ranking	Per Capita	Per Capita Ranking
United States	\$757.3	-	\$2,430	-	United States	\$757.3	-	\$2,430	-
Alabama	\$8.6	26	\$1,798	41	Montana	\$2.3	49	\$2,308	28
Alaska	\$5.5	35	\$7,662	1	Nebraska	\$4.2	40	\$2,254	32
Arizona	\$10.8	21	\$1,673	48	Nevada	\$6.3	34	\$2,325	26
Arkansas	\$7.7	29	\$2,634	17	New Hampshire	\$2.3	48	\$1,760	42
California	\$116.7	1	\$3,096	11	New Jersey	\$27.2	7	\$3,082	12
Colorado	\$9.5	24	\$1,850	40	New Mexico	\$5.0	38	\$2,392	21
Connecticut	\$13.4	19	\$3,751	5	New York	\$67.9	2	\$3,491	8
Delaware	\$3.0	44	\$3,327	10	North Carolina	\$22.4	10	\$2,320	27
Florida	\$32.6	4	\$1,708	43	North Dakota	\$3.8	41	\$5,589	2
Georgia	\$16.0	15	\$1,630	50	Ohio	\$25.2	8	\$2,181	33
Hawaii	\$4.9	39	\$3,533	7	Oklahoma	\$7.8	28	\$2,048	37
Idaho	\$3.3	43	\$2,058	36	Oregon	\$8.1	27	\$2,095	35
Illinois	\$29.4	6	\$2,287	30	Pennsylvania	\$32.4	5	\$2,539	20
Indiana	\$14.9	18	\$2,288	29	Rhode Island	\$2.7	45	\$2,604	18
Iowa	\$7.2	31	\$2,363	24	South Carolina	\$7.7	30	\$1,643	49
Kansas	\$6.8	32	\$2,378	23	South Dakota	\$1.4	50	\$1,674	47
Kentucky	\$10.2	22	\$2,335	25	Tennessee	\$10.9	20	\$1,696	44
Louisiana	\$8.9	25	\$1,938	39	Texas	\$43.2	3	\$1,682	45
Maine	\$3.7	42	\$2,768	14	Utah	\$5.5	36	\$1,944	38
Maryland	\$16.0	16	\$2,746	15	Vermont	\$2.7	46	\$4,291	4
Massachusetts	\$22.1	11	\$3,353	9	Virginia	\$17.4	14	\$2,150	34
Michigan	\$23.5	9	\$2,384	22	Washington	\$17.4	13	\$2,549	19
Minnesota	\$19.0	12	\$3,546	6	West Virginia	\$5.1	37	\$2,772	13
Mississippi	\$6.7	33	\$2,254	31	Wisconsin	\$15.3	17	\$2,687	16
Missouri	\$10.1	23	\$1,682	46	Wyoming	\$2.5	47	\$4,333	3

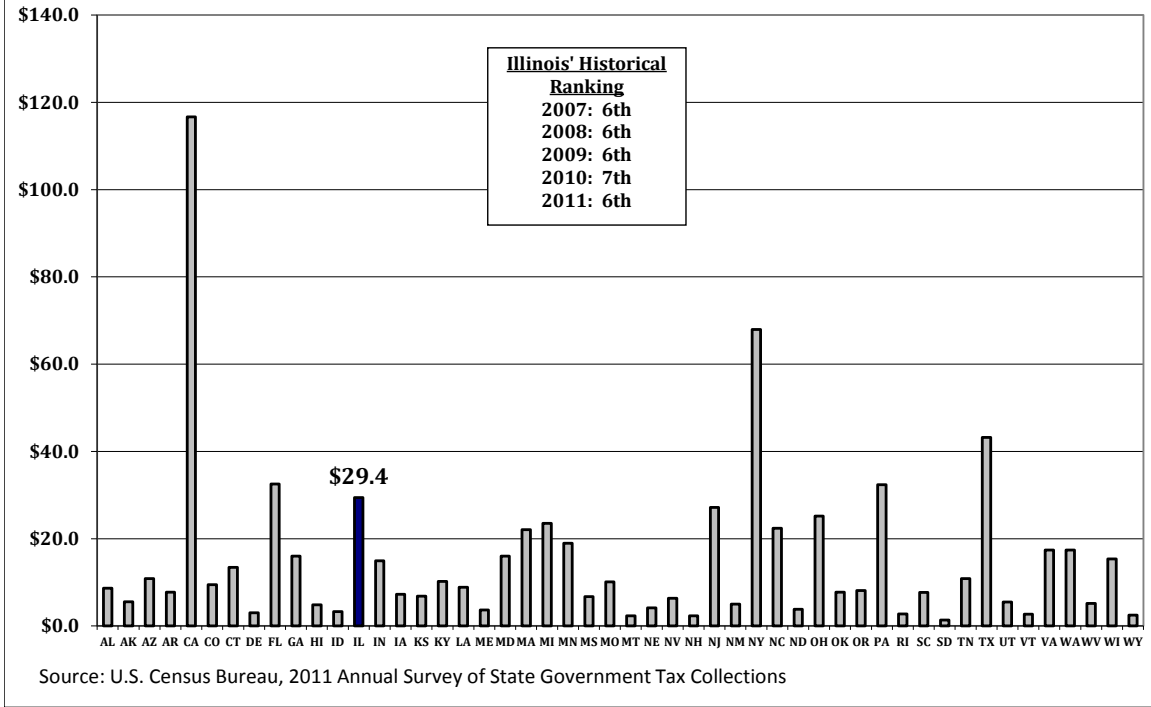
Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

Grey Areas= Midwest Region

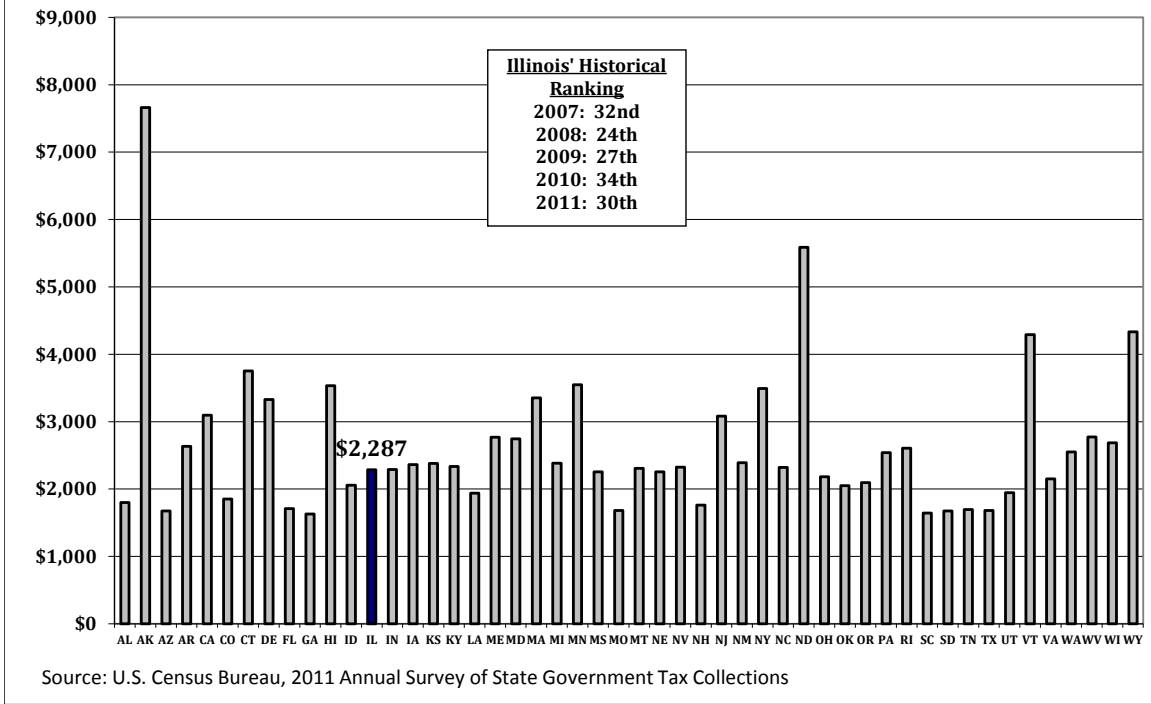
Illinois' rankings in these areas are likely to change when comparable data from 2012 and 2013 are released. This is because the revenue impact from the recent income tax increases will be seen in the updated figures. For example, in FY 2012 Illinois' State general funds totaled nearly \$33.8 billion, which accounted for a full year of the income tax increases. Assuming no significant increase in revenues from other states, by using this figure, Illinois' total dollar ranking would increase to 4th behind only California, New York, and Texas.

On a per-capita basis, again using the \$33.8 billion figure, Illinois per-capita value would increase to \$2,626. This would increase Illinois' ranking from 30th to 18th. At 30th, Illinois' ranking was behind several other Midwestern states. However, Illinois' value of \$2,626 would place Illinois as the highest ranking state in the Midwest in terms of tax revenue per capita. From a national perspective, though, there would still be 17 other states with higher per-capita values than Illinois.

**CHART 2: State Government Tax Revenue in 2011
(National Total = \$757.3 billion)**



**CHART 3: Per-Capita State Government Tax Revenue in 2011
(National Per Capita = \$2,430)**



Category 2: State Government Individual Income Tax Revenue

Illinois ranked 4th in the nation in the amount collected from state government individual income taxes in 2011 with a total amount of \$11.2 billion. On a per-capita basis, Illinois ranked 22nd, which is up from its 2010 ranking of 31st. Illinois' per-capita rate of \$872 was just above the national average of \$832, but well below the 1st ranked state in this category, New York, at \$1,860 per capita.

TABLE 2: State Government Individual Income Tax Revenue in 2011									
\$ in billions									
	State Govt Indiv. Income Tax Revenue	Total Dollars Ranking	Amount Per Capita Per Capita	Per Capita Ranking		State Govt Indiv. Income Tax Revenue	Total Dollars Ranking	Amount Per Capita Per Capita	Per Capita Ranking
United States	\$259.1	-	\$832	-	United States	\$259.1	-	\$832	-
Alabama	\$2.8	24	\$582	37	Montana	\$0.8	39	\$814	24
Alaska	No Income Tax				Nebraska	\$1.7	30	\$934	16
Arizona	\$2.9	22	\$442	41	Nevada	No Income Tax			
Arkansas	\$2.3	29	\$773	27	New Hampshire	\$0.1	43	\$63	42
California	\$50.5	1	\$1,340	6	New Jersey	\$10.6	5	\$1,204	7
Colorado	\$4.5	18	\$887	21	New Mexico	\$1.1	36	\$512	39
Connecticut	\$6.5	13	\$1,807	2	New York	\$36.2	2	\$1,860	1
Delaware	\$1.0	38	\$1,061	12	North Carolina	\$9.9	6	\$1,022	13
Florida	No Income Tax				North Dakota	\$0.4	41	\$633	34
Georgia	\$7.7	10	\$780	26	Ohio	\$8.8	9	\$764	29
Hawaii	\$1.2	34	\$907	18	Oklahoma	\$2.4	27	\$629	35
Idaho	\$1.2	35	\$738	31	Oregon	\$5.5	16	\$1,419	4
Illinois	\$11.2	4	\$872	22	Pennsylvania	\$9.8	7	\$772	28
Indiana	\$4.6	17	\$703	32	Rhode Island	\$1.0	37	\$967	14
Iowa	\$2.9	23	\$931	17	South Carolina	\$2.9	21	\$621	36
Kansas	\$2.7	25	\$948	15	South Dakota	No Income Tax			
Kentucky	\$3.4	20	\$782	25	Tennessee	\$0.2	42	\$30	43
Louisiana	\$2.4	26	\$525	38	Texas	No Income Tax			
Maine	\$1.4	33	\$1,070	11	Utah	\$2.3	28	\$816	23
Maryland	\$6.6	12	\$1,140	9	Vermont	\$0.6	40	\$888	20
Massachusetts	\$11.6	3	\$1,760	3	Virginia	\$9.5	8	\$1,177	8
Michigan	\$6.4	15	\$647	33	Washington	No Income Tax			
Minnesota	\$7.5	11	\$1,400	5	West Virginia	\$1.7	31	\$898	19
Mississippi	\$1.4	32	\$486	40	Wisconsin	\$6.4	14	\$1,126	10
Missouri	\$4.5	19	\$754	30	Wyoming	No Income Tax			

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

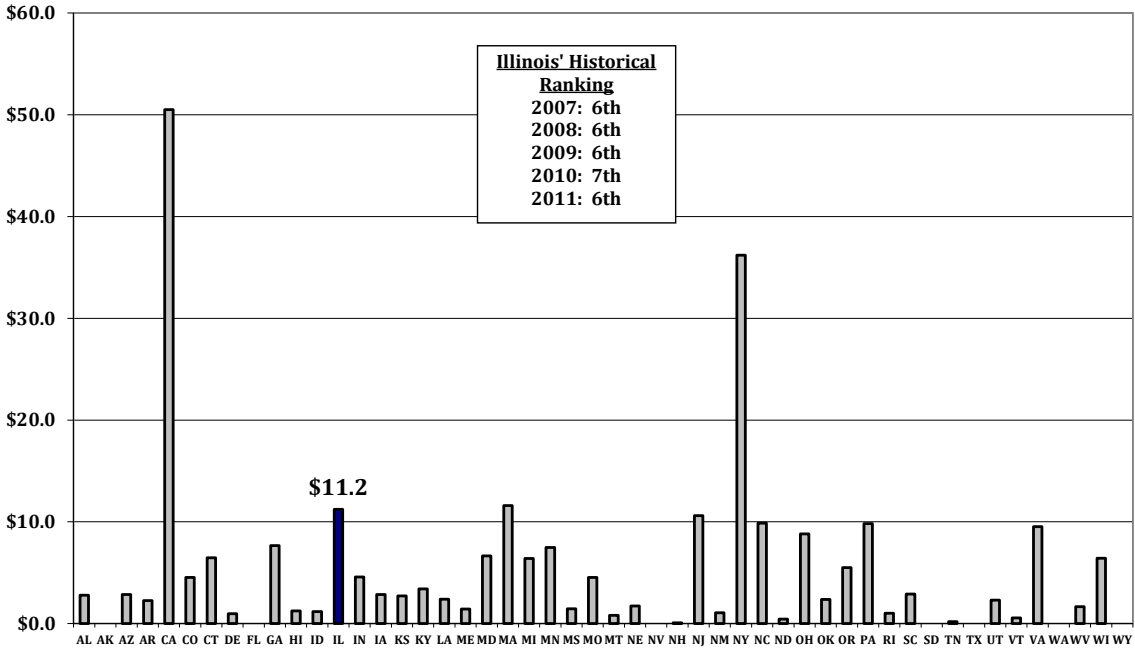
Grey Areas= Midwest Region

Illinois' slight jump in the rankings is because 2011 was the first year that the individual income tax rate increase, which increased the rate from 3% to 5% effective in January 2011, began to impact revenues. Due to the timing of how income tax revenues are received (as it relates to estimated and final payments) only a portion of this impact was seen in these 2011 figures. The full impact of the tax rate increase would be seen in the data in subsequent fiscal years.

If the comparison table used Illinois' FY 2012 individual income tax revenue total of \$17.0 billion, which contains the full impact of the tax increase, Illinois' ranking would rise from 4th to 3rd, trailing only California and New York. On a per-capita basis, Illinois' value would jump from \$872 to \$1,321. This would increase Illinois' rankings from 22nd to 7th. Assuming no major changes in other states, Illinois will likely have the highest per-capita ranking in this category in the Midwest, once the impact of the tax increase is seen in future income tax revenue collection comparisons.

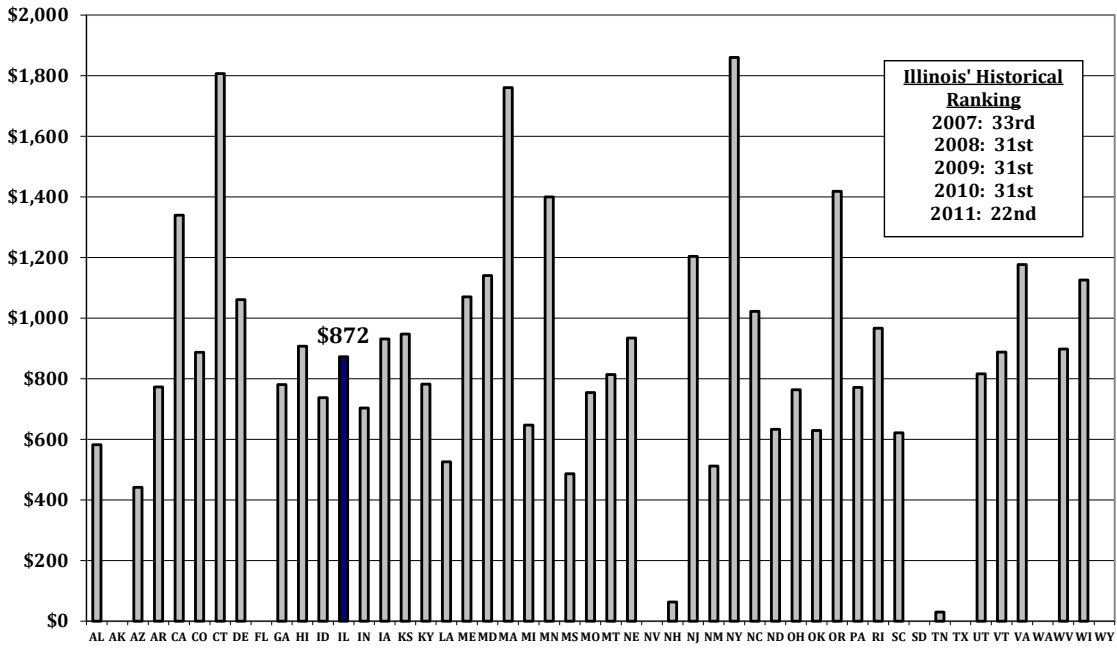
Illinois is one of seven states with a flat income tax (most have graduated rates). Currently, only Massachusetts (5.3%) has a higher flat tax than Illinois. A list of the personal income tax rates for all of the states are shown on Table 3, on page 5.

**CHART 4: State Government Individual Income Tax Revenue in 2011
(National Total = \$259.1 billion)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

**CHART 5: Per-Capita State Government Individual Income Tax Revenue in 2011
(National Per Capita = \$832)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

TABLE 3: STATE INDIVIDUAL INCOME TAX RATES

(Tax rates for tax year 2012 -- as of January 1, 2012)

State	---Tax Rates---		# of Brackets	--Income Brackets--		---Personal Exemption---		
	Low	High		Low	High	Single	Married	Child.
ALABAMA	2.0	- 5.0	3	500	- 3,001	1,500	3,000	500
ALASKA	No State Income Tax							
ARIZONA	2.59	- 4.54	5	10,000	- 150,001	2,100	4,200	2,100
ARKANSAS (a)	1.0	- 7.0	6	3,899	- 32,700	23	46	23
CALIFORNIA (a)	1	- 9.3	6	7,316	- 48,029	102	204	315
COLORADO	4.63		1	---Flat rate---		3,700	7,400	3,700
CONNECTICUT	3.0	- 6.7	6	10,000	- 250,000	13,000	24,000	0
DELAWARE	2.2	- 6.75	6	5,000	- 60,001	110	220	110
FLORIDA	No State Income Tax							
GEORGIA	1.0	- 6.0	6	750	- 7,001	2,700	5,400	3,000
HAWAII	1.4	- 11.0	12	2,400	- 200,001	1,040	2,080	1,040
IDAHO (a)	1.6	- 7.8	8	1,338	- 26,760	3,700	7,400	3,700
ILLINOIS	5.0		1	---Flat rate---		2,000	4,000	2,000
INDIANA	3.4		1	---Flat rate---		1,000	2,000	2,500
IOWA (a)	0.36	- 8.98	9	1,469	- 66,105	40	80	40
KANSAS	3.5	- 6.45	3	15,000	- 30,001	2,250	4,500	2,250
KENTUCKY	2.0	- 6.0	6	3,000	- 75,001	20	40	20
LOUISIANA	2.0	- 6.0	3	12,500	- 50,001	4,500	9,000	1,000
MAINE (a)	2.0	- 8.5	4	5,100	- 20,350	2,850	5,700	2,850
MARYLAND	2.0	- 5.5	7	1,000	- 500,001	3,200	6,400	3,200
MASSACHUSETTS (a)	5.3		1	---Flat rate---		4,400	8,800	1,000
MICHIGAN (a)	4.35		1	---Flat rate---		3,600	7,200	4,200
MINNESOTA (a)	5.35	- 7.85	3	23,670	- 77,731	3,700	7,400	3,700
MISSISSIPPI	3.0	- 5.0	3	5,000	- 10,001	6,000	12,000	1,500
MISSOURI	1.5	- 6.0	10	1,000	- 9,001	2,100	4,200	1,200
MONTANA (a)	1.0	- 6.9	7	2,700	- 16,000	2,190	4,380	2,190
NEBRASKA (a)	2.56	- 6.84	4	2,400	- 27,001	123	246	123
NEVADA	No State Income Tax							
NEW HAMPSHIRE	State Income Tax of 5% on Dividends and Interest Income Only.							
NEW JERSEY	1.4	- 8.97	6	20,000	- 500,000	1,000	2,000	1,500
NEW MEXICO	1.7	- 4.9	4	5,500	- 16,001	3,700	7,400	3,700
NEW YORK	4.0	- 8.82	8	8,000	- 1,000,000	0	0	1,000
NORTH CAROLINA	6.0	- 7.75	3	12,750	- 60,000	1,150	2,300	1,150
NORTH DAKOTA (a)	1351	- 3.99	5	35,350	- 388,350	3,700	7,400	3,700
OHIO (a)	0.587	- 5.925	9	5,100	- 204,200	1,650	3,300	1,650
OKLAHOMA	0.5	- 5.25	7	1,000	- 8,701	1,000	2,000	1,000
OREGON (a)	5.0	- 9.9	4	2,000	- 125,000	183	366	183
PENNSYLVANIA	3.07		1	---Flat rate---			-----None-----	
RHODE ISLAND	3.75	- 5.99	3	57,150	- 129,900	3,650	7,300	3,650
SOUTH CAROLINA (a)	0	- 7	6	2,800	- 14,000	3,700	7,400	3,700
SOUTH DAKOTA	No State Income Tax							
TENNESSEE	State Income Tax of 6% on Dividends and Interest Income Only.							
TEXAS	No State Income Tax							
UTAH	5		1	---Flat rate---				
VERMONT (a)	3.55	- 8.95	5	35,350	- 388,350	3,700	7,400	3,700
VIRGINIA	2	- 5.75	4	3,000	- 17,001	930	1,860	930
WASHINGTON	No State Income Tax							
WEST VIRGINIA	3	- 6.5	5	10,000	- 60,000	2,000	4,000	2,000
WISCONSIN (a)	4.6	- 7.75	5	10,750	- 232,660	700	1,400	700
WYOMING	No State Income Tax							

(a) 17 states have statutory provision for automatically adjusting to the rate of inflation the dollar values of the income tax brackets, standard deductions, and/or personal exemptions. Massachusetts, Michigan, and Nebraska index the personal exemption amounts only.

Source: The Federation of Tax Administrators from various sources.

Category 3: State Government Corporation Net Income Tax Revenue

Illinois collected \$1.9 billion in corporate income tax receipts in 2011, which ranked them 7th in the nation in this category. Again, California had the highest total with \$9.6 billion. On a per-capita basis, Illinois ranked 17th with a per-capita rate of \$144, above the national per-capita rate of \$129. Illinois' per-capita value was the second highest in the Midwest Region, just below Wisconsin's value of \$149.

TABLE 4: State Government Corporate Income Tax Revenue in 2011									
\$ in billions									
	State Govt Corp. Income Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		State Govt Corp. Income Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$40.2	-	\$129	-	United States	\$40.2	-	\$129	-
Alabama	\$0.3	30	\$63	40	Montana	\$0.1	43	\$124	21
Alaska	\$0.7	14	\$997	1	Nebraska	\$0.2	41	\$84	35
Arizona	\$0.6	20	\$86	33	Nevada	No Income Tax			
Arkansas	\$0.4	24	\$128	20	New Hampshire	\$0.6	19	\$442	2
California	\$9.6	1	\$255	5	New Jersey	\$2.2	3	\$251	6
Colorado	\$0.4	23	\$75	37	New Mexico	\$0.2	35	\$110	26
Connecticut	\$0.7	17	\$188	9	New York	\$4.0	2	\$206	8
Delaware	\$0.3	28	\$356	3	North Carolina	\$1.1	8	\$113	25
Florida	\$1.9	6	\$98	30	North Dakota	\$0.2	40	\$235	7
Georgia	\$0.7	18	\$68	39	Ohio	\$0.2	34	\$21	45
Hawaii	\$0.1	45	\$49	42	Oklahoma	\$0.4	25	\$93	31
Idaho	\$0.2	39	\$107	28	Oregon	\$0.5	22	\$121	22
Illinois	\$1.9	7	\$144	17	Pennsylvania	\$2.0	4	\$155	15
Indiana	\$0.7	16	\$110	27	Rhode Island	\$0.1	42	\$141	18
Iowa	\$0.3	31	\$82	36	South Carolina	\$0.2	36	\$46	43
Kansas	\$0.2	33	\$86	34	South Dakota	\$0.0	46	\$18	46
Kentucky	\$0.5	21	\$118	24	Tennessee	\$1.1	9	\$167	12
Louisiana	\$0.2	38	\$43	44	Texas	No Income Tax			
Maine	\$0.2	37	\$157	14	Utah	\$0.2	32	\$88	32
Maryland	\$0.8	13	\$133	19	Vermont	\$0.1	44	\$168	11
Massachusetts	\$1.9	5	\$293	4	Virginia	\$0.8	12	\$99	29
Michigan	\$0.7	15	\$73	38	Washington	No Income Tax			
Minnesota	\$1.0	10	\$188	10	West Virginia	\$0.3	29	\$166	13
Mississippi	\$0.4	26	\$119	23	Wisconsin	\$0.9	11	\$149	16
Missouri	\$0.3	27	\$54	41	Wyoming	No Income Tax			

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

Grey Areas= Midwest Region

Again, the data shown above is before the full impact of the 2011 tax increase, which increased the corporate income tax rate from 4.8% to 7.0%. In FY 2012, under full implementation of the tax increase, nearly \$3.0 billion was collected. This would increase Illinois' ranking from 7th to 3rd in total dollars, trailing California and New York. On a per-capita basis, using FY 2012's figures, Illinois' per-capita value would rise to \$233. This would increase the per-capita ranking from 17th to 8th.

Table 4, on page 8, displays each state's corporate income tax rate. As shown, Illinois is one of thirty-two states with a flat tax. Illinois' rate of 9.5%, which includes the State's new rate of 7.0% and the corporate replacement tax rate of 2.5%, is now among the highest corporate income tax rates imposed throughout the country.

Table 5 displays how each state determines what portion of a company's income is subject to their corporate income tax. Before 2001, Illinois used a three part formula in which a company's in-state sales, the value of a corporation's property, and its payroll in Illinois were weighed in determining how much of that company's income was subject

to the corporate tax. Since 2001, corporate income taxable in Illinois is determined solely on the basis of a company's in-state sales, instead of a three-part formula.

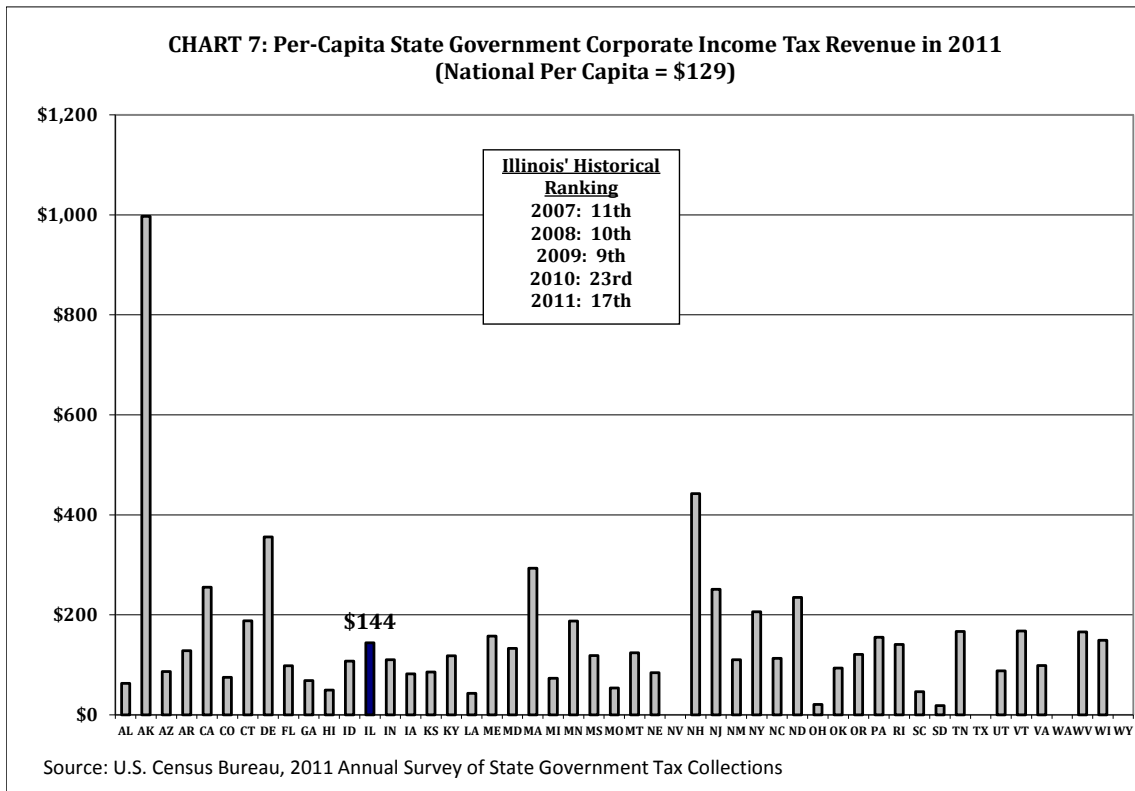
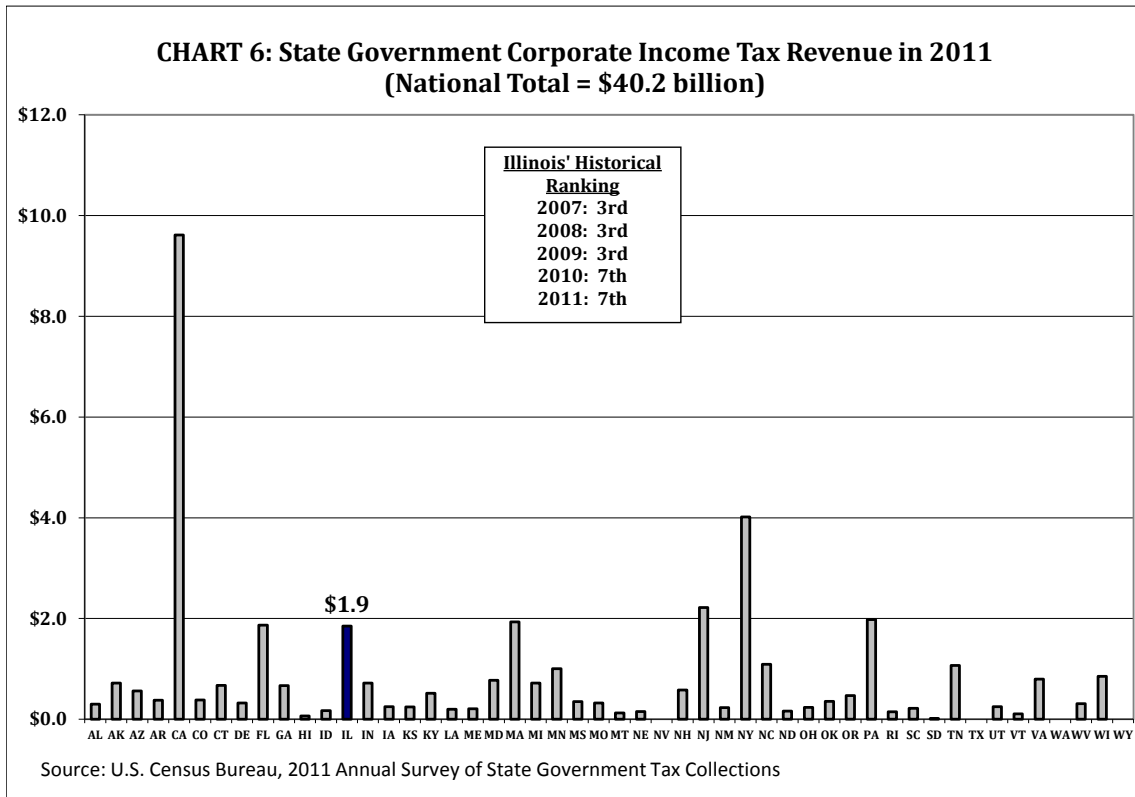


TABLE 5: RANGE OF STATE CORPORATE INCOME TAX RATES

(For tax year 2012 -- as of January 1, 2012)

State	Tax Rates	Tax Brackets	# of Brackets	State	Tax Rates	Tax Brackets	# of Brackets
ALABAMA	6.5	---Flat Rate---	1	MISSOURI	6.25	---Flat Rate---	1
ALASKA	1.0 - 9.4	9,999 90,000	10	MONTANA	6.75	---Flat Rate---	1
ARIZONA	6.968	---Flat Rate---	1	NEBRASKA	5.58 - 7.81	100,000	2
ARKANSAS	1.0 - 6.5	3,000 100,000	6	NEW HAMPSHIRE	8.5	---Flat Rate---	1
CALIFORNIA	8.84	---Flat Rate---	1	NEW JERSEY	9.0	---Flat Rate---	1
COLORADO	4.63	---Flat Rate---	1	NEW MEXICO	4.8 - 7.6	500,000 1 million	3
CONNECTICUT	7.5	---Flat Rate---	1	NEW YORK	7.1	---Flat Rate---	1
DELAWARE	8.7	---Flat Rate---	1	NORTH CAROLINA	6.9	---Flat Rate---	1
FLORIDA	5.5	---Flat Rate---	1	NORTH DAKOTA	1.7 - 5.2	25,000 50,001	3
GEORGIA	6.0	---Flat Rate---	1	OHIO***	5.1 - 8.5	50,000	2
HAWAII	4.4 - 6.4	25,000 100,000	3	OKLAHOMA	6.0	---Flat Rate---	1
IDAHO	7.6	---Flat Rate---	1	OREGON	6.6 - 7.9	250,000	2
ILLINOIS*	9.5	---Flat Rate---	1	PENNSYLVANIA	9.99	---Flat Rate---	1
INDIANA	8.5	---Flat Rate---	1	RHODE ISLAND	9.0	---Flat Rate---	1
IOWA	6.0 - 12.0	25,000 250,001	4	SOUTH CAROLINA	5.0	---Flat Rate---	1
KANSAS	4	---Flat Rate---	1	SOUTH DAKOTA	6.0-0.25	(banks only)	1
KENTUCKY	4.0 - 6.0	50,000 100,001	3	TENNESSEE	6.5	---Flat Rate---	1
LOUISIANA	4.0 - 8.0	25,000 200,001	5	TEXAS	**	---	1
MAINE	3.5 - 8.93	25,000 250,000	4	UTAH	5	---Flat Rate---	1
MARYLAND	8.25	---Flat Rate---	1	VERMONT (b)	6.0 - 8.5	10,000 25,000	3
MASSACHUSETTS	8.0	---Flat Rate---	1	VIRGINIA	6.0	---Flat Rate---	1
MICHIGAN	6.0	---Flat Rate---	1	WEST VIRGINIA	7.5	---Flat Rate---	1
MINNESOTA	9.8	---Flat Rate---	1	WISCONSIN	7.9	---Flat Rate---	1
MISSISSIPPI	3.0 - 5.0	5,000 10,001	3	DIST. OF COLUMBIA	9.975	---Flat Rate---	1

Source: Compiled by the Federation of Tax Administrators (FTA) from various sources

Note: Nevada, Washington, and Wyoming do not have state corporate income taxes.

* Illinois' rate includes a 2.5% personal property replacement tax.

** Texas imposes a Franchise Tax, known as the margin tax.

*** Ohio does not levy a tax based on income, but imposes a Commercial Activity Tax (CAT) equals \$150 for gross receipts between \$150,000 and \$1 million, plus 0.26% of gross receipts over \$1 million.

TABLE 6: STATE APPORTIONMENT OF CORPORATE INCOME

(Formulas for tax year 2012 as of January 1, 2012)

ALABAMA *	Double wtd. sales	MONTANA *	3 Factor
ALASKA *	3 Factor	NEBRASKA	Sales
ARIZONA *	Double wtd. Sales/80% Sales, 10% Property and 10% Payroll	NEVADA	No State Income Tax
ARKANSAS *	Double wtd. sales	NEW HAMPSHIRE	Double wtd. sales
CALIFORNIA *	Sales/Double wtd. sales	NEW JERSEY	70% Sales, 15% Payroll, & 15% Prop. (1)
COLORADO *	Sales	NEW MEXICO *	3 Factor
CONNECTICUT	Double wtd. sales	NEW YORK	Sales
DELAWARE	3 Factor	NORTH CAROLINA *	Double wtd. sales
FLORIDA	Double wtd. sales	NORTH DAKOTA *	3 Factor
GEORGIA	Sales	OHIO	Triple Weighted Sales (3)
HAWAII *	3 Factor	OKLAHOMA	3 Factor
IDAHO *	Double wtd. sales	OREGON	Sales
ILLINOIS *	Sales	PENNSYLVANIA	90% Sales, 5% Property & Payroll
INDIANA	Sales	RHODE ISLAND	3 Factor
IOWA	Sales	SOUTH CAROLINA	Sales
KANSAS *	3 Factor	SOUTH DAKOTA	No State Income Tax
KENTUCKY *	Double wtd. sales	TENNESSEE	Double wtd. sales
LOUISIANA	Sales/3 Factor	TEXAS	Sales
MAINE *	Sales	UTAH	84% Sales, 8% Payroll, & 8% Property (4)
MARYLAND	Sales/Double wtd. sales	VERMONT	Double wtd. sales
MASSACHUSETTS	Sales/Double wtd. sales	VIRGINIA	Double wtd. sales
MICHIGAN	Sales	WASHINGTON	No State Income Tax
MINNESOTA (1)	93% Sales, 3.5% Property & Payroll (1)	WEST VIRGINIA *	Double wtd. sales
MISSISSIPPI	Sales/Other (2)	WISCONSIN *	Sales
MISSOURI *	3 Factor/sales	WYOMING	No State Income Tax

Source: www.taxadmin.org.

Note: The formulas listed are for general manufacturing businesses. Some industries have special formula different than those reported. A slash separating two formula's indicate taxpayer option or specified by state rules.

* State has adopted substantial portions of the Uniform Division of Income for Tax Purposes Act (UDITPA).

(1) Minnesota and New Jersey is phasing in a single sales factor which will reach 100% in 2014.

(2) Mississippi provides different apportionment formulas based on specific type of business. A single sales factor formula is required if no specific business is specified.

(3) Formula for franchise tax shown.

(4) Utah is phasing in a single sales factor which will reach 100% in 2013.

Category 4: State Government General Sales Tax Revenue

General sales tax revenue, under this category, does not include special sales taxes such as those on sale of alcohol, gasoline, or tobacco. In 2011, Illinois ranked 10th in the amount of sales tax revenue collected with a total of \$7.4 billion. California collected the most, generating \$31.0 billion. On a per-capita basis, Illinois ranked 38th in the nation with a value of \$577, which was well below the national average per-capita value of \$753. As shown in Table 7 below, in the Midwest Region, only Missouri (42nd) was ranked lower than Illinois.

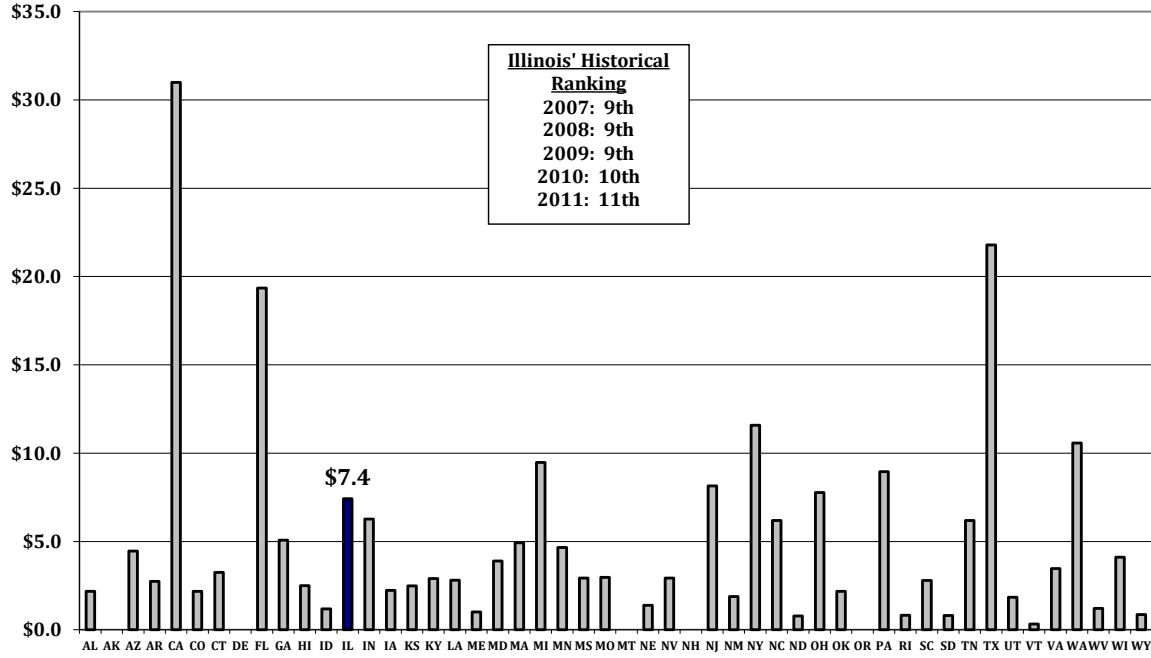
TABLE 7: State Government General Sales Tax Revenue in 2011									
\$ in billions									
	State Govt General Sales Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		State Govt General Sales Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$234.5	-	\$753	-	United States	\$234.5	-	\$753	-
Alabama	\$2.2	33	\$453	43	Montana	No Sales Tax			
Alaska	No Sales Tax				Nebraska	\$1.4	37	\$752	22
Arizona	\$4.5	17	\$688	28	Nevada	\$2.9	24	\$1,076	5
Arkansas	\$2.7	28	\$932	12	New Hampshire	No Sales Tax			
California	\$31.0	1	\$822	19	New Jersey	\$8.1	8	\$923	13
Colorado	\$2.2	34	\$425	45	New Mexico	\$1.9	35	\$903	15
Connecticut	\$3.3	21	\$908	14	New York	\$11.6	4	\$595	37
Delaware	No Sales Tax				North Carolina	\$6.2	13	\$641	34
Florida	\$19.4	3	\$1,016	6	North Dakota	\$0.8	44	\$1,135	4
Georgia	\$5.1	14	\$518	41	Ohio	\$7.8	9	\$673	29
Hawaii	\$2.5	29	\$1,815	1	Oklahoma	\$2.2	32	\$574	39
Idaho	\$1.2	39	\$749	23	Oregon	No Sales Tax			
Illinois	\$7.4	10	\$577	38	Pennsylvania	\$9.0	7	\$702	27
Indiana	\$6.3	11	\$962	10	Rhode Island	\$0.8	42	\$784	20
Iowa	\$2.2	31	\$729	25	South Carolina	\$2.8	27	\$597	36
Kansas	\$2.5	30	\$866	17	South Dakota	\$0.8	43	\$981	8
Kentucky	\$2.9	25	\$663	31	Tennessee	\$6.2	12	\$966	9
Louisiana	\$2.8	26	\$615	35	Texas	\$21.8	2	\$849	18
Maine	\$1.0	40	\$761	21	Utah	\$1.8	36	\$654	32
Maryland	\$3.9	19	\$669	30	Vermont	\$0.3	45	\$520	40
Massachusetts	\$4.9	15	\$747	24	Virginia	\$3.5	20	\$427	44
Michigan	\$9.5	6	\$960	11	Washington	\$10.6	5	\$1,549	2
Minnesota	\$4.7	16	\$871	16	West Virginia	\$1.2	38	\$652	33
Mississippi	\$2.9	23	\$985	7	Wisconsin	\$4.1	18	\$719	26
Missouri	\$3.0	22	\$495	42	Wyoming	\$0.9	41	\$1,519	3

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections Grey Areas= Midwest Region

The last State sales tax rate increase (from 4% to 5%) occurred in 1984. Illinois' sales tax rate is typically shown as 6.25%, in which 5% goes to the State, and the remaining 1.25% goes to local governments. A list of the sales tax rates for all the states is shown on Table 8. Illinois law also authorizes local governments to impose sales taxes, so the sales tax in many communities is often higher than 6.25%.

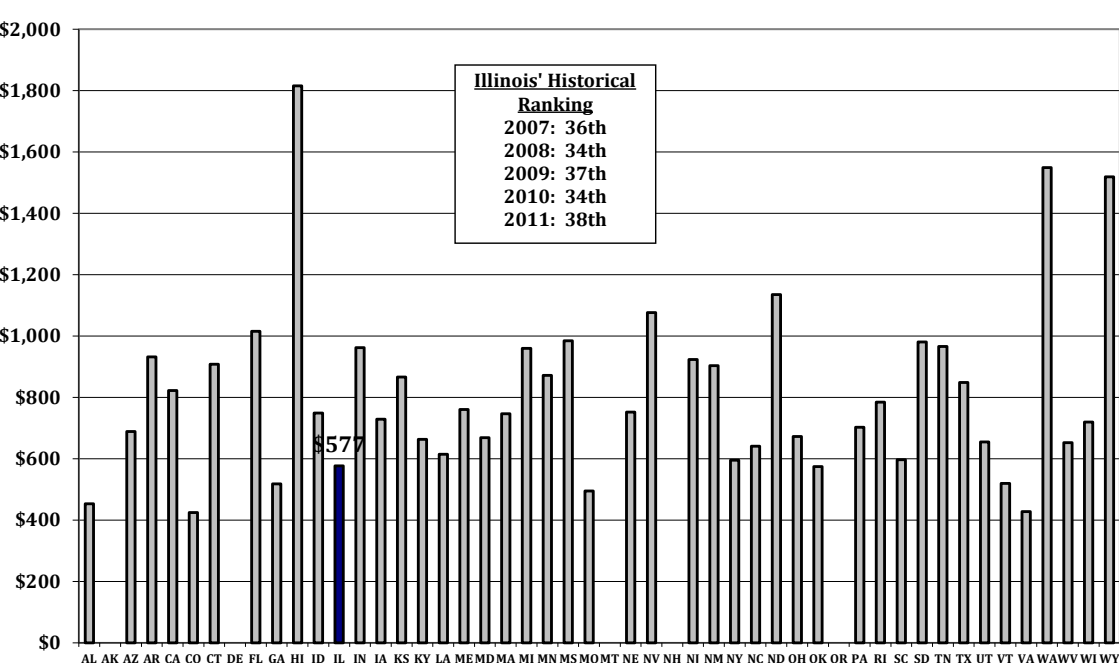
When the combined rate of 6.25% took effect in 1990, a 1% state tax was imposed on food and drugs. As also shown in Chart 8, Illinois is currently the only State to impose a sales tax on prescription drugs.

**CHART 8: State Government General Sales Tax Revenue in 2011
(National Total = \$234.5 billion)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

**CHART 9: Per-Capita State Government General Sales Tax Revenue in 2011
(National Per Capita = \$753)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

TABLE 8: Sales and Use Taxes

(as of January 1, 2012)

	Tax Rate	Food	Prescription Drugs	Non-prescriptions drugs
Alabama	4.00%		Exempt	
Alaska	None			
Arizona	6.60%	Exempt	Exempt	
Arkansas	6.00%	1.50%	Exempt	
California	7.25%	Exempt	Exempt	
Colorado	2.90%	Exempt	Exempt	
Connecticut	6.35%	Exempt	Exempt	
Delaware	None			
District of Columbia	6.00%	Exempt	Exempt	Exempt
Florida	6.00%	Exempt	Exempt	Exempt
Georgia	4.00%	Exempt*	Exempt	
Hawaii	4.00%		Exempt	
Idaho	6.00%		Exempt	
Illinois	6.25%	1.00%	1.00%	1.00%
Indiana	7.00%	Exempt	Exempt	
Iowa	6.00%	Exempt	Exempt	
Kansas	6.30%		Exempt	
Kentucky	6.00%	Exempt	Exempt	
Louisiana	4.00%	Exempt	Exempt	
Maine	5.00%	Exempt	Exempt	
Maryland	6.00%	Exempt	Exempt	Exempt
Massachusetts	6.25%	Exempt	Exempt	
Michigan	6.00%	Exempt	Exempt	
Minnesota	6.875%	Exempt	Exempt	Exempt
Mississippi	7.00%		Exempt	
Missouri	4.225%	1.225%	Exempt	
Montana	None		Exempt	
Nebraska	5.50%	Exempt	Exempt	
Nevada	6.85%	Exempt	Exempt	
New Hampshire	None			
New Jersey	7.00%	Exempt	Exempt	Exempt
New Mexico	5.13%	Exempt	Exempt	
New York	4.00%	Exempt	Exempt	Exempt
North Carolina	4.75%	2%, local	Exempt	
North Dakota	5.00%	Exempt	Exempt	
Ohio	5.50%	Exempt	Exempt	
Oklahoma	4.50%		Exempt	
Oregon	None			
Pennsylvania	6.00%	Exempt	Exempt	Exempt
Rhode Island	7.00%	Exempt	Exempt	
South Carolina	6.00%	Exempt	Exempt	
South Dakota	4.00%		Exempt	
Tennessee	7.00%	5.50%	Exempt	
Texas	6.25%	Exempt	Exempt	Exempt
Utah	5.95%	1.75%	Exempt	
Vermont	6.00%	Exempt	Exempt	Exempt
Virginia	5.00%	2.50%	Exempt	Exempt
Washington	6.50%	Exempt	Exempt	
West Virginia	6.00%	2.00%	Exempt	
Wisconsin	5.00%	Exempt	Exempt	
Wyoming	4.00%	Exempt	Exempt	

Source: Federation of Tax Administrators

Category 5: State Government Tobacco Product Sales Tax Revenue

In the category of State Government Tobacco Product Sales Tax Revenue, which includes cigarette tax revenue, Illinois ranked 9th in total sales in 2011 with a total of \$588 million. New York ranked 1st generating \$1.6 billion. On a per-capita basis, Illinois ranked 32nd with a value of \$46 per capita. New Hampshire is the highest ranked state on a per-capita basis with a value of \$176.

TABLE 9: State Government Tobacco Products Tax Revenue in 2011									
\$ in billions									
	State Govt Tobacco Products Tax Revenue				State Govt Tobacco Products Tax Revenue				
	Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking	Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking	
United States	\$17.3	-	\$55	-	United States	\$17.3	-	\$55	-
Alabama	\$0.1	33	\$28	43	Montana	\$0.1	41	\$86	14
Alaska	\$0.1	43	\$98	9	Nebraska	\$0.0	47	\$23	46
Arizona	\$0.3	17	\$51	30	Nevada	\$0.1	38	\$40	35
Arkansas	\$0.2	23	\$83	15	New Hampshire	\$0.2	24	\$176	1
California	\$0.9	5	\$24	44	New Jersey	\$0.8	7	\$89	11
Colorado	\$0.2	27	\$39	36	New Mexico	\$0.1	44	\$31	41
Connecticut	\$0.4	15	\$112	6	New York	\$1.6	1	\$83	16
Delaware	\$0.1	34	\$142	2	North Carolina	\$0.3	20	\$30	42
Florida	\$0.4	16	\$21	48	North Dakota	\$0.0	49	\$37	37
Georgia	\$0.2	25	\$23	45	Ohio	\$0.9	6	\$74	19
Hawaii	\$0.1	35	\$92	10	Oklahoma	\$0.3	22	\$68	25
Idaho	\$0.0	46	\$31	39	Oregon	\$0.3	21	\$68	26
Illinois	\$0.6	9	\$46	32	Pennsylvania	\$1.1	3	\$88	12
Indiana	\$0.5	12	\$72	22	Rhode Island	\$0.1	32	\$130	3
Iowa	\$0.2	26	\$74	20	South Carolina	\$0.0	50	\$5	50
Kansas	\$0.1	40	\$36	38	South Dakota	\$0.1	45	\$76	18
Kentucky	\$0.3	18	\$69	24	Tennessee	\$0.3	19	\$45	33
Louisiana	\$0.1	31	\$31	40	Texas	\$1.5	2	\$58	28
Maine	\$0.1	30	\$109	7	Utah	\$0.1	36	\$44	34
Maryland	\$0.4	14	\$70	23	Vermont	\$0.1	42	\$116	4
Massachusetts	\$0.6	10	\$88	13	Virginia	\$0.2	28	\$21	47
Michigan	\$1.0	4	\$99	8	Washington	\$0.5	11	\$72	21
Minnesota	\$0.4	13	\$79	17	West Virginia	\$0.1	37	\$60	27
Mississippi	\$0.2	29	\$54	29	Wisconsin	\$0.6	8	\$113	5
Missouri	\$0.1	39	\$18	49	Wyoming	\$0.0	48	\$46	31

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

Grey Areas= Midwest Region

Illinois' per-capita ranking has fluctuated quite a bit over the last decade (ranking as low as 14th in 2004). This is because of the number of states that have chosen the cigarette tax as a source for new revenues over the last several years. The data shown in the accompanying tables and charts are based on Illinois' tax rate of \$0.98 per pack of 20 cigarettes, which was implemented in 2002. However, in June 2012, Illinois joined these other tax-increasing states by raising the tax from \$0.98 to \$1.98 per pack. As seen in Table 9 on page 14, in terms of the cigarette tax rate, this increases Illinois' ranking from the 32nd highest rate to the 16th highest rate in the country.

It will take a couple years before the impact of this cigarette tax increase will be seen in comparative tables such as seen above. The Commission estimates that approximately \$350 million in new tobacco-related tax revenues could be generated by the cigarette tax increase and the other changes imposed by P.A. 97-0688 (which includes a tobacco products tax increase from 18% to 35% of the wholesale price, as well as the taxation of "roll-your-own" cigarettes). Applying this expected revenue to 2011 data, Illinois' total dollar ranking would increase from 9th to 5th, and its per-capita ranking would increase from 33rd to 21st with a new per-capita value of \$73.

It should be noted that home rule units can also impose a tax on cigarettes. Combined with the federal rate of \$1.01 and the State and local rates, the City of Chicago's combined rate of \$6.67 (including Cook County's recent \$1.00 tax increase) is currently the second highest combined tax rate of any city in the country, trailing only New York City (\$6.86/pack).

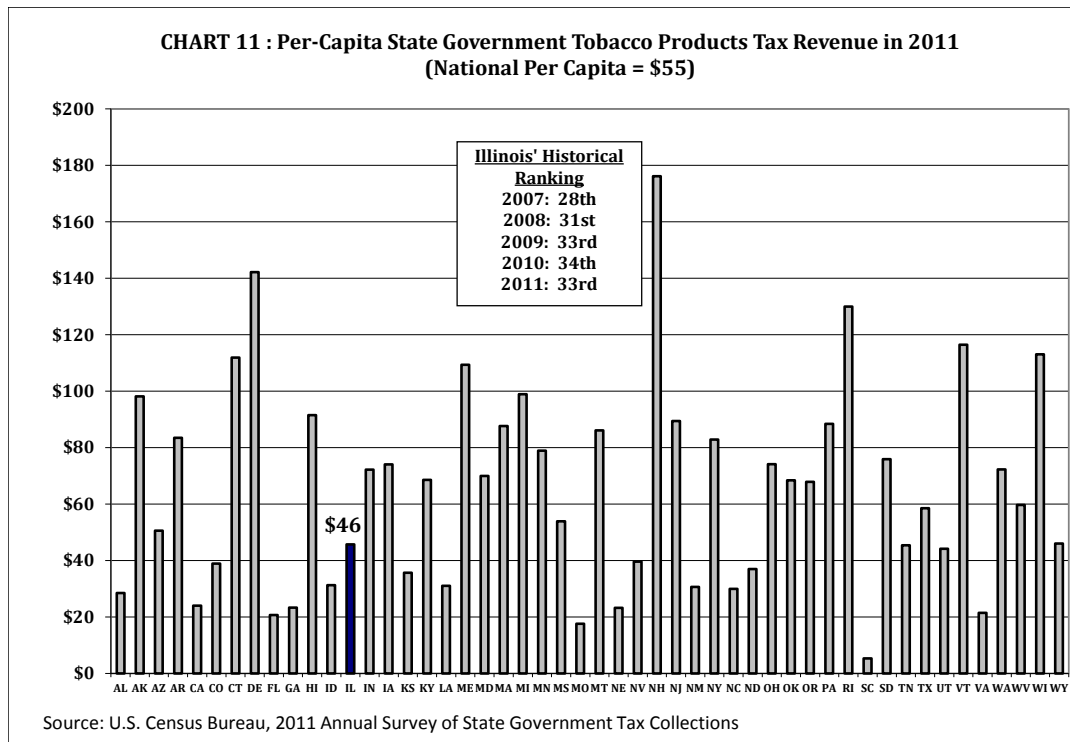
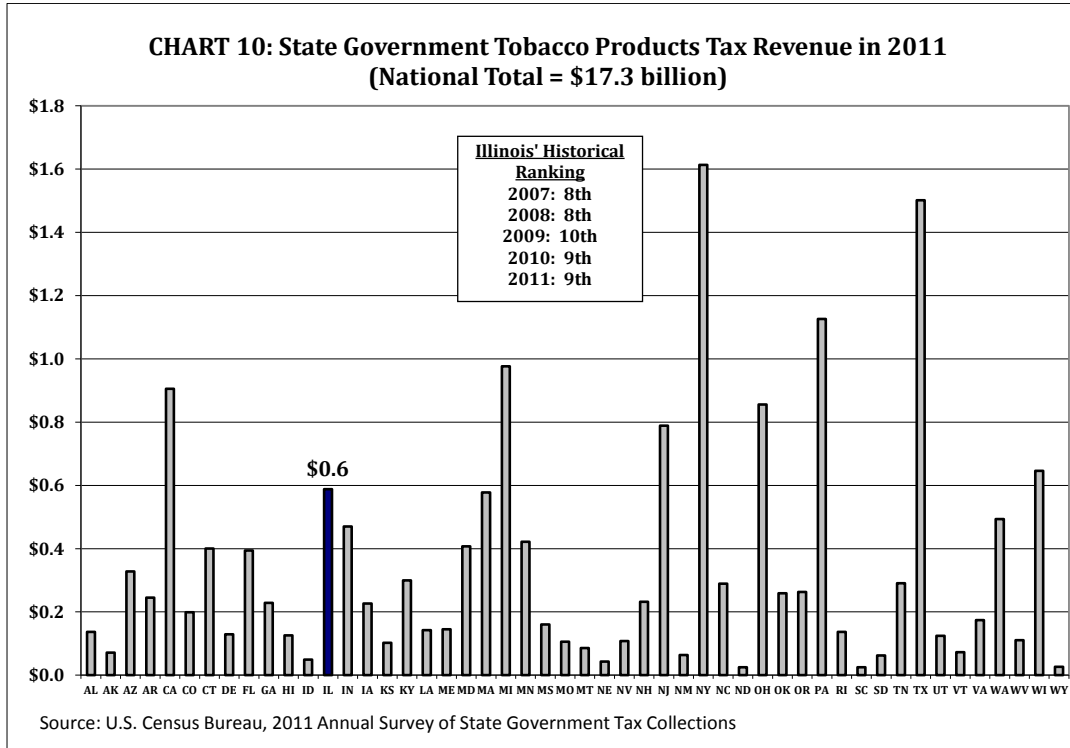


TABLE 10: STATE EXCISE TAX RATES ON CIGARETTES

(January 1, 2012)

STATE	TAX RATE		STATE	TAX RATE	
	(¢ per pack)	RANK		(¢ per pack)	RANK
Alabama (1)	42.5	47	Montana	170	16
Alaska	200	11	Nebraska	64	38
Arizona	200	11	Nevada	80	35
Arkansas	115	29	New Hampshire	168	18
California	87	33	New Jersey	270	6
Colorado	84	34	New Mexico	166	19
Connecticut	340	3	New York (1)	435	1
Delaware	160	20	North Carolina	45	45
Florida (2)	133.9	25	North Dakota	44	46
Georgia	37	48	Ohio	125	26
Hawaii (3)	320	4	Oklahoma	103	30
Idaho	57	42	Oregon	118	28
Illinois (Jan. 2012) (1)	98	32	Pennsylvania	160	20
ILLINOIS (JULY 2012)	198	16	Rhode Island	346	2
Indiana	99.5	31	South Carolina	57	42
Iowa	136	24	South Dakota	153	22
Kansas	79	36	Tennessee (1) (5)	62	39
Kentucky (3)	60	40	Texas	141	23
Louisiana	36	49	Utah	170	16
Maine	200	11	Vermont	262	7
Maryland	200	11	Virginia (1)	30	50
Massachusetts	251	9	Washington	302.5	5
Michigan	200	11	West Virginia	55	44
Minnesota (4)	123	27	Wisconsin	252	8
Mississippi	68	37	Wyoming	60	40
Missouri (1)	17	51	Dist. of Columbia (5)	250	10
			U. S. Median	125	

Source: www.taxadmin.org

(1) Counties and cities may impose an additional tax on a pack of cigarettes in AL, 1¢ to 6¢; MO, 4¢ to 7¢; NYC \$1.50; TN, 1¢; and VA, 2¢ to 15¢. The additional local taxes in Illinois varies across the state. For example, the City of Chicago adds a \$0.68 tax while Cook County adds an additional \$2.00 tax. Other areas such as Evanston, Cicero, and Rosemont also impose a local cigarette tax.

(2) Florida's rate includes a surcharge of \$1 per pack.

(3) Dealers pay an additional enforcement and administrative fee of 0.1-cents per pack in Kentucky and 0.05-cents in Tennessee.

(4) In addition, Minnesota imposes an in lieu cigarette sales tax determined annually by the Department. The current rate is 37-cents through July 31, 2012.

(5) In addition District of Columbia imposes an in lieu cigarette sales tax calculated every March 31. The current rate is 36-cents.

Category 6: State Government Alcoholic Beverage Sales Tax Revenue

In 2011, in the category of State Government Alcoholic Beverage Sales Tax Revenue, Illinois ranked 7th in total sales with a total of \$268 million. Texas ranked 1st generating \$871 million. On a per-capita basis, Illinois ranked 18th in the nation with a value of \$21 per capita. Alaska is the highest ranked state on a per-capita basis with a value of \$49 per capita.

TABLE 11: State Government Alcoholic Beverage Tax Revenue in 2011									
\$ in millions									
	State Govt Alcoholic Beverage Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		State Govt Alcoholic Beverage Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$5,728.4	-	\$18	-	United States	\$5,728.4	-	\$18	-
Alabama	\$167.9	10	\$35	5	Montana	\$24.9	38	\$25	13
Alaska	\$35.7	34	\$49	1	Nebraska	\$27.7	37	\$15	24
Arizona	\$63.4	22	\$10	38	Nevada	\$40.5	32	\$15	26
Arkansas	\$46.8	27	\$16	22	New Hampshire	\$13.1	46	\$10	37
California	\$334.2	3	\$9	41	New Jersey	\$131.4	14	\$15	25
Colorado	\$37.0	33	\$7	43	New Mexico	\$44.8	28	\$22	17
Connecticut	\$48.9	25	\$14	30	New York	\$230.1	8	\$12	33
Delaware	\$16.9	43	\$19	20	North Carolina	\$310.6	5	\$32	9
Florida	\$560.2	2	\$29	10	North Dakota	\$7.8	49	\$11	35
Georgia	\$161.8	11	\$16	21	Ohio	\$94.0	19	\$8	42
Hawaii	\$48.1	26	\$35	4	Oklahoma	\$94.9	18	\$25	12
Idaho	\$7.9	48	\$5	47	Oregon	\$16.3	44	\$4	49
Illinois	\$268.3	7	\$21	18	Pennsylvania	\$307.7	6	\$24	14
Indiana	\$43.5	29	\$7	44	Rhode Island	\$12.3	47	\$12	34
Iowa	\$14.3	45	\$5	48	South Carolina	\$151.4	12	\$32	8
Kansas	\$113.2	17	\$39	3	South Dakota	\$18.7	40	\$23	15
Kentucky	\$113.3	16	\$26	11	Tennessee	\$123.3	15	\$19	19
Louisiana	\$55.9	23	\$12	32	Texas	\$871.1	1	\$34	6
Maine	\$17.5	42	\$13	31	Utah	\$42.4	30	\$15	23
Maryland	\$30.4	36	\$5	46	Vermont	\$21.1	39	\$34	7
Massachusetts	\$73.7	21	\$11	36	Virginia	\$183.2	9	\$23	16
Michigan	\$143.4	13	\$15	28	Washington	\$331.9	4	\$49	2
Minnesota	\$77.9	20	\$15	27	West Virginia	\$17.5	41	\$9	40
Mississippi	\$41.9	31	\$14	29	Wisconsin	\$55.1	24	\$10	39
Missouri	\$33.0	35	\$5	45	Wyoming	\$1.7	50	\$3	50

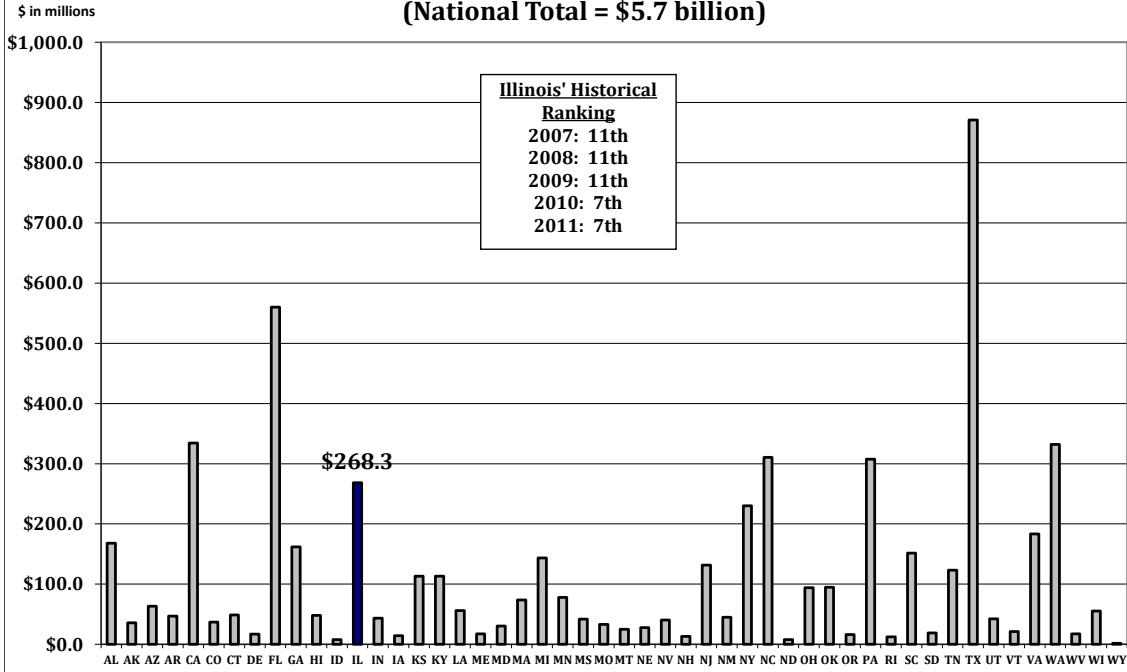
Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections Grey Areas= Midwest Region

In the Midwest region, Illinois collects the highest amount of tax revenue from alcoholic beverages from a total dollars perspective. On a per-capita basis, Illinois is only behind Kentucky in the Midwest, which is ranked 11th in the nation with a per-capita value of \$26.

As shown in the charts on the following page, Illinois' latest rankings have increased since 2009, as the total dollar ranking has risen from 11th to 7th, while the per-capita ranking has risen from 31st to 18th. The reason for this is because in September 2009, the rate and base of Illinois liquor tax was increased to the following amounts (per gallon): \$0.231 on beer and cider (up from \$0.185); \$1.39 on wine (up from \$0.73); and \$8.55 on distilled liquor (up from \$4.50).

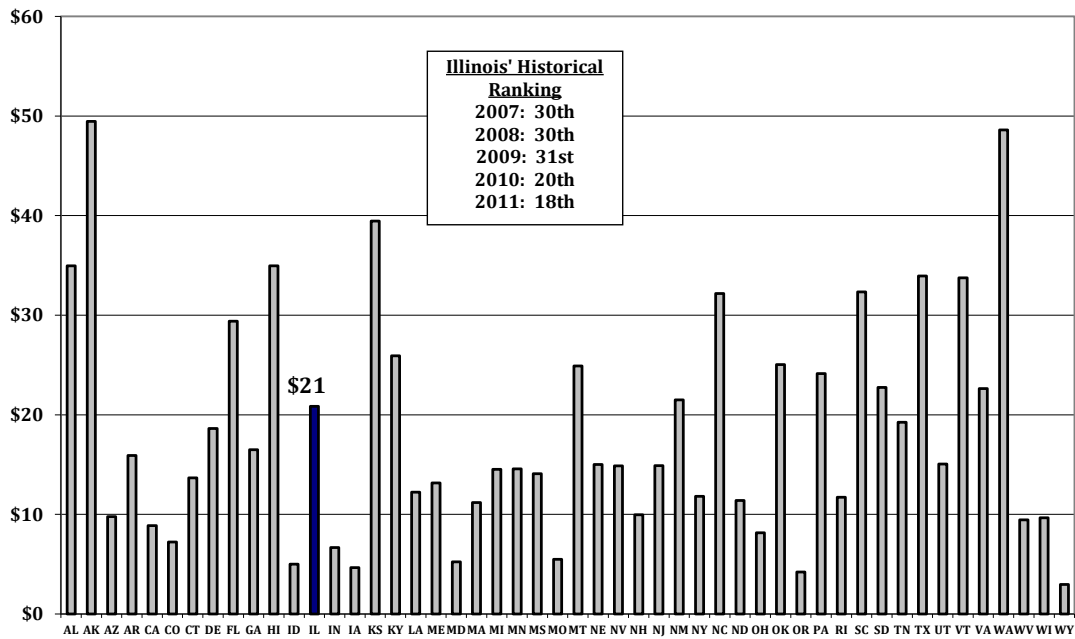
A listing of the various alcoholic beverage tax rates for all of the states is shown on page 17.

**CHART 12: State Government Alcoholic Beverage Tax Revenue in 2011
(National Total = \$5.7 billion)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

**CHART 13 : Per-Capita State Government Alcoholic Beverage Tax Revenue in 2011
(National Per Capita = \$18)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

TABLE 12: State Beer, Table Wine, and Spirits Excise Tax Rates

As of September 1, 2011

(Dollars Per Gallon)

State	Beer Excise Tax Rates		Table Wine Excise Tax Rates		Spirits Excise Tax Rates	
	Tax Rate (a)	Rank	Tax Rate (d)	Rank	Tax Rate (g)	Rank
Alabama (b)(e)(h)	\$1.05	2	\$1.70	4	\$18.61	4
Alaska	\$1.07	1	\$2.50	1	\$12.80	8
Arizona	\$0.16	33	\$0.84	23	\$3.00	40
Arkansas (c)(f)(j)(k)	\$0.31	17	\$1.39	9	\$6.52	18
California	\$0.20	27	\$0.20	44	\$3.30	38
Colorado	\$0.08	46	\$0.32	39	\$2.28	46
Connecticut	\$0.23	24	\$0.72	25	\$5.40	27
Delaware	\$0.16	35	\$0.97	19	\$3.75	34
Florida	\$0.48	8	\$2.25	2	\$6.50	19
Georgia (b)	\$1.01	3	\$1.51	6	\$3.79	33
Hawaii	\$0.93	4	\$1.38	11	\$5.98	23
Idaho (h)	\$0.15	36	\$0.45	36	\$11.28	10
Illinois	\$0.23	25	\$1.39	10	\$8.55	14
Indiana	\$0.12	41	\$0.47	35	\$2.68	41
Iowa (h)	\$0.19	29	\$1.75	3	\$13.18	6
Kansas	\$0.18	30	\$0.30	40	\$2.50	43
Kentucky (i)	\$0.08	45	\$0.50	34	\$6.85	17
Louisiana	\$0.32	16	\$0.11	45	\$2.50	43
Maine (h)	\$0.35	15	\$0.60	29	\$6.15	21
Maryland (c)(f)(k)	\$0.44	9	\$1.40	8	\$4.45	31
Massachusetts	\$0.11	43	\$0.55	31	\$4.05	32
Michigan (h)	\$0.20	26	\$0.51	33	\$13.24	5
Minnesota (c)(f)(j)(k)	\$0.48	7	\$1.21	13	\$8.88	13
Mississippi (d)(h)	\$0.43	10	-	-	\$8.43	15
Missouri	\$0.06	49	\$0.42	37	\$2.00	47
Montana (h)	\$0.14	38	\$1.06	17	\$9.45	12
Nebraska	\$0.31	18	\$0.95	20	\$3.75	34
Nevada	\$0.16	33	\$0.70	27	\$3.60	37
New Hampshire (d)(h)	\$0.30	19	-	-	\$0.00	50
New Jersey	\$0.12	40	\$0.88	22	\$5.50	25
New Mexico	\$0.41	12	\$1.70	4	\$6.06	22
New York	\$0.14	37	\$0.30	40	\$6.44	20
North Carolina (h)	\$0.53	6	\$0.79	24	\$13.03	7
North Dakota (k)	\$0.39	14	\$1.06	16	\$4.66	29
Ohio (h)	\$0.18	31	\$0.32	38	\$10.16	11
Oklahoma	\$0.40	13	\$0.72	25	\$5.56	24
Oregon (h)	\$0.08	44	\$0.67	28	\$23.03	2
Pennsylvania (d)(h)	\$0.08	46	-	-	\$7.57	16
Rhode Island	\$0.11	42	\$0.60	29	\$3.75	34
South Carolina (j)(k)	\$0.77	5	\$1.08	15	\$5.42	26
South Dakota (f)	\$0.27	20	\$1.21	14	\$4.68	28
Tennessee (j)	\$0.14	39	\$1.27	12	\$4.46	30
Texas	\$0.20	28	\$0.20	43	\$2.40	45
Utah (d)(h)	\$0.41	11	-	-	\$11.63	9
Vermont (h)	\$0.27	21	\$0.55	31	\$0.32	49
Virginia (h)	\$0.26	23	\$1.51	6	\$20.91	3
Washington (h)	\$0.26	22	\$0.88	21	\$26.70	1
West Virginia (h)	\$0.18	32	\$1.00	18	\$2.55	42
Wisconsin	\$0.06	48	\$0.25	42	\$3.25	39
Wyoming (d)(h)	\$0.02	50	-	-	\$0.83	48
D.C. (c)(f)(k)	\$0.56	N/A	\$1.63	N/A	\$5.43	N/A

Notes: Rates are those applicable to off-premise sales of 4.7% alcohol by volume (a.b.v.) beer in 12 ounce containers. For table wine, rates are those applicable to off-premise sales of 11% a.b.v non-carbonated wine in 750ml containers. For spirits, rates are those applicable to off-premise sales of 40% a.b.v. distilled spirits in 750ml containers.

(a) For beer, local excise taxes excluded.

(b) For beer, includes statewide local rate in Alabama (\$0.52) and Georgia (\$0.53).

(c) For beer, includes sales taxes specific to alcoholic beverages.

(d) For table wine, control states, where the government controls all sales. Products can be subject to ad valorem mark-up and excise taxes.

(e) For table wine, includes \$0.26 statewide local rate in Alabama.

(f) For table wine, includes sales taxes specific to alcoholic beverages

(g) For spirits, local excise taxes excluded.

(h) For spirits, states where the government controls sales. In these "control states," products are subject to ad valorem mark-up and excise taxes. The excise tax rate is calculated using a methodology developed by the Distilled Spirits Council of the United States.

(i) For spirits, includes the wholesale tax rate of 11%, converted to a gallonage excise tax rate.

(j) For spirits, includes case fees and/or bottle fees which may vary with the size of the container.

(k) For spirits, includes sales taxes specific to alcoholic beverages.

Source: taxfoundation.org

Category 7: State Government Motor Fuel Tax Revenue

In 2011, Illinois ranked 8th in the nation in the amount of motor fuel tax revenue collected. Only Ohio collected more in the Midwest Region. On a per-capita basis, Illinois ranked 43rd in the nation with a per-capita rate of \$102, which was lower than the national per-capita rate of \$128. Only Michigan (45th) had a lower ranking than Illinois on a per-capita basis in the Midwest Region.

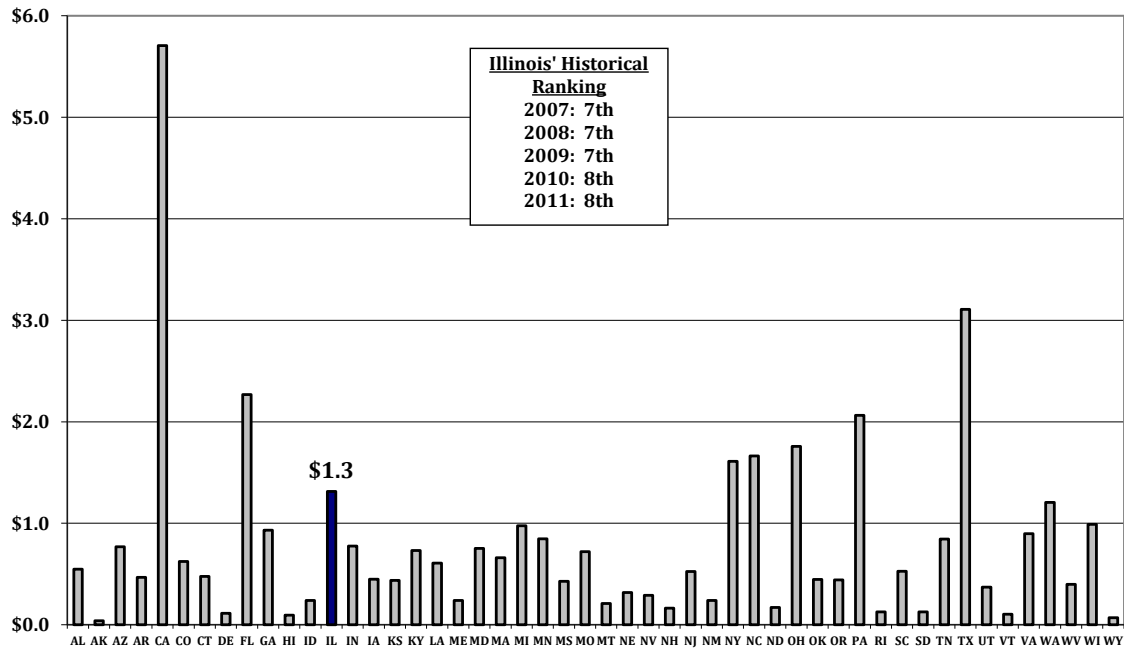
TABLE 13: State Government Motor Fuel Tax Revenue in 2011									
§ in billions									
	State Govt Motor Fuel Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		State Govt Motor Fuel Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$39.9	-	\$128	-	United States	\$39.9	-	\$128	-
Alabama	\$0.5	24	\$114	38	Montana	\$0.2	41	\$210	3
Alaska	\$0.0	50	\$55	50	Nebraska	\$0.3	36	\$173	7
Arizona	\$0.8	17	\$119	35	Nevada	\$0.3	37	\$107	42
Arkansas	\$0.5	28	\$159	12	New Hampshire	\$0.2	43	\$123	28
California	\$5.7	1	\$151	17	New Jersey	\$0.5	26	\$59	49
Colorado	\$0.6	22	\$122	29	New Mexico	\$0.2	38	\$115	37
Connecticut	\$0.5	27	\$133	21	New York	\$1.6	7	\$83	47
Delaware	\$0.1	46	\$125	26	North Carolina	\$1.7	6	\$172	8
Florida	\$2.3	3	\$119	33	North Dakota	\$0.2	42	\$250	1
Georgia	\$0.9	12	\$95	46	Ohio	\$1.8	5	\$152	15
Hawaii	\$0.1	48	\$69	48	Oklahoma	\$0.4	30	\$118	36
Idaho	\$0.2	40	\$151	18	Oregon	\$0.4	31	\$114	39
Illinois	\$1.3	8	\$102	43	Pennsylvania	\$2.1	4	\$162	11
Indiana	\$0.8	16	\$119	34	Rhode Island	\$0.1	45	\$120	31
Iowa	\$0.4	29	\$146	19	South Carolina	\$0.5	25	\$113	40
Kansas	\$0.4	32	\$152	16	South Dakota	\$0.1	44	\$155	14
Kentucky	\$0.7	19	\$168	9	Tennessee	\$0.8	15	\$132	23
Louisiana	\$0.6	23	\$133	22	Texas	\$3.1	2	\$121	30
Maine	\$0.2	39	\$180	4	Utah	\$0.4	35	\$131	24
Maryland	\$0.8	18	\$129	25	Vermont	\$0.1	47	\$167	10
Massachusetts	\$0.7	21	\$100	44	Virginia	\$0.9	13	\$111	41
Michigan	\$1.0	11	\$99	45	Washington	\$1.2	9	\$177	5
Minnesota	\$0.8	14	\$159	13	West Virginia	\$0.4	34	\$214	2
Mississippi	\$0.4	33	\$144	20	Wisconsin	\$1.0	10	\$173	6
Missouri	\$0.7	20	\$120	32	Wyoming	\$0.1	49	\$124	27

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections Grey Areas= Midwest Region

As shown on page 20, as of January 1, 2012, Illinois had the 33rd highest tax rate on gasohol at 20.1 cents per gallon (which includes 1.1 cents in environmental fees). California had the highest gasoline tax at 41.2 cents-per-gallon. Alaska had the lowest rate at 8.0 cents-per-gallon.

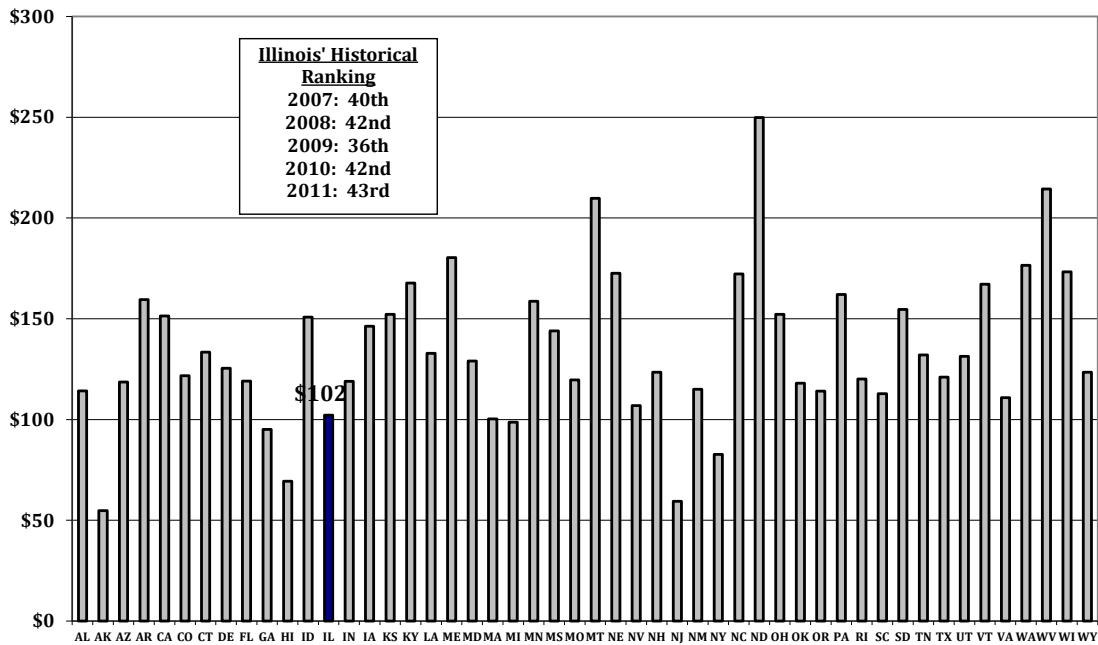
It must be noted that Illinois is among 9 states that collect general sales taxes on motor fuel as well (including Indiana and Michigan in the Midwest). These revenues would be included in the sales tax figures and not in the tables and graphs shown in this section. At a retail price of \$4.00 per gallon, it is estimated that the State sales tax portion is equal to approximately \$0.16 per gallon. If this tax is included, Illinois would go from being one of the lower taxing states, in terms of motor fuel-related taxes, to one of the higher taxing states. In fact, the American Petroleum Institute in July 2012 released information showing that when combining local, state, and federal taxes on motor fuel, Illinois had a combined tax of \$0.581, which was the 5th highest combined rate in the country. Only California (\$0.677), New York (\$0.677), Hawaii (\$0.667), and Connecticut (\$0.634) had higher values than Illinois.

**CHART 14: State Government Motor Fuel Tax Revenue in 2011
(National Total = \$39.9 billion)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

**CHART 15 : Per-Capita State Motor Fuel Tax Revenue in 2011
(National Per Capita = \$128)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

TABLE 14: Motor Fuel Excise Tax Rates
as of January 1, 2012

State	---Gasoline---			---Diesel Fuel---			---Gasohol---			Notes
	Excise Tax	Add'l Tax	Total Tax	Excise Tax	Add'l Tax	Total Tax	Excise Tax	Add'l Tax	Total Tax	
Alabama /1	16.0	2.0	18.0	19.0		19.0	16.0	2.0	18.0	Inspection fee
Alaska	8.0		8.0	8.0		8.0	8.0		8.0	
Arizona	18.0	1.0	19.0	26	1	27.0	18.0	1	19.0	/9 LUST Tax
Arkansas	21.5	0.3	21.8	22.5	0.3	22.8	21.5	0.3	21.8	Environmental fee
California	35.7	5.5	41.2	13	25	38.0	35.7	5.5	41.2	Includes prepaid sales tax /8
Colorado	22.0		22.0	20.5		20.5	22.0		22.0	
Connecticut	25.0		25.0	46.2		46.2	25.0		25.0	
Delaware	23.0		23.0	22.0		22.0	23.0		23.0	Plus 0.9% GRT
Florida /2	4.0	12.6	16.6	17.9	12.6	30.5	4.0	12.6	16.6	Sales tax added to excise /2
Georgia	7.5	12.9	20.4	7.5	14.3	21.8	7.5	12.9	20.4	Sales tax added to excise
Hawaii /1	17.0		17.0	17.0		17.0	17.0		17.0	Sales tax additional
Idaho	25.0	1.0	26.0	25.0	1.0	26.0	25.0	1.0	26.0	Clean water tax /7
Illinois /1	19.0	1.1	20.1	21.5	1.1	22.6	19.0	1.1	20.1	Sales tax add., env. & LUST fee /3
Indiana	18.0		18.0	16.0		16.0	18.0		18.0	Sales tax additional /3
Iowa	21.0	1	22.0	22.5	1	23.5	19.0	1	20.0	Environmental fee
Kansas	24.0		24.0	26.0		26.0	24.0		24.0	
Kentucky	26.4	1.4	27.8	23.4	1.4	24.8	26.4	1.4	27.8	Environmental fee /4 /3
Louisiana	20.0	0.125	20.1	20.0	0.125	20.1	20.0	0.125	20.1	Inspection fee
Maine	30		30.0	31.2		31.2	30		30.0	/5
Maryland	23.5		23.5	24.25		24.3	23.5		23.5	
Massachusetts	21.0		21.0	21.0		21.0	21.0		21.0	
Michigan	19.0		19.0	15.0		15.0	19.0		19.0	Sales tax additional
Minnesota	28	0.1	28.1	28	0.1	28.1	28	0.1	28.1	Inspect fee /5
Mississippi	18.0	0.4	18.4	18.0	0.4	18.4	18.0	0.4	18.4	Environmental fee
Missouri	17.0	0.3	17.30	17.0	0.3	17.30	17.0	0.3	17.30	Inspection fee
Montana	27.0		27.0	27.75		27.8	27.0		27.0	
Nebraska	26.7	0.9	27.6	26.7	0.3	27.0	26.7	0.9	27.6	Petroleum fee /5
Nevada /1	23	0.805	23.805	27.0	0.75	27.750	23	0.805	23.805	Inspection & cleanup fee
New Hampshire	18.0	1.625	19.625	18.0	1.625	19.625	18.0	1.625	19.625	Oil discharge cleanup fee
New Jersey	10.5	4.0	14.5	13.5	4.0	17.5	10.5	4.0	14.5	Petroleum fee
New Mexico	17.0	1.875	18.875	21.0	1.875	22.875	17.0	1.875	18.875	Petroleum loading fee
New York	8.0	17.8	25.8	8.0	16.05	24.050	8.0	17.8	25.8	Petroleum Tax, Sales tax additional
North Carolina	38.9	0.25	39.15	38.9	0.25	39.15	38.9	0.25	39.15	/4 Inspection tax
North Dakota	23.0		23.0	23.0		23.0	23.0		23.0	
Ohio	28.0		28.0	28.0		28.0	28.0		28.0	Plus 3 cents commerical
Oklahoma	16.0	1.0	17.0	13.0	1.0	14.0	16.0	1.0	17.0	Environmental fee
Oregon /1	30		30.0	30		30.0	30		30.0	
Pennsylvania	12.0	19.2	31.2	12.0	26.1	38.1	12.0	19.2	31.2	Oil franchise tax
Rhode Island	32	1	33.0	32	1	33.0	32	1	33.0	LUST tax
South Carolina	16.0	0.75	16.8	16.0	0.75	16.8	16.0	0.75	16.8	Inspection fee & LUST tax
South Dakota /1	22.0	2	24.0	22.0	2	24.0	20	2	22.0	Inspection fee
Tennessee /1	20.0	1.4	21.4	17.0	1.4	18.4	20.0	1.4	21.4	Petroleum Tax & Envir. Fee
Texas	20.0		20.0	20.0		20.0	20.0		20.0	
Utah	24.5		24.5	24.5		24.5	24.5		24.5	
Vermont	19.0	7.13	26.1	25.0	4	29.0	19.0	7.13	26.1	Cleanup fee & Trans. Fee
Virginia /1	17.5		17.5	17.5		17.5	17.5		17.5	/6
Washington /8	37.5		37.5	37.5		37.5	37.5		37.5	0.5% privilege tax
West Virginia	20.5	12.9	33.4	20.5	12.9	33.4	20.5	12.9	33.4	Sales tax added to excise
Wisconsin	30.9	2.0	32.9	30.9	2.0	32.9	30.9	2.0	32.9	Petroleum Insp. Fee
Wyoming	13.0	1	14.0	13.0	1	14.0	13.0	1	14.0	License tax
Dist. of Columbia	23.5		23.5	23.5		23.5	23.5		23.5	
Federal	18.3	0.1	18.4	24.3	0.1	24.4	13.0	0.1	13.1	/7 LUST tax

SOURCE: www.taxadmin.org

/1 Tax rates do not include local option taxes. In AL, 1 - 3 cents; HI, 8.8 to 18.0 cent; IL, 5 cents in Chicago & 6 cents in Cook County (gasoline only); NV, 4.0 to 9.0 cents; OR, 1 to 3 cents; SD and TN, one cent; and VA 2%.

/2 Local taxes for gasoline and gasohol vary from 10.8 cents to 18.9 cents. Plus a 1.9 cent per gallon pollution tax.

/3 Carriers pay an additional surcharge equal to IL-21.0 cents (g) 19.5 cents (d), IN-11 cents, KY-2% (g) 4.7% (d).

/4 Tax rate is based on the average wholesale price and is adjusted quarterly. The actual rates are: KY, 9%; and NC, 17.5¢ + 7%.

/5 Portion of the rate is adjustable based on maintenance costs, sales volume, cost of fuel to state government, or inflation.

/6 Large trucks pay an additional 3.5 cents.

/7 Tax rate is reduced by the percentage of ethanol used in blending (reported rate assumes the max. 10% ethanol).

/8 California Gasoline subject to 2.25% sales tax. Diesel subject to a 9% sales tax.

/9 Diesel rate specified is the fuel use tax rate on large trucks. Small vehicles are subject to 18 cent tax rate.

Category 8: State Government Motor Vehicle and Operators' License Tax Revenue

In 2011, Illinois collected the 3rd highest amount of tax revenue from motor vehicle and operators' licenses. Illinois' total amount of \$1.6 billion trailed only California (\$3.1 billion) and Texas (\$1.6 billion) in this category. Illinois had the 6th highest per-capita ranking in this category, collecting \$125 per capita, which was well above the national per-capita value of \$70. Only Iowa (ranked 2nd) had a higher ranking than Illinois in the Midwest Region. The highest ranked state was Oklahoma at \$168 per capita.

TABLE 15: State Government Motor Vehicle and Operators' License Tax Revenue in 2011									
\$ in billions									
	State Govt Vehicle and License Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		State Govt Vehicle and License Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$21.8	-	\$70	-	United States	\$21.8	-	\$70	-
Alabama	\$0.2	27	\$42	44	Montana	\$0.1	33	\$137	4
Alaska	\$0.1	47	\$81	15	Nebraska	\$0.1	43	\$48	40
Arizona	\$0.2	26	\$31	46	Nevada	\$0.2	31	\$56	34
Arkansas	\$0.1	32	\$49	39	New Hampshire	\$0.1	38	\$96	10
California	\$3.1	1	\$82	14	New Jersey	\$0.6	10	\$67	22
Colorado	\$0.4	19	\$82	13	New Mexico	\$0.1	37	\$61	30
Connecticut	\$0.2	28	\$55	36	New York	\$1.3	4	\$65	27
Delaware	\$0.1	49	\$55	35	North Carolina	\$0.6	13	\$59	31
Florida	\$1.3	5	\$66	24	North Dakota	\$0.1	42	\$135	5
Georgia	\$0.3	22	\$30	47	Ohio	\$0.9	7	\$75	19
Hawaii	\$0.1	40	\$76	17	Oklahoma	\$0.6	9	\$168	1
Idaho	\$0.1	34	\$85	12	Oregon	\$0.6	12	\$150	3
Illinois	\$1.6	3	\$125	6	Pennsylvania	\$0.8	8	\$65	26
Indiana	\$0.3	21	\$51	38	Rhode Island	\$0.1	46	\$56	33
Iowa	\$0.5	14	\$164	2	South Carolina	\$0.1	35	\$29	48
Kansas	\$0.2	29	\$66	25	South Dakota	\$0.1	48	\$63	28
Kentucky	\$0.2	25	\$47	41	Tennessee	\$0.3	24	\$41	45
Louisiana	\$0.1	39	\$23	49	Texas	\$1.6	2	\$63	29
Maine	\$0.1	41	\$74	20	Utah	\$0.2	30	\$66	23
Maryland	\$0.4	17	\$76	18	Vermont	\$0.1	45	\$102	9
Massachusetts	\$0.4	20	\$57	32	Virginia	\$0.4	18	\$54	37
Michigan	\$0.9	6	\$90	11	Washington	\$0.5	15	\$69	21
Minnesota	\$0.6	11	\$109	8	West Virginia	\$0.0	50	\$2	50
Mississippi	\$0.1	36	\$44	43	Wisconsin	\$0.5	16	\$80	16
Missouri	\$0.3	23	\$44	42	Wyoming	\$0.1	44	\$121	7

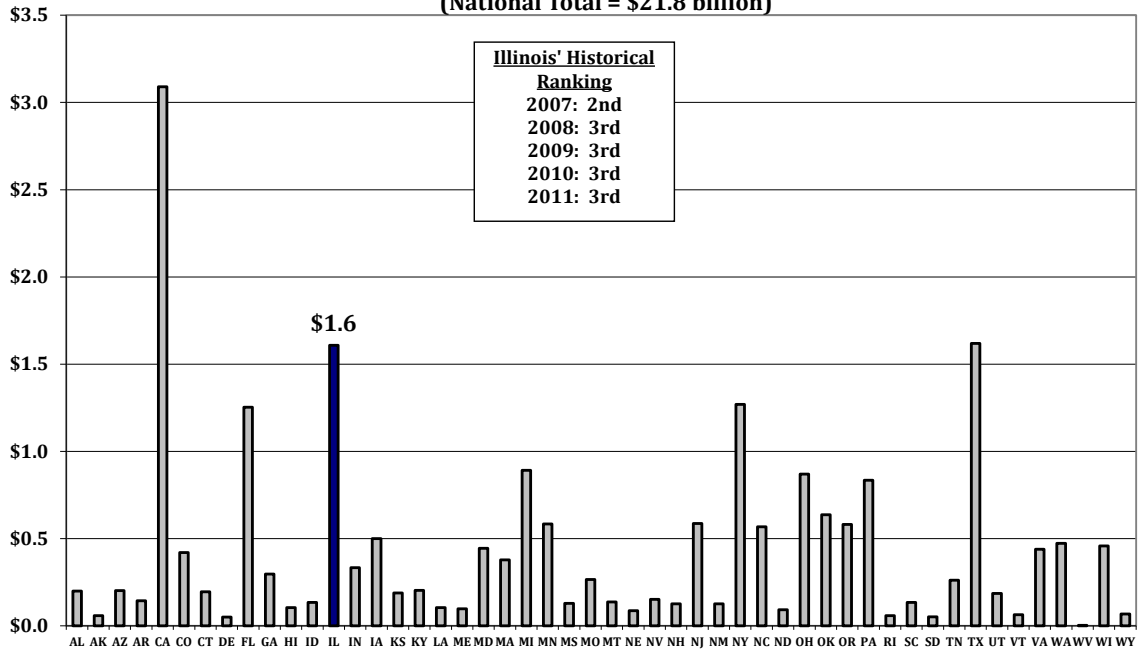
Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections Grey Areas= Midwest Region

The state imposes a wide variety of fees on operators of motor vehicles in Illinois. These fees are administered by the Secretary of State. In 2009, the annual registration fee for passenger cars, motorcycles, and smaller commercial vehicles rose from \$78 to \$79. Also in that year, the fees for a driver's license and vehicle registrations were each raised by \$20. Illinois' vehicle registration fee for a passenger car is now \$99.

According to the Illinois Tax Handbook for Legislators, the original driver's license fee was \$1. In 1983, the fee for a 4-year license was \$10. On July 1, 2009, this fee was raised to \$30.

CHART 16: State Government Motor Vehicle and Operators' License Tax Revenue in 2011

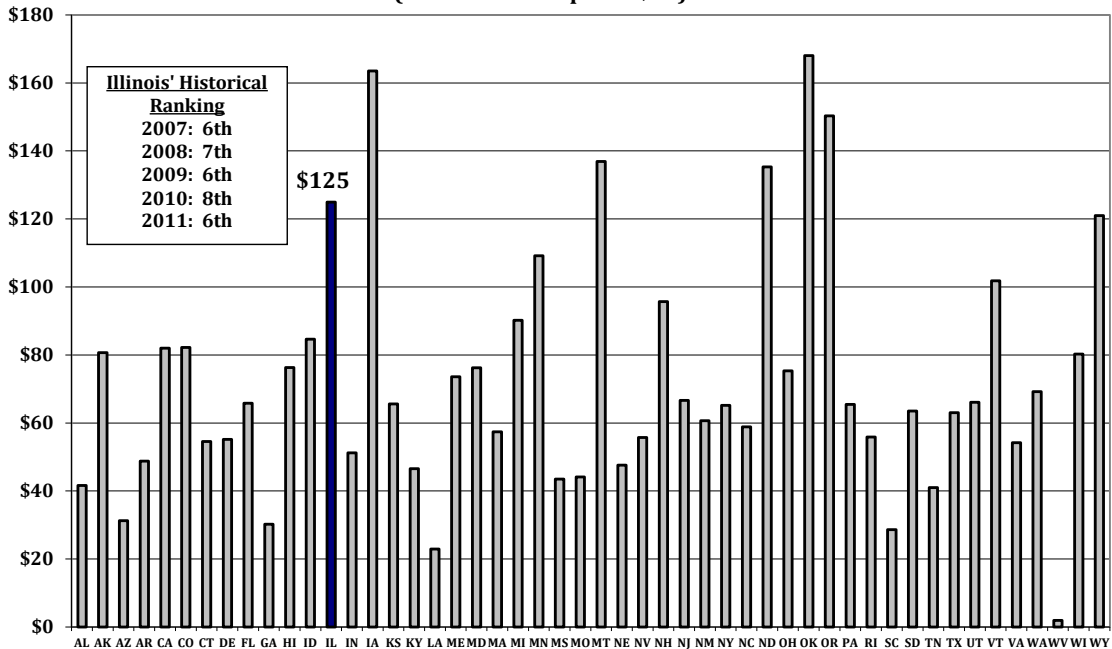
(National Total = \$21.8 billion)



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

CHART 17 : Per-Capita State Government Motor Vehicle and Operators' License Tax Revenue in 2011

(National Per Capita = \$70)



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

Category 9: State Government Insurance Premium Tax Revenue

In 2011, Illinois ranked 17th in the nation in the amount of insurance tax revenue collected. Only Ohio collected more in the Midwest Region. On a per-capita basis, Illinois ranked 49th in the nation with a value of \$26, well below the national average of \$53. Only the State of Oregon had a lower per-capita rate than Illinois. Louisiana had the highest per-capita rate of \$117.

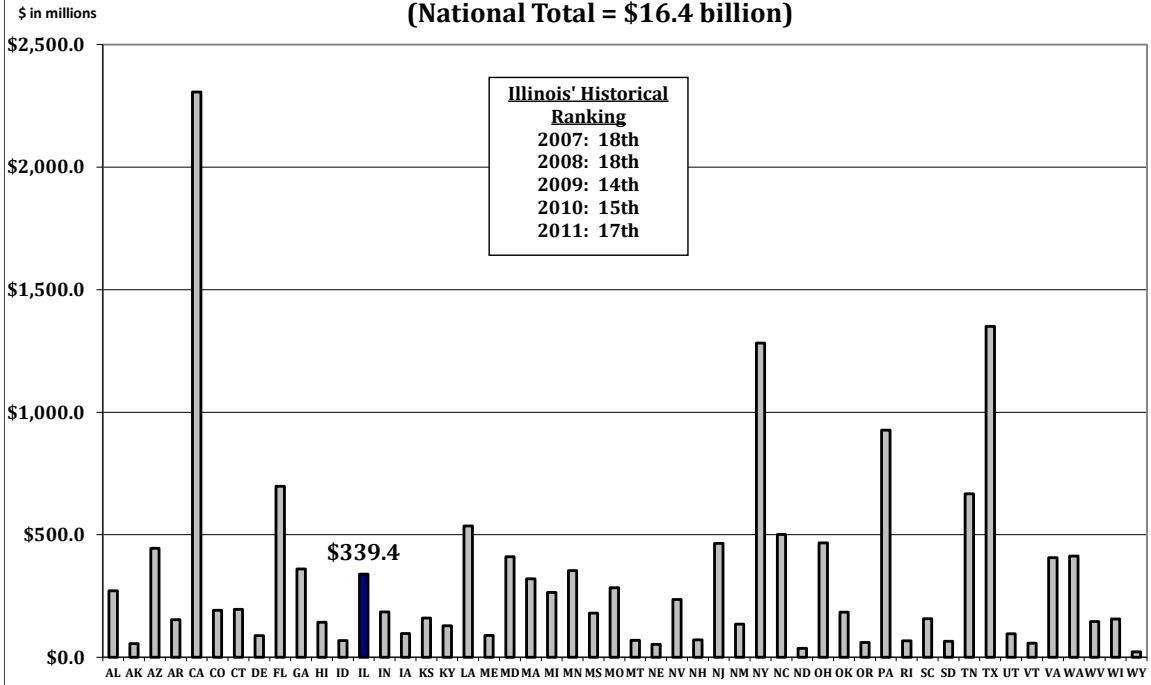
TABLE 16: State Government Insurance Premium Tax Revenue in 2011									
\$ in millions									
	State Govt Insurance Premium Tax Revenue					State Govt Insurance Premium Tax Revenue			
	Total Dollars	Amount Per Capita	Per Capita Ranking		Total Dollars	Amount Per Capita	Per Capita Ranking		
United States	\$16,420.7	-	\$53	-	United States	\$16,420.7	-	\$53	-
Alabama	\$271.8	20	\$57	22	Montana	\$69.5	41	\$70	12
Alaska	\$55.7	47	\$77	9	Nebraska	\$52.6	48	\$29	45
Arizona	\$444.4	11	\$69	13	Nevada	\$235.8	22	\$87	6
Arkansas	\$153.8	31	\$52	29	New Hampshire	\$71.5	40	\$54	25
California	\$2,307.0	1	\$61	19	New Jersey	\$465.1	10	\$53	27
Colorado	\$191.5	24	\$37	38	New Mexico	\$135.0	34	\$65	17
Connecticut	\$196.0	23	\$55	24	New York	\$1,282.1	3	\$66	16
Delaware	\$88.0	39	\$97	4	North Carolina	\$501.1	8	\$52	30
Florida	\$698.1	5	\$37	40	North Dakota	\$36.7	49	\$54	26
Georgia	\$360.7	15	\$37	39	Ohio	\$467.3	9	\$40	36
Hawaii	\$143.5	33	\$104	2	Oklahoma	\$183.8	26	\$48	33
Idaho	\$68.8	42	\$43	35	Oregon	\$60.3	45	\$16	50
Illinois	\$339.4	17	\$26	49	Pennsylvania	\$926.8	4	\$73	10
Indiana	\$185.4	25	\$28	46	Rhode Island	\$67.5	43	\$64	18
Iowa	\$97.1	36	\$32	43	South Carolina	\$157.6	29	\$34	42
Kansas	\$159.8	28	\$56	23	South Dakota	\$65.2	44	\$79	7
Kentucky	\$128.7	35	\$29	44	Tennessee	\$666.9	6	\$104	3
Louisiana	\$535.6	7	\$117	1	Texas	\$1,350.5	2	\$53	28
Maine	\$89.5	38	\$67	14	Utah	\$96.3	37	\$34	41
Maryland	\$410.3	13	\$70	11	Vermont	\$57.6	46	\$92	5
Massachusetts	\$319.8	18	\$49	32	Virginia	\$406.1	14	\$50	31
Michigan	\$264.8	21	\$27	48	Washington	\$413.1	12	\$60	21
Minnesota	\$354.3	16	\$66	15	West Virginia	\$146.1	32	\$79	8
Mississippi	\$180.3	27	\$61	20	Wisconsin	\$156.5	30	\$27	47
Missouri	\$283.6	19	\$47	34	Wyoming	\$21.9	50	\$38	37

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections Grey Areas= Midwest Region

Illinois imposes a number of taxes and fees on insurance companies, including a privilege tax on foreign companies, fire-marshall taxes, and a surplus line produce tax on nonstandard policies. The rate and base of the insurance taxes and fees in Illinois, as provided in the *Illinois Tax Handbook for Legislators*, are as follows:

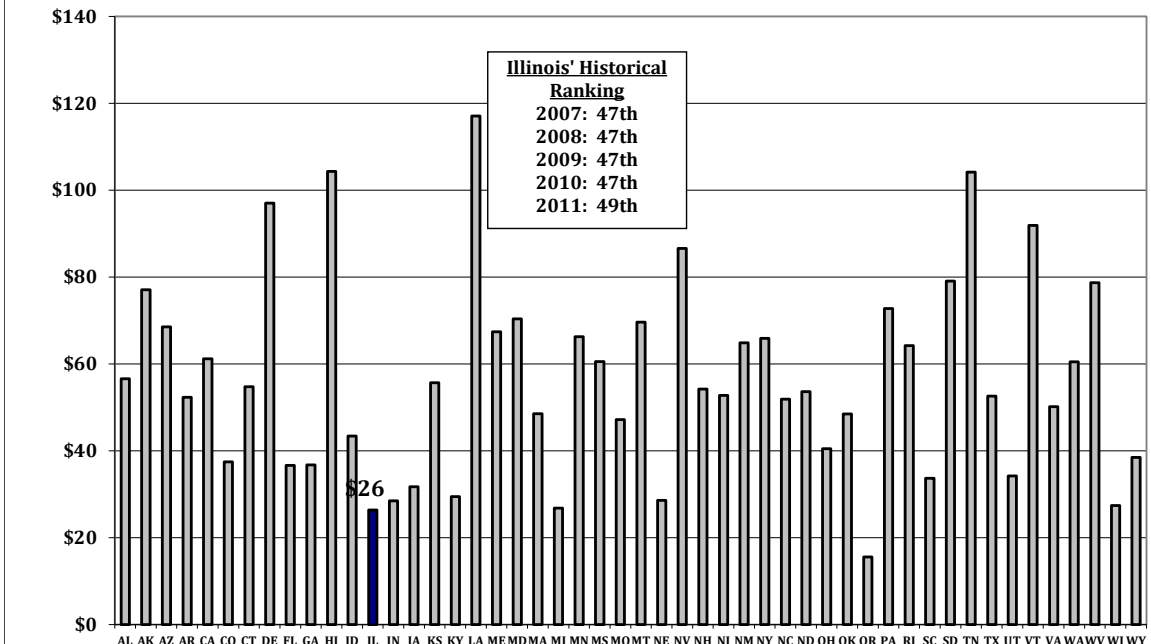
- 1) Privilege tax on insurers and HMOs:
 - a) 0.4% of net taxable written premiums for accident and health insurance.
 - b) 0.5% of net taxable written premiums for all other types of insurance.
- 2) Fire marshal's tax: 1% of premiums on fire or fire-related insurance policies.
- 3) Surplus line producers' tax: 3.5% of gross insurance premiums from policies issued in Illinois.
- 4) Workers' Compensation Commission Operations Fund Surcharge: 1.01% of direct written premiums for workers' compensation liability insurance.
- 5) Numerous other fees on particular types of insurance activities.

CHART 18: State Government Insurance Premium Tax Revenue in 2011
(National Total = \$16.4 billion)



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

CHART 19 : Per-Capita State Government Insurance Premium Tax Revenue in 2011
(National Per Capita = \$53)



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

Category 10: State Government Tax Revenue as a Percent of Personal Income

As shown in Table 17, Illinois ranked 41st in the nation in 2010 in the category of state government tax revenue as a percent of personal income. Illinois' percentage of 5.1% was lower than all other Midwest Region states, except for Missouri, which came in at 4.9%. The national average was 6.2%. The highest-ranking state was Alaska at 16.0%.

TABLE 17: State Government Tax Revenue as a Percentage of Personal Income in 2010									
\$ in billions									
	Personal Income (2010)	Total Dollars Ranking	Pers. Income % of State			Personal Income (2010)	Total Dollars Ranking	Pers. Income % of State	
			Government Revenues	Per Capita Ranking				Government Revenues	Per Capita Ranking
United States	\$11,276.5	-	6.2%	-	United States	\$11,276.5	-	6.2%	-
Alabama	\$146.0	25	5.8%	37	Montana	\$31.4	45	6.8%	20
Alaska	\$28.2	47	16.0%	1	Nebraska	\$65.0	36	5.9%	34
Arizona	\$201.3	19	5.1%	43	Nevada	\$89.9	32	6.5%	23
Arkansas	\$87.0	33	8.4%	9	New Hampshire	\$52.2	39	4.3%	50
California	\$1,445.1	1	7.3%	15	New Jersey	\$401.8	7	6.5%	26
Colorado	\$193.7	22	4.4%	48	New Mexico	\$62.7	37	6.9%	18
Connecticut	\$180.1	23	6.8%	19	New York	\$851.4	3	7.5%	12
Delaware	\$32.3	44	8.6%	7	North Carolina	\$305.8	12	7.0%	17
Florida	\$664.5	4	4.7%	46	North Dakota	\$24.6	48	10.8%	3
Georgia	\$309.4	11	4.8%	45	Ohio	\$377.9	8	6.2%	31
Hawaii	\$50.2	40	9.6%	4	Oklahoma	\$123.0	29	5.8%	36
Idaho	\$45.5	41	6.5%	25	Oregon	\$127.9	28	5.8%	35
Illinois	\$498.4	5	5.1%	41	Pennsylvania	\$470.4	6	6.4%	27
Indiana	\$203.9	17	6.8%	21	Rhode Island	\$40.3	43	6.4%	28
Iowa	\$104.9	30	6.5%	24	South Carolina	\$138.0	26	5.3%	39
Kansas	\$102.0	31	6.4%	29	South Dakota	\$28.5	46	4.6%	47
Kentucky	\$130.2	27	7.3%	13	Tennessee	\$201.6	18	5.2%	40
Louisiana	\$156.9	24	5.6%	38	Texas	\$893.7	2	4.4%	49
Maine	\$44.6	42	7.8%	10	Utah	\$81.1	35	6.3%	30
Maryland	\$254.7	15	6.0%	33	Vermont	\$22.7	50	11.1%	2
Massachusetts	\$303.8	13	6.6%	22	Virginia	\$322.3	9	5.1%	42
Michigan	\$316.6	10	7.1%	16	Washington	\$263.6	14	6.1%	32
Minnesota	\$204.5	16	8.4%	8	West Virginia	\$54.4	38	8.8%	6
Mississippi	\$83.3	34	7.5%	11	Wisconsin	\$196.7	21	7.3%	14
Missouri	\$199.3	20	4.9%	44	Wyoming	\$24.3	49	8.9%	5

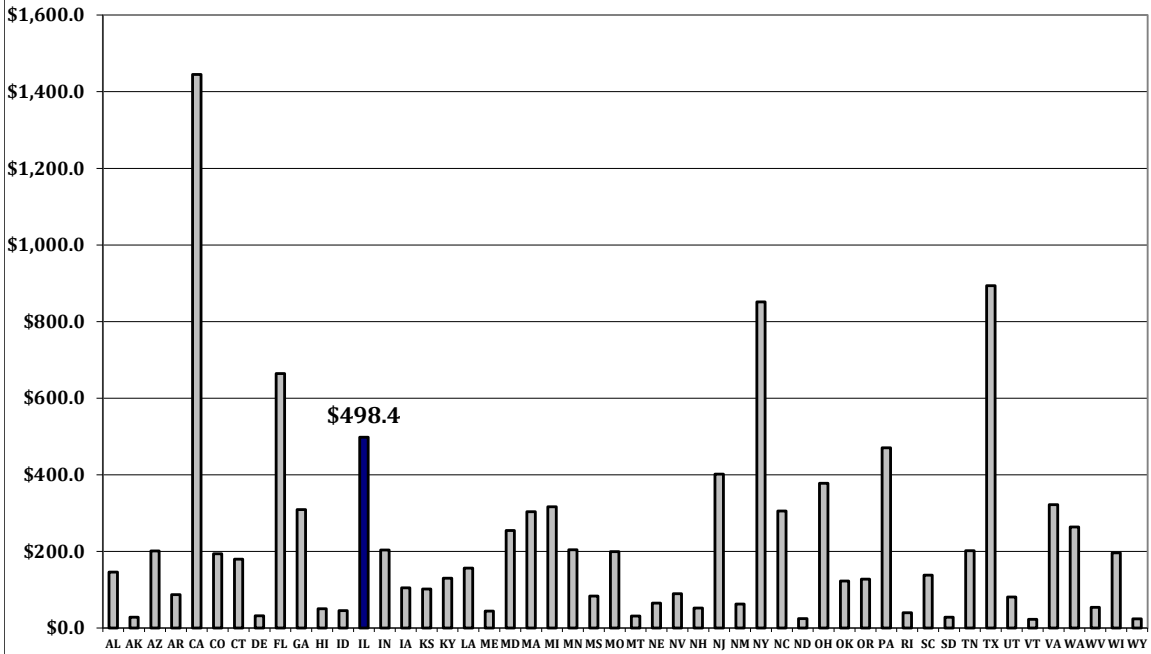
Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2012 Statistical Abstract

Grey Areas= Midwest Region

The table uses 2010 data as this was the most recent year available from the census bureau showing personal income statistics on a state-by-state basis. It must be stressed that the data used for these calculations were before most of the recent tax increases in Illinois have taken effect. If the FY 2012 "State Sources" amount of \$32.1 billion were used instead of the 2010 value of \$25.5 billion, Illinois' percentage of personal income that comes from state government revenues would increase from 5.1% to 6.4%. This would increase Illinois' ranking in this category from 41st to 27th and would place them in the middle of other states in the Midwest region.

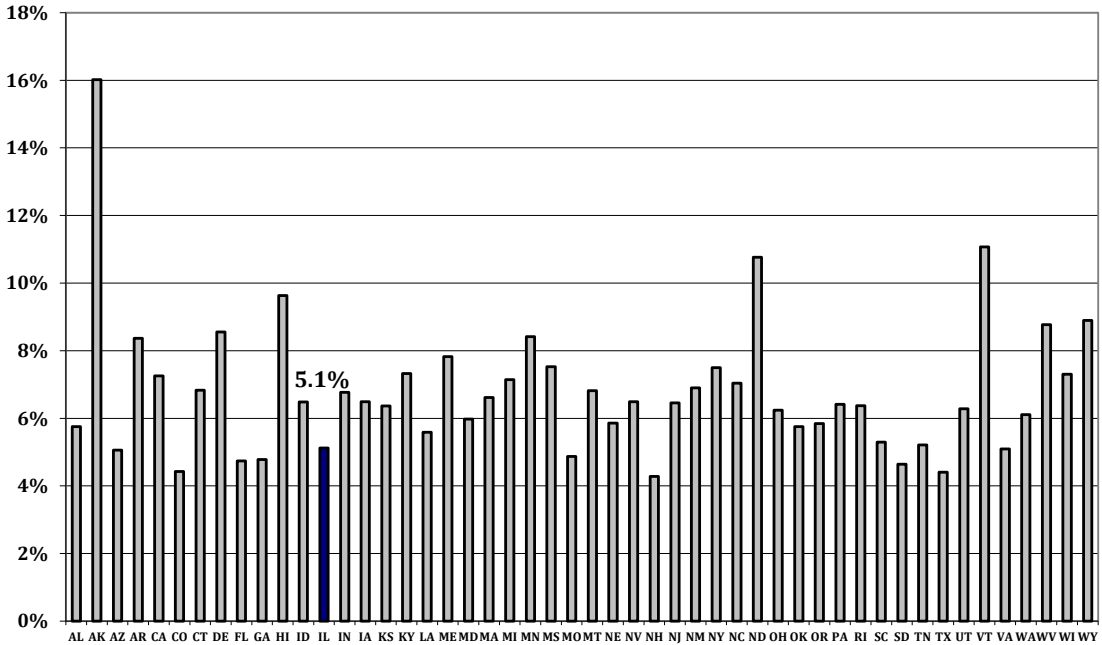
So what does this potential ranking increase say about Illinois' state government tax structure? Many would see the 2010 ranking of 41st as encouraging as it showed that state government could function without creating too much of a financial burden on the people of Illinois. However, others would argue that this ranking shows that the State needed to take up a larger role in financing programs and institutions throughout the State, which would lessen the burden on local governments. They will likely see the potential future ranking of 27th as a move in the right direction for the State to take a greater financial role.

CHART 20: Personal Income in Current and Constant (2005) Dollars by State in 2010
 (National Total = \$11,277 billion)



Source: U.S. Census Bureau, 2012 Statistical Abstract

CHART 21: State Govt. Tax Revenue as a Percentage of Personal Income in 2010
 (National Rate = 6.2%)



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2012 Statistical Abstract

Category 11: Local Government Tax Revenue

In 2010 (the most recent year of compiled data available), Illinois ranked 5th in the nation in the category of local government tax revenue collected with an amount of \$70.1 billion. California ranked 1st with an amount of \$262.7 billion. On a per-capita basis, Illinois ranked 8th at \$5,457 per capita and was the highest ranked state in the Midwest Region. New York was first at \$8,998 per capita. A major reason for Illinois' high rankings in this area is because Illinois has more units of government (over 6,000) than any other state in the nation.

TABLE 18: Local Government Tax Revenue in 2010									
\$ in billions									
	Local Government Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		Local Government Tax Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$1,631.2	-	\$5,273	-	United States	\$1,631.2	-	\$5,273	-
Alabama	\$20.6	24	\$4,314	30	Montana	\$3.5	45	\$3,491	44
Alaska	\$5.1	41	\$7,163	3	Nebraska	\$12.0	34	\$6,532	5
Arizona	\$29.2	16	\$4,553	26	Nevada	\$13.3	31	\$4,921	14
Arkansas	\$9.3	36	\$3,199	48	New Hampshire	\$5.3	40	\$4,009	38
California	\$262.7	1	\$7,035	4	New Jersey	\$46.5	8	\$5,288	10
Colorado	\$29.1	17	\$5,761	6	New Mexico	\$8.4	37	\$4,057	35
Connecticut	\$16.9	27	\$4,724	22	New York	\$174.5	2	\$8,998	1
Delaware	\$3.1	48	\$3,451	46	North Carolina	\$40.8	11	\$4,269	32
Florida	\$94.6	4	\$5,022	12	North Dakota	\$2.9	49	\$4,269	31
Georgia	\$43.0	10	\$4,430	28	Ohio	\$54.9	7	\$4,761	18
Hawaii	\$3.1	46	\$2,303	50	Oklahoma	\$13.1	32	\$3,478	45
Idaho	\$5.6	38	\$3,549	43	Oregon	\$17.8	26	\$4,645	25
Illinois	\$70.1	5	\$5,457	8	Pennsylvania	\$63.0	6	\$4,955	13
Indiana	\$28.5	18	\$4,398	29	Rhode Island	\$4.3	44	\$4,039	37
Iowa	\$14.3	28	\$4,703	23	South Carolina	\$18.8	25	\$4,056	36
Kansas	\$13.9	30	\$4,845	16	South Dakota	\$3.1	47	\$3,842	41
Kentucky	\$14.3	29	\$3,297	47	Tennessee	\$31.0	15	\$4,880	15
Louisiana	\$21.5	23	\$4,727	20	Texas	\$119.3	3	\$4,724	21
Maine	\$4.8	42	\$3,638	42	Utah	\$10.7	35	\$3,842	40
Maryland	\$27.5	20	\$4,760	19	Vermont	\$2.6	50	\$4,110	34
Massachusetts	\$35.4	14	\$5,395	9	Virginia	\$35.9	13	\$4,471	27
Michigan	\$46.1	9	\$4,664	24	Washington	\$37.8	12	\$5,605	7
Minnesota	\$27.9	19	\$5,261	11	West Virginia	\$5.3	39	\$2,861	49
Mississippi	\$12.3	33	\$4,129	33	Wisconsin	\$27.5	21	\$4,834	17
Missouri	\$23.6	22	\$3,932	39	Wyoming	\$4.7	43	\$8,353	2

Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.
Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

Grey Areas= Midwest Region

Because Illinois' ranking in per-capita local government revenue is significantly higher than its ranking in state government revenue, many argue that the State should take a larger role in financing programs. They argue that local taxes need to be lowered, while increasing State tax sources to create a more "equitable" system. Others argue that a reliance on property taxes give local governments more local control and promotes a higher degree of accountability to their community. This debate will continue in the years to come, especially in the area of education funding.

CHART 22: Local Government Tax Revenue in 2010
(National Total = \$1,631.2 billion)

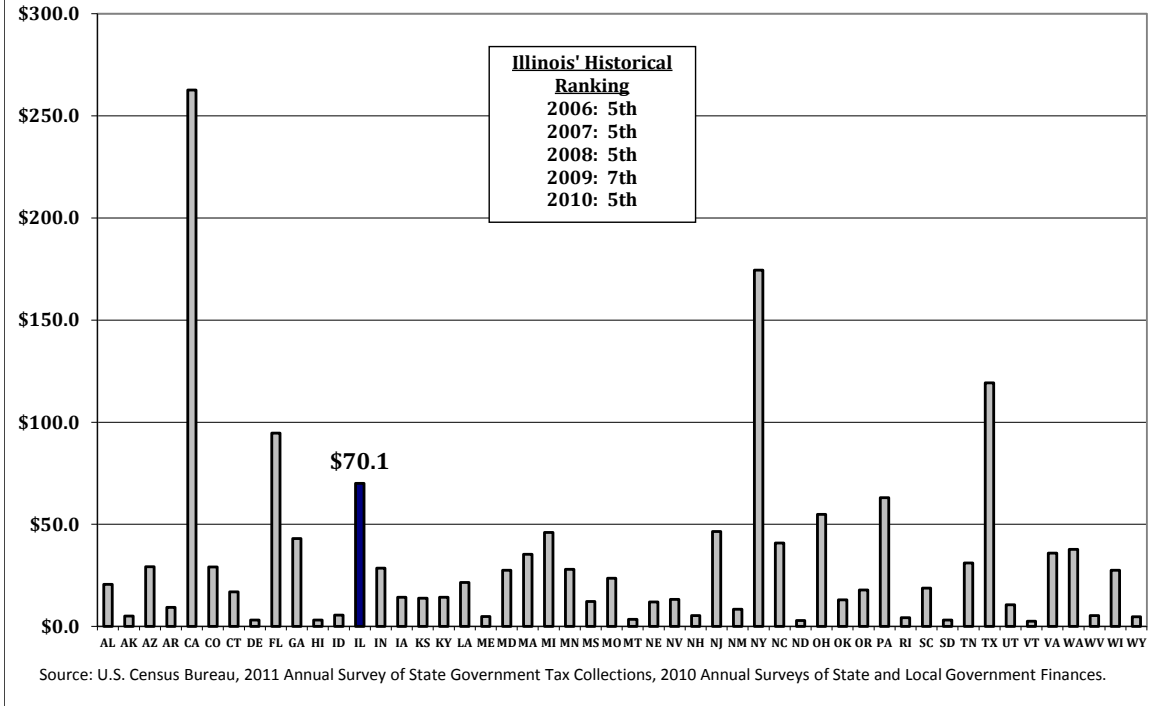
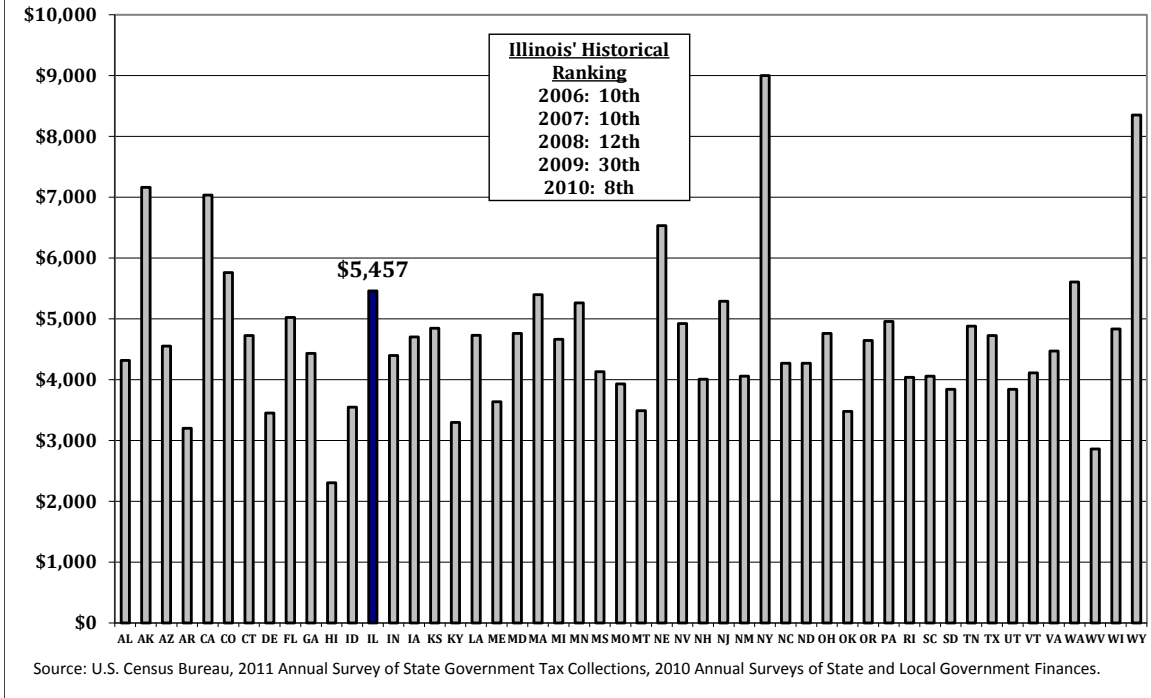


CHART 23: Per-Capita Local Government Tax Revenue in 2010
(National Per Capita = \$5,273)



Category 12: Local Government Property Tax Revenue

The majority of local taxes come from the property tax. Illinois has historically been one of the highest taxing states in the nation in the area of property taxes. As shown below in Table 19, in 2010, Illinois ranked 6th in the nation in the amount of property tax revenue collected. On a per-capita basis, Illinois ranked 8th and was the highest ranked state in this category in the Midwest Region. Illinois' per-capita rate was \$1,820, which was well above the national average of \$1,381.

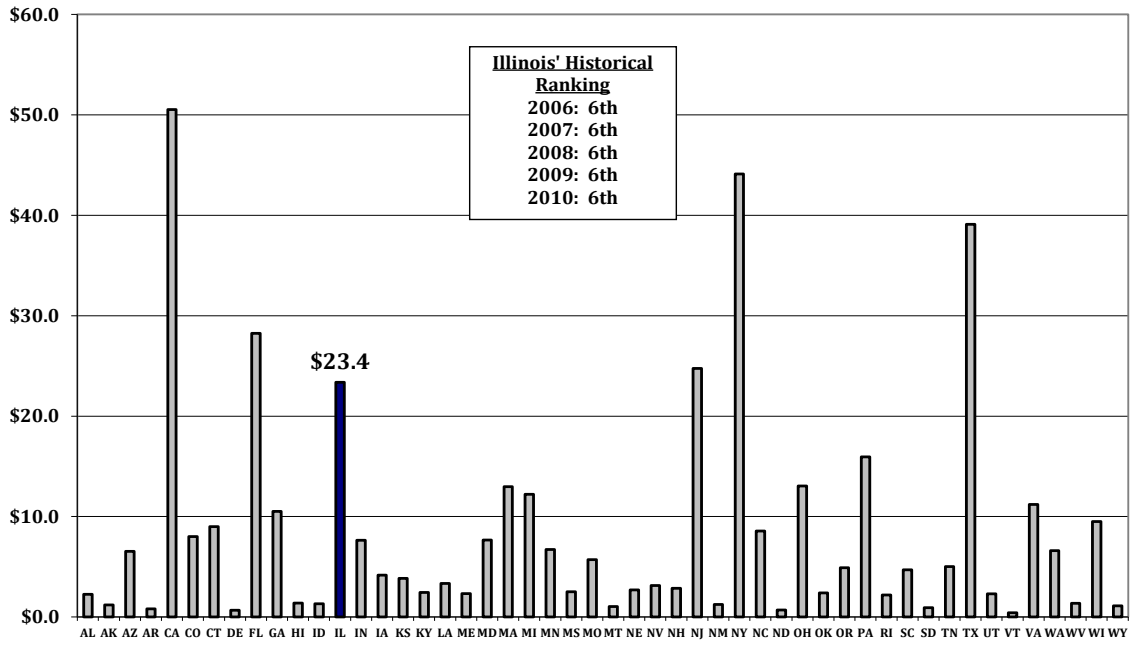
TABLE 19: Local Government Property Tax Revenue in 2010									
\$ in billions									
	Local Government Property Tax Revenue					Local Government Property Tax Revenue			
	Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		Revenue	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$427.1	-	\$1,381	-	United States	\$427.1	-	\$1,381	-
Alabama	\$2.3	37	\$471	49	Montana	\$1.0	45	\$1,053	30
Alaska	\$1.2	43	\$1,679	10	Nebraska	\$2.7	31	\$1,480	15
Arizona	\$6.5	21	\$1,020	32	Nevada	\$3.1	29	\$1,158	26
Arkansas	\$0.8	47	\$277	50	New Hampshire	\$2.8	30	\$2,164	4
California	\$50.5	1	\$1,353	18	New Jersey	\$24.7	5	\$2,812	1
Colorado	\$8.0	16	\$1,589	12	New Mexico	\$1.2	42	\$600	47
Connecticut	\$9.0	14	\$2,517	2	New York	\$44.1	2	\$2,275	3
Delaware	\$0.7	49	\$739	43	North Carolina	\$8.6	15	\$897	37
Florida	\$28.3	4	\$1,500	14	North Dakota	\$0.7	48	\$1,017	33
Georgia	\$10.5	12	\$1,082	29	Ohio	\$13.0	8	\$1,130	28
Hawaii	\$1.4	39	\$1,022	31	Oklahoma	\$2.4	34	\$638	46
Idaho	\$1.3	41	\$833	39	Oregon	\$4.9	24	\$1,281	21
Illinois	\$23.4	6	\$1,820	8	Pennsylvania	\$15.9	7	\$1,254	23
Indiana	\$7.7	18	\$1,179	25	Rhode Island	\$2.2	38	\$2,082	5
Iowa	\$4.2	26	\$1,364	17	South Carolina	\$4.7	25	\$1,015	34
Kansas	\$3.9	27	\$1,348	19	South Dakota	\$0.9	46	\$1,135	27
Kentucky	\$2.4	33	\$563	48	Tennessee	\$5.0	23	\$791	41
Louisiana	\$3.3	28	\$733	44	Texas	\$39.1	3	\$1,548	13
Maine	\$2.3	35	\$1,753	9	Utah	\$2.3	36	\$829	40
Maryland	\$7.7	17	\$1,326	20	Vermont	\$0.4	50	\$659	45
Massachusetts	\$13.0	9	\$1,980	6	Virginia	\$11.2	11	\$1,397	16
Michigan	\$12.2	10	\$1,237	24	Washington	\$6.6	20	\$979	35
Minnesota	\$6.7	19	\$1,264	22	West Virginia	\$1.4	40	\$741	42
Mississippi	\$2.5	32	\$844	38	Wisconsin	\$9.5	13	\$1,669	11
Missouri	\$5.7	22	\$952	36	Wyoming	\$1.1	44	\$1,954	7

Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

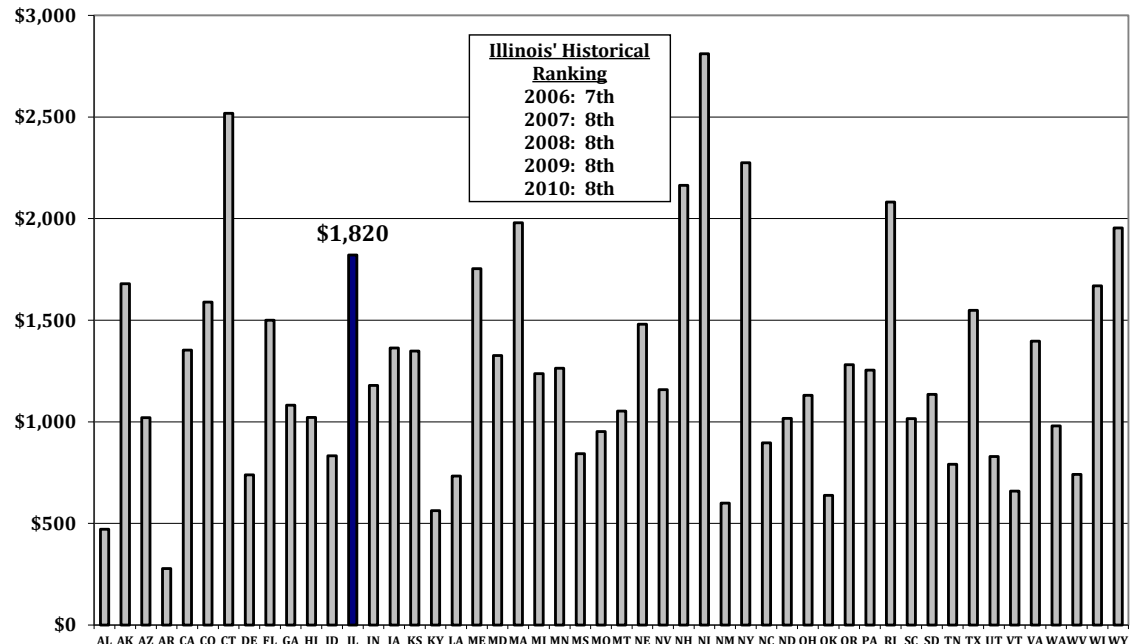
Grey Areas= Midwest Region

**CHART 24: Local Government Property Tax Revenue in 2010
(National Total = \$427.1 billion)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

**CHART 25: Per-Capita Local Government Property Tax Revenue in 2010
(National Per Capita = \$1,381)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

Category 13: State and Local Government Total Expenditures

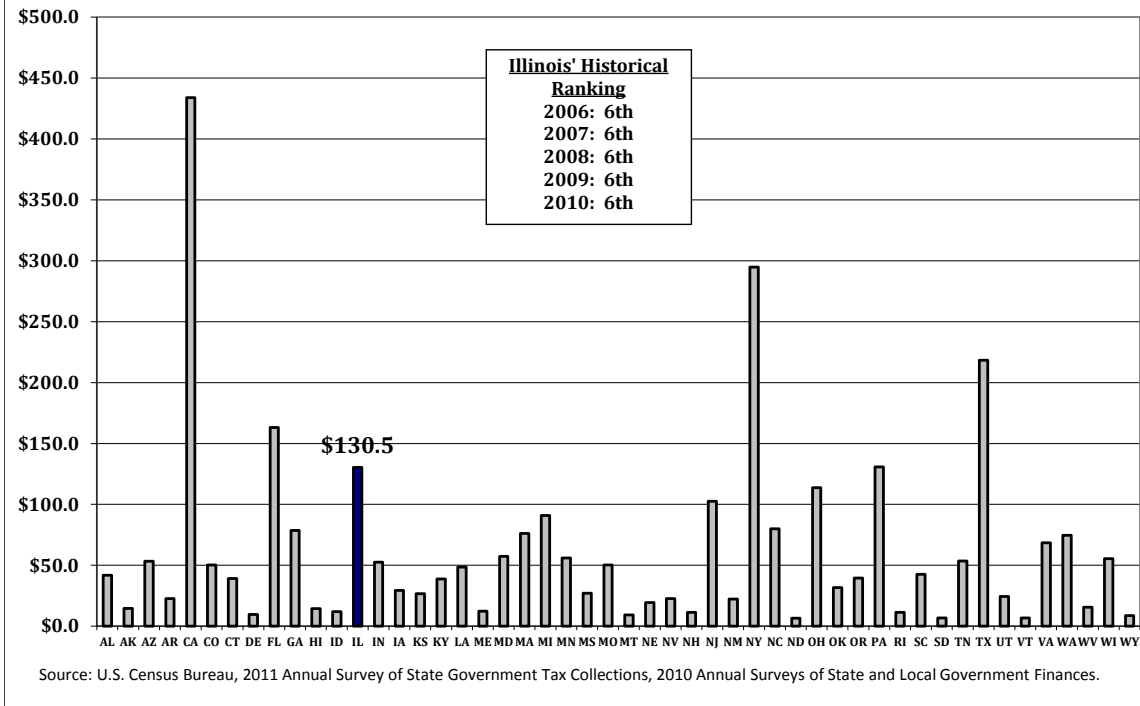
In terms of total expenditures, Illinois ranks 6th in total dollars and ranks 19th in terms of per-capita spending. Total expenditures, in this instance, include all money paid other than for retirement of debt and extension of loans. It includes payments from all sources of funds including current revenues and proceeds from borrowing and prior year fund balances. It also includes intergovernmental transfers and expenditures for government owned utilities and other commercial or auxiliary enterprise and insurance trust expenditures. Illinois' per-capita spending rate was \$10,158, which was slightly above the national average rate of \$10,070. Illinois had the highest amount of total expenditures in the Midwest in total dollars and on a per-capita basis.

TABLE 20: State and Local Government Total Expenditures in 2010									
\$ in billions									
	Total Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		Total Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$3,114.8	-	\$10,070	-	United States	\$3,114.8	-	\$10,070	-
Alabama	\$41.9	25	\$8,751	34	Montana	\$9.2	46	\$9,320	26
Alaska	\$14.5	39	\$20,338	1	Nebraska	\$19.5	37	\$10,631	14
Arizona	\$53.4	19	\$8,322	46	Nevada	\$22.6	35	\$8,363	44
Arkansas	\$22.7	34	\$7,786	49	New Hampshire	\$11.4	43	\$8,654	36
California	\$434.0	1	\$11,624	5	New Jersey	\$102.6	8	\$11,665	4
Colorado	\$50.3	21	\$9,965	20	New Mexico	\$22.3	36	\$10,800	9
Connecticut	\$39.1	27	\$10,923	8	New York	\$294.7	2	\$15,195	3
Delaware	\$9.7	45	\$10,776	11	North Carolina	\$79.9	10	\$8,360	45
Florida	\$163.1	4	\$8,659	35	North Dakota	\$6.7	50	\$9,868	22
Georgia	\$78.5	11	\$8,088	48	Ohio	\$113.7	7	\$9,852	23
Hawaii	\$14.4	40	\$10,533	16	Oklahoma	\$31.6	29	\$8,400	41
Idaho	\$12.0	42	\$7,633	50	Oregon	\$39.5	26	\$10,302	17
Illinois	\$130.5	6	\$10,158	19	Pennsylvania	\$130.7	5	\$10,279	18
Indiana	\$52.6	20	\$8,108	47	Rhode Island	\$11.4	44	\$10,798	10
Iowa	\$29.5	30	\$9,661	25	South Carolina	\$42.6	24	\$9,193	30
Kansas	\$26.6	32	\$9,317	27	South Dakota	\$6.8	48	\$8,370	43
Kentucky	\$38.7	28	\$8,896	32	Tennessee	\$53.5	18	\$8,415	40
Louisiana	\$48.5	23	\$10,670	13	Texas	\$218.3	3	\$8,642	37
Maine	\$12.4	41	\$9,307	28	Utah	\$24.5	33	\$8,816	33
Maryland	\$57.4	15	\$9,923	21	Vermont	\$6.7	49	\$10,772	12
Massachusetts	\$76.1	12	\$11,616	6	Virginia	\$68.4	14	\$8,523	38
Michigan	\$91.0	9	\$9,210	29	Washington	\$74.6	13	\$11,064	7
Minnesota	\$55.9	16	\$10,534	15	West Virginia	\$15.7	38	\$8,442	39
Mississippi	\$27.1	31	\$9,117	31	Wisconsin	\$55.5	17	\$9,746	24
Missouri	\$50.2	22	\$8,373	42	Wyoming	\$8.7	47	\$15,361	2

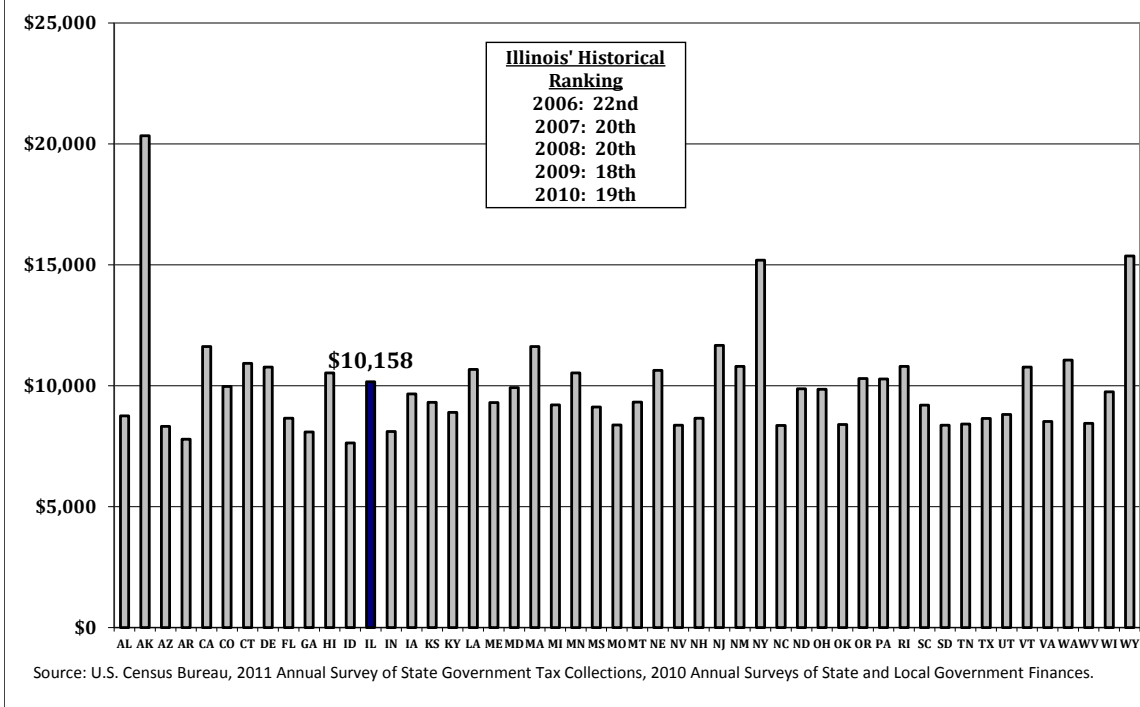
Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.
Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

Grey Areas= Midwest Region

**CHART 26: State and Local Government Total Expenditures in 2010
(National Total = \$3,114.8 billion)**



**CHART 27: Per-Capita State and Local Government Total Expenditures in 2010
(National Per Capita = \$10,070)**



Category 14: Elementary and Secondary Education Expenditures by State and Local Governments

Illinois ranked 7th in the nation in the amount spent on elementary and secondary education in 2010. This includes money from local and state governments. California was the highest ranked state with a total expenditure amount of \$65.3 billion. On a per-capita basis, Illinois ranked 17th at \$1,908 per capita, which was above the national average of \$1,856. Alaska was the highest ranked state on a per-capita basis at \$3,323. Illinois had the highest total dollar and per-capita rate in the Midwest.

TABLE 21: Elementary and Secondary Education Expenditures by State and Local Governments in 2010

\$ in billions

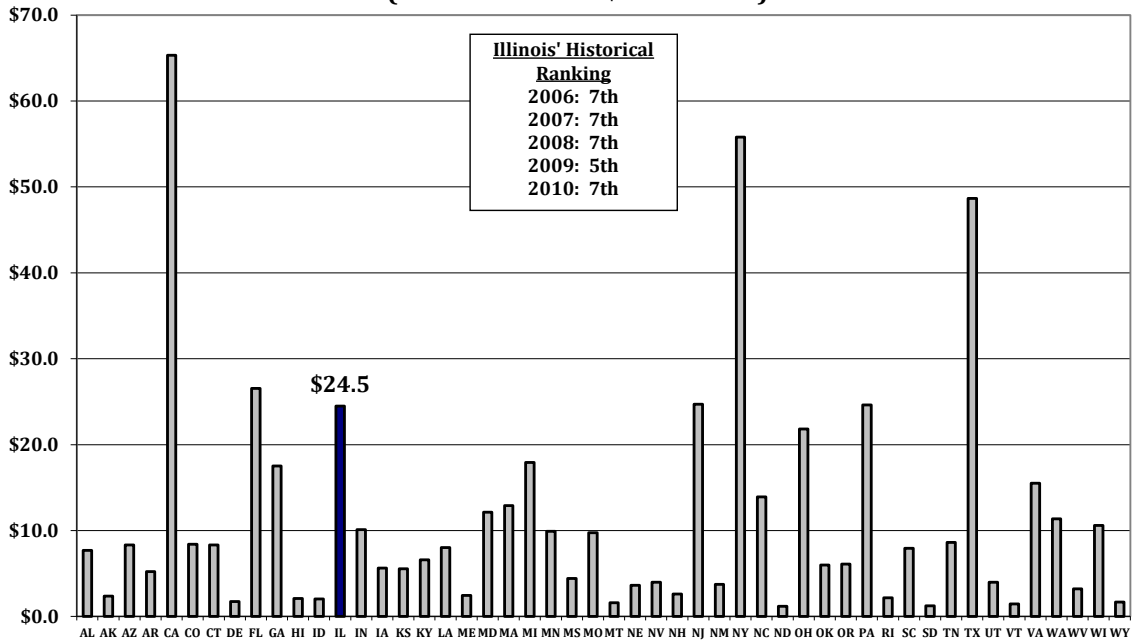
	Elem. & Sec. Education Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		Elem. & Sec. Education Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$574.0	-	\$1,856	-	United States	\$574.0	-	\$1,856	-
Alabama	\$7.7	26	\$1,609	36	Montana	\$1.6	47	\$1,626	35
Alaska	\$2.4	41	\$3,323	1	Nebraska	\$3.6	37	\$1,983	10
Arizona	\$8.3	22	\$1,299	49	Nevada	\$4.0	34	\$1,479	44
Arkansas	\$5.2	32	\$1,787	26	New Hampshire	\$2.6	39	\$1,991	9
California	\$65.3	1	\$1,749	29	New Jersey	\$24.7	5	\$2,809	4
Colorado	\$8.4	21	\$1,664	33	New Mexico	\$3.7	36	\$1,814	24
Connecticut	\$8.3	23	\$2,326	6	New York	\$55.8	2	\$2,877	3
Delaware	\$1.7	45	\$1,927	16	North Carolina	\$13.9	12	\$1,456	45
Florida	\$26.5	4	\$1,409	47	North Dakota	\$1.2	50	\$1,769	27
Georgia	\$17.5	10	\$1,802	25	Ohio	\$21.8	8	\$1,892	18
Hawaii	\$2.1	43	\$1,536	40	Oklahoma	\$6.0	29	\$1,592	37
Idaho	\$2.0	44	\$1,293	50	Oregon	\$6.1	28	\$1,588	38
Illinois	\$24.5	7	\$1,908	17	Pennsylvania	\$24.6	6	\$1,936	13
Indiana	\$10.1	17	\$1,558	39	Rhode Island	\$2.2	42	\$2,076	8
Iowa	\$5.6	30	\$1,846	22	South Carolina	\$7.9	25	\$1,710	31
Kansas	\$5.6	31	\$1,943	12	South Dakota	\$1.2	49	\$1,516	42
Kentucky	\$6.6	27	\$1,518	41	Tennessee	\$8.6	20	\$1,358	48
Louisiana	\$8.0	24	\$1,767	28	Texas	\$48.7	3	\$1,927	15
Maine	\$2.5	40	\$1,852	21	Utah	\$4.0	35	\$1,438	46
Maryland	\$12.1	14	\$2,098	7	Vermont	\$1.5	48	\$2,353	5
Massachusetts	\$12.9	13	\$1,971	11	Virginia	\$15.5	11	\$1,933	14
Michigan	\$17.9	9	\$1,815	23	Washington	\$11.4	15	\$1,685	32
Minnesota	\$9.9	18	\$1,868	19	West Virginia	\$3.2	38	\$1,732	30
Mississippi	\$4.4	33	\$1,493	43	Wisconsin	\$10.6	16	\$1,861	20
Missouri	\$9.8	19	\$1,627	34	Wyoming	\$1.7	46	\$2,980	2

Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

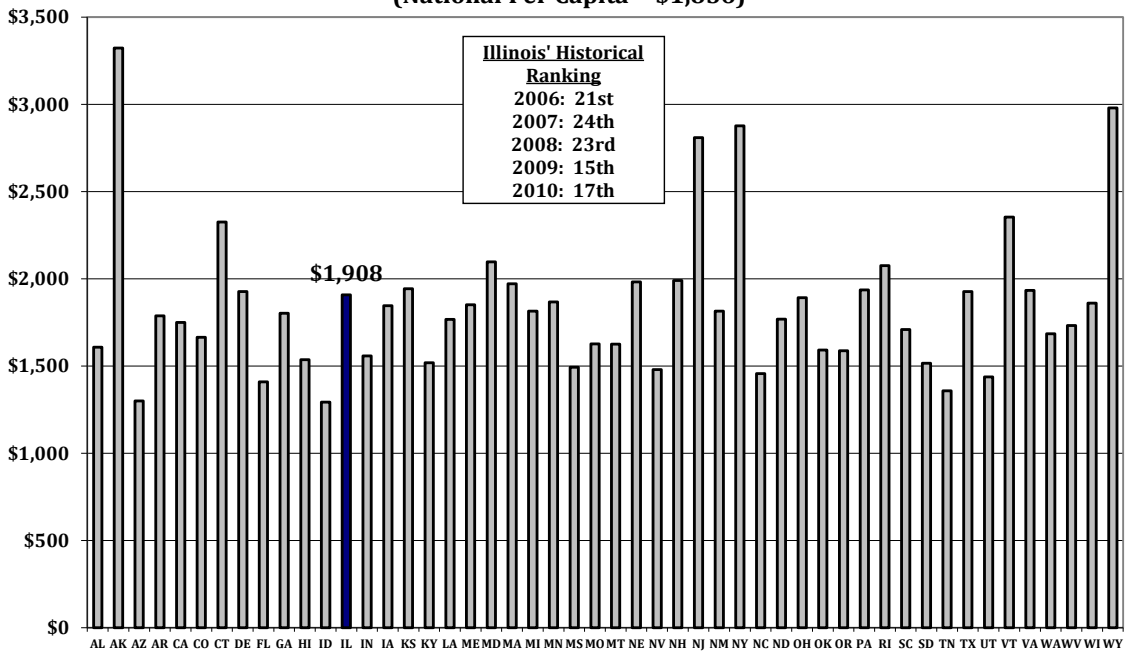
Grey Areas= Midwest Region

**CHART 28: Elementary and Secondary Education Expenditures by State and Local Governments in 2010
(National Total = \$574 billion)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

**CHART 29: Per-Capita Elementary and Secondary Education Expenditures by State and Local Governments in 2010
(National Per Capita = \$1,856)**

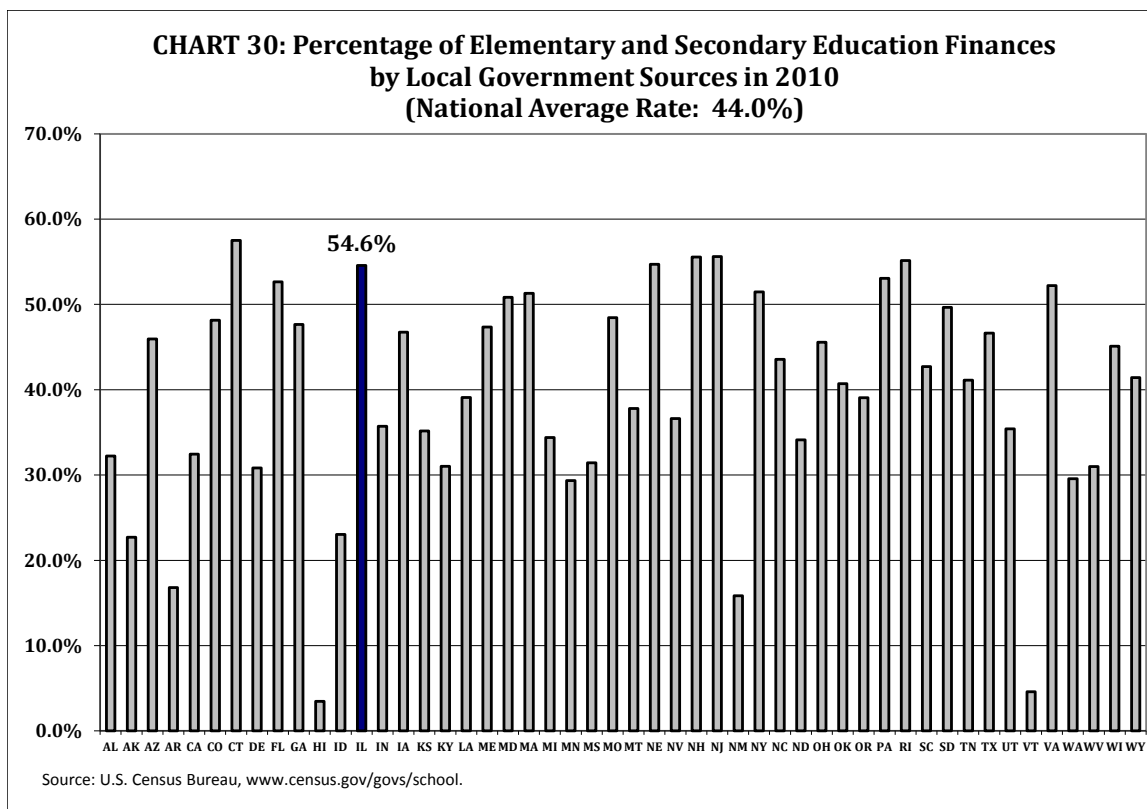


Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

Category 15: Source of Elementary and Education Funding

On the following page is a table displaying the amount of revenue that is used for the financing of elementary and secondary education by state. The table shows how much of the education funding came from federal sources, state sources, and from local sources for the 2009-2010 school-year. A closer look shows that 54.6% of Illinois' portion of education funding in this year came from local sources, 31.6% came from State sources, and 13.8% came from federal sources.

As shown in the below chart, Illinois' local government portion of elementary and secondary education is among the highest in the nation. In the year shown, Illinois ranked 6th in the nation, but was ranked 1st in this category as recent as the 2007-2008 school year. Illinois has consistently been ranked above other states in the Midwest region in this area over the last several years.



Note: According to "Public Education Finances: 2010" from the Census Bureau, the authors add the following footnote regarding Illinois' data: "Payments made by the state government into the state's public school retirement systems on behalf of Illinois school districts, and state payments for textbooks and transportation are included in the tables that display state totals of elementary-secondary education finances. These payments have been estimated for local school systems and appear in the tabular detail for state revenue and expenditure of individual school systems. Illinois corporate personal property replacement tax revenue is included as state rather than local revenue in this report."

**TABLE 22: Summary of Public Elementary-Secondary
School System Finances by State: 2009-10**
(Revenue Amounts in Thousands of Dollars)

Geographic area	Elementary-secondary revenue ¹				Percentage Breakout		
	Total	From Federal sources	From state sources	From local sources	From Federal sources	From state sources	From local sources
United States.....	\$593,682,351	\$74,047,134	\$258,190,527	\$261,444,690	12.5%	43.5%	44.0%
Alabama.....	\$7,279,751	\$1,134,111	\$3,800,128	\$2,345,512	15.6%	52.2%	32.2%
Alaska.....	\$2,230,140	\$366,970	\$1,356,673	\$506,497	16.5%	60.8%	22.7%
Arizona.....	\$8,733,504	\$1,579,806	\$3,139,588	\$4,014,110	18.1%	35.9%	46.0%
Arkansas.....	\$5,049,414	\$787,738	\$3,413,669	\$848,007	15.6%	67.6%	16.8%
California.....	\$64,981,631	\$9,715,980	\$34,173,911	\$21,091,740	15.0%	52.6%	32.5%
Colorado.....	\$8,741,450	\$714,230	\$3,817,875	\$4,209,345	8.2%	43.7%	48.2%
Connecticut.....	\$9,544,243	\$818,573	\$3,238,401	\$5,487,269	8.6%	33.9%	57.5%
Delaware.....	\$1,695,556	\$180,584	\$992,422	\$522,550	10.7%	58.5%	30.8%
District of Columbia.....	\$1,195,934	\$80,585	\$0	\$1,115,349	6.7%	0.0%	93.3%
Florida.....	\$26,223,878	\$4,200,103	\$8,216,582	\$13,807,193	16.0%	31.3%	52.7%
Georgia.....	\$17,835,820	\$2,598,486	\$6,739,406	\$8,497,928	14.6%	37.8%	47.6%
Hawaii.....	\$2,564,856	\$382,400	\$2,093,300	\$89,156	14.9%	81.6%	3.5%
Idaho.....	\$2,177,156	\$444,112	\$1,231,537	\$501,507	20.4%	56.6%	23.0%
Illinois.....	\$27,530,500	\$3,809,939	\$8,696,107	\$15,024,454	13.8%	31.6%	54.6%
Indiana.....	\$13,722,748	\$1,477,561	\$7,342,841	\$4,902,346	10.8%	53.5%	35.7%
Iowa.....	\$5,533,487	\$728,361	\$2,217,889	\$2,587,237	13.2%	40.1%	46.8%
Kansas.....	\$5,452,260	\$673,692	\$2,860,999	\$1,917,569	12.4%	52.5%	35.2%
Kentucky.....	\$6,960,662	\$1,139,961	\$3,662,243	\$2,158,458	16.4%	52.6%	31.0%
Louisiana.....	\$8,038,981	\$1,549,575	\$3,348,043	\$3,141,363	19.3%	41.6%	39.1%
Maine.....	\$2,668,585	\$320,917	\$1,083,913	\$1,263,755	12.0%	40.6%	47.4%
Maryland.....	\$13,321,816	\$1,004,498	\$5,544,725	\$6,772,593	7.5%	41.6%	50.8%
Massachusetts.....	\$15,490,236	\$1,092,892	\$6,449,975	\$7,947,369	7.1%	41.6%	51.3%
Michigan.....	\$18,408,579	\$2,383,817	\$9,694,417	\$6,330,345	12.9%	52.7%	34.4%
Minnesota.....	\$10,224,729	\$1,245,368	\$5,978,487	\$3,000,874	12.2%	58.5%	29.3%
Mississippi.....	\$4,454,915	\$945,973	\$2,109,089	\$1,399,853	21.2%	47.3%	31.4%
Missouri.....	\$9,508,380	\$1,430,854	\$3,471,772	\$4,605,754	15.0%	36.5%	48.4%
Montana.....	\$1,609,439	\$256,049	\$744,931	\$608,459	15.9%	46.3%	37.8%
Nebraska.....	\$3,643,592	\$465,728	\$1,184,996	\$1,992,868	12.8%	32.5%	54.7%
Nevada.....	\$4,261,391	\$358,496	\$2,341,891	\$1,561,004	8.4%	55.0%	36.6%
New Hampshire.....	\$2,803,441	\$185,175	\$1,060,998	\$1,557,268	6.6%	37.8%	55.5%
New Jersey.....	\$25,785,093	\$2,386,865	\$9,059,511	\$14,338,717	9.3%	35.1%	55.6%
New Mexico.....	\$3,638,592	\$753,816	\$2,307,843	\$576,933	20.7%	63.4%	15.9%
New York.....	\$55,244,109	\$3,694,050	\$23,111,427	\$28,438,632	6.7%	41.8%	51.5%
North Carolina.....	\$16,621,268	\$1,927,843	\$7,451,302	\$7,242,123	11.6%	44.8%	43.6%
North Dakota.....	\$1,260,887	\$277,985	\$552,616	\$430,286	22.0%	43.8%	34.1%
Ohio.....	\$22,592,809	\$2,310,440	\$9,987,732	\$10,294,637	10.2%	44.2%	45.6%
Oklahoma.....	\$5,777,769	\$768,319	\$2,658,186	\$2,351,264	13.3%	46.0%	40.7%
Oregon.....	\$6,171,946	\$813,110	\$2,947,614	\$2,411,222	13.2%	47.8%	39.1%
Pennsylvania.....	\$26,432,628	\$2,977,089	\$9,430,947	\$14,024,592	11.3%	35.7%	53.1%
Rhode Island.....	\$2,193,345	\$247,217	\$736,525	\$1,209,603	11.3%	33.6%	55.1%
South Carolina.....	\$7,742,335	\$1,058,473	\$3,377,539	\$3,306,323	13.7%	43.6%	42.7%
South Dakota.....	\$1,289,528	\$250,554	\$398,601	\$640,373	19.4%	30.9%	49.7%
Tennessee.....	\$8,371,308	\$1,094,293	\$3,834,174	\$3,442,841	13.1%	45.8%	41.1%
Texas.....	\$50,391,053	\$7,984,614	\$18,899,565	\$23,506,874	15.8%	37.5%	46.6%
Utah.....	\$4,246,006	\$570,301	\$2,171,889	\$1,503,816	13.4%	51.2%	35.4%
Vermont.....	\$1,572,132	\$173,528	\$1,326,528	\$72,076	11.0%	84.4%	4.6%
Virginia.....	\$14,693,082	\$1,532,041	\$5,489,710	\$7,671,331	10.4%	37.4%	52.2%
Washington.....	\$11,830,765	\$1,400,984	\$6,931,430	\$3,498,351	11.8%	58.6%	29.6%
West Virginia.....	\$3,176,039	\$513,794	\$1,677,745	\$984,500	16.2%	52.8%	31.0%
Wisconsin.....	\$11,049,388	\$1,115,342	\$4,951,919	\$4,982,127	10.1%	44.8%	45.1%
Wyoming.....	\$1,715,195	\$123,942	\$880,916	\$710,337	7.2%	51.4%	41.4%

¹Duplicative interschool system transactions are excluded.

SOURCE: Census Bureau's 2010 Annual Survey of Local Government Finances - School Systems at <http://www.census.gov/govs/school/>.

Category 16: Higher Education Expenditures by State and Local Governments

In the category of higher education expenditures, Illinois ranked 7th in the nation, spending \$8.7 billion in 2010. Again, this includes money from local and state governments. California was the highest ranked state with a total expenditure amount of \$32.3 billion. On a per-capita basis, Illinois ranked 38th at \$674 per capita, which was below the national average per-capita value of \$785. North Dakota was the highest ranked state on a per-capita basis at \$1,285. In the Midwest Region, only Missouri (43rd) had a lower ranking than Illinois.

**TABLE 23: Higher Education Expenditures
by State and Local Governments in 2010**
\$ in billions

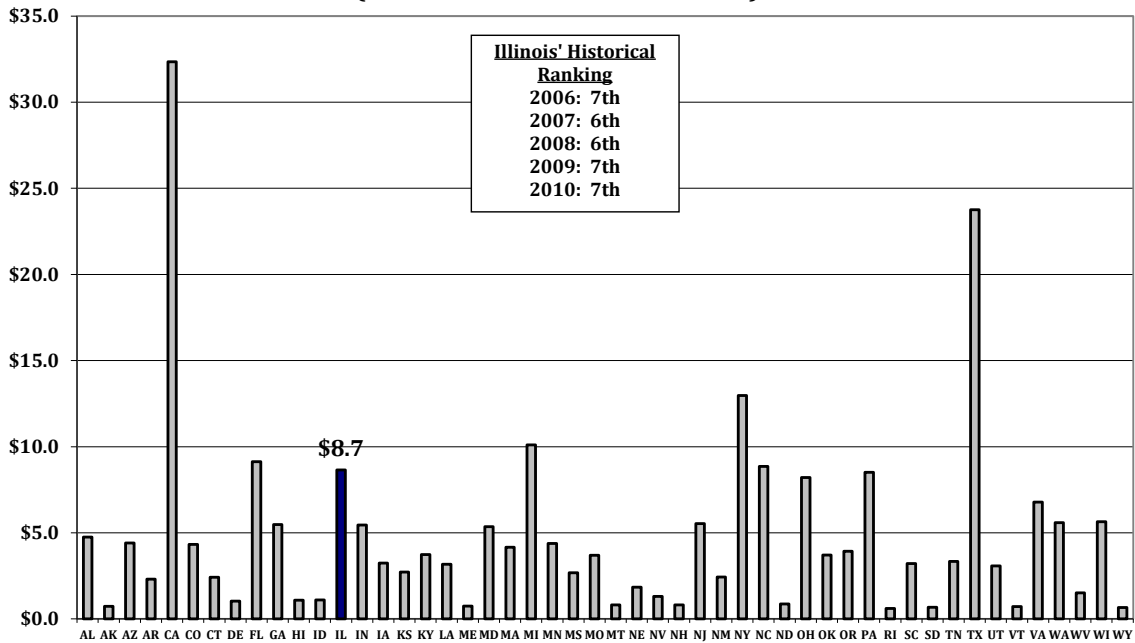
	Higher Education Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking	Higher Education Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$242.7	-	\$785	-	United States	\$242.7	-	\$785
Alabama	\$4.8	17	\$993	12	Montana	\$0.8	43	\$820
Alaska	\$0.7	46	\$1,018	10	Nebraska	\$1.8	36	\$1,009
Arizona	\$4.4	18	\$687	36	Nevada	\$1.3	38	\$485
Arkansas	\$2.3	35	\$789	31	New Hampshire	\$0.8	44	\$613
California	\$32.3	1	\$866	20	New Jersey	\$5.5	13	\$629
Colorado	\$4.3	20	\$857	22	New Mexico	\$2.4	33	\$1,180
Connecticut	\$2.4	34	\$676	37	New York	\$13.0	3	\$669
Delaware	\$1.0	41	\$1,141	4	North Carolina	\$8.9	6	\$927
Florida	\$9.1	5	\$484	50	North Dakota	\$0.9	42	\$1,285
Georgia	\$5.5	14	\$564	46	Ohio	\$8.2	9	\$712
Hawaii	\$1.1	40	\$800	30	Oklahoma	\$3.7	24	\$988
Idaho	\$1.1	39	\$702	33	Oregon	\$3.9	22	\$1,022
Illinois	\$8.7	7	\$674	38	Pennsylvania	\$8.5	8	\$669
Indiana	\$5.4	15	\$839	24	Rhode Island	\$0.6	50	\$574
Iowa	\$3.2	27	\$1,063	7	South Carolina	\$3.2	28	\$694
Kansas	\$2.7	31	\$952	15	South Dakota	\$0.7	48	\$834
Kentucky	\$3.7	23	\$859	21	Tennessee	\$3.3	26	\$526
Louisiana	\$3.2	29	\$697	34	Texas	\$23.8	2	\$940
Maine	\$0.7	45	\$563	47	Utah	\$3.1	30	\$1,106
Maryland	\$5.4	16	\$926	18	Vermont	\$0.7	47	\$1,139
Massachusetts	\$4.2	21	\$635	41	Virginia	\$6.8	10	\$845
Michigan	\$10.1	4	\$1,022	8	Washington	\$5.6	12	\$829
Minnesota	\$4.4	19	\$824	27	West Virginia	\$1.5	37	\$816
Mississippi	\$2.7	32	\$903	19	Wisconsin	\$5.6	11	\$991
Missouri	\$3.7	25	\$616	43	Wyoming	\$0.7	49	\$1,185

Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

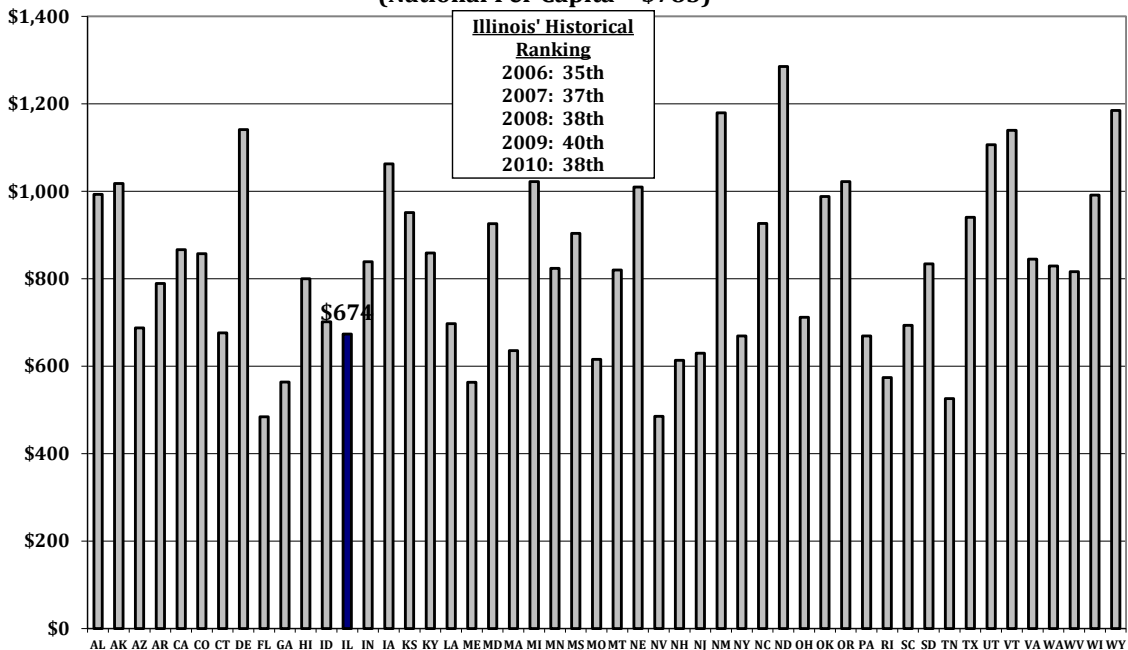
Grey Areas= Midwest Region

CHART 31: Higher Education Expenditures by State and Local Governments in 2010
(National Total = \$242.7 billion)



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

CHART 32: Per-Capita Higher Education Expenditures by State and Local Governments in 2010
(National Per Capita = \$785)



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

Category 17: State and Local Government Expenditures for Police Protection

In 2010, Illinois ranked 5th in the nation in the amount of state and local government expenditures for police protection. California ranked 1st. On a per-capita basis, Illinois ranked 8th in the nation with a value of \$360 per capita, above the national average of \$309. Illinois was the highest ranked state in the Midwest Region in total dollars and on a per-capita basis. The highest ranked state on a per-capita basis was Alaska with a per-capita value of \$460.

**TABLE 24: Police Protection Expenditures
by State and Local Governments in 2010**

\$ in billions

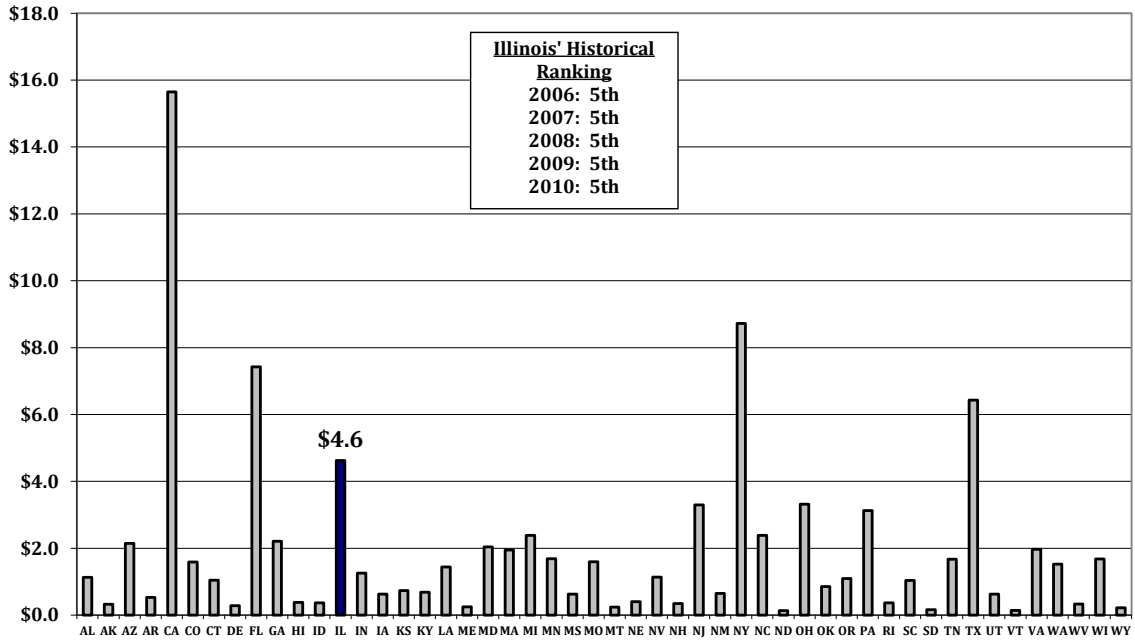
	Total				Police				
	Police Protection	Dollars	Amount	Per Capita	Protection	Dollars	Amount	Per Capita	
	Expenditures	Ranking	Per Capita	Ranking	Expenditures	Ranking	Per Capita	Ranking	
United States	\$95.5	-	\$309	-	United States	\$95.5	-	\$309	-
Alabama	\$1.1	25	\$236	33	Montana	\$0.2	46	\$247	29
Alaska	\$0.3	43	\$460	1	Nebraska	\$0.4	37	\$219	41
Arizona	\$2.1	12	\$335	11	Nevada	\$1.1	24	\$422	3
Arkansas	\$0.5	36	\$182	48	New Hampshire	\$0.3	41	\$263	25
California	\$15.6	1	\$419	4	New Jersey	\$3.3	7	\$375	7
Colorado	\$1.6	20	\$315	16	New Mexico	\$0.6	32	\$315	15
Connecticut	\$1.0	27	\$292	19	New York	\$8.7	2	\$450	2
Delaware	\$0.3	44	\$316	14	North Carolina	\$2.4	10	\$250	28
Florida	\$7.4	3	\$394	5	North Dakota	\$0.1	50	\$198	45
Georgia	\$2.2	11	\$228	36	Ohio	\$3.3	6	\$287	20
Hawaii	\$0.4	38	\$282	22	Oklahoma	\$0.9	29	\$227	37
Idaho	\$0.4	39	\$235	34	Oregon	\$1.1	26	\$285	21
Illinois	\$4.6	5	\$360	8	Pennsylvania	\$3.1	8	\$246	30
Indiana	\$1.3	23	\$194	46	Rhode Island	\$0.4	40	\$349	10
Iowa	\$0.6	35	\$206	43	South Carolina	\$1.0	28	\$224	40
Kansas	\$0.7	30	\$256	26	South Dakota	\$0.2	48	\$201	44
Kentucky	\$0.7	31	\$158	50	Tennessee	\$1.7	18	\$264	24
Louisiana	\$1.4	22	\$317	13	Texas	\$6.4	4	\$255	27
Maine	\$0.3	45	\$189	47	Utah	\$0.6	34	\$227	38
Maryland	\$2.0	13	\$353	9	Vermont	\$0.1	49	\$231	35
Massachusetts	\$1.9	15	\$297	17	Virginia	\$2.0	14	\$246	31
Michigan	\$2.4	9	\$242	32	Washington	\$1.5	21	\$226	39
Minnesota	\$1.7	16	\$318	12	West Virginia	\$0.3	42	\$179	49
Mississippi	\$0.6	33	\$212	42	Wisconsin	\$1.7	17	\$295	18
Missouri	\$1.6	19	\$267	23	Wyoming	\$0.2	47	\$393	6

Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

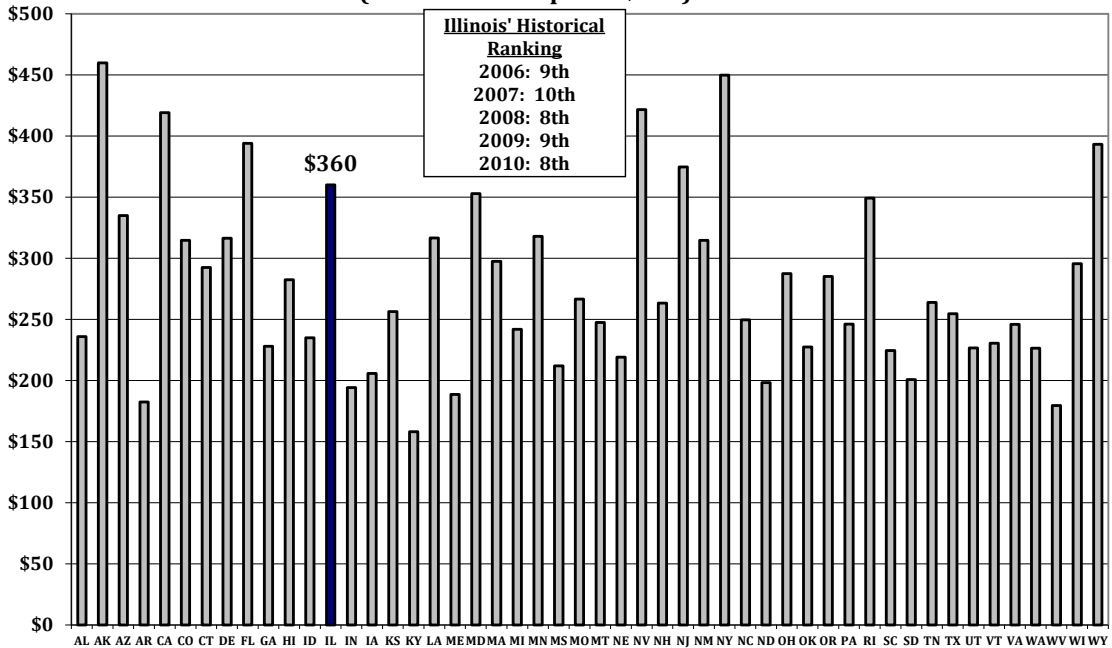
Grey Areas= Midwest Region

CHART 33: Police Protection Expenditures by State and Local Governments in 2010
(National Total = \$95.5 billion)



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

CHART 34: Per-Capita Police Protection Expenditures by State and Local Governments in 2010
(National Per Capita = \$309)



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

Category 18: State and Local Government Expenditures for Corrections

Illinois ranked 10th in the nation in the amount of state and local government expenditures for corrections in 2010, spending \$2.0 billion. California ranked 1st spending \$12.9 billion. On a per-capita basis, Illinois ranked 46th with a value of \$153 per capita, which was well below the national per-capita rate of \$236. The highest ranked state on a per-capita basis was Alaska with a per-capita value of \$384. Illinois' ranking on a per-capita basis has been on a steady decline over the last several years. Illinois was ranked 29th in 1997, 38th in 2004, 43rd in 2006, and now 46th in 2010. Despite Illinois' low rankings, two other states (Missouri: 48th, Iowa: 50th) in the Midwest had lower per-capita values than Illinois in this category.

**TABLE 25: Corrections Expenditures
by State and Local Governments in 2010**

\$ in billions

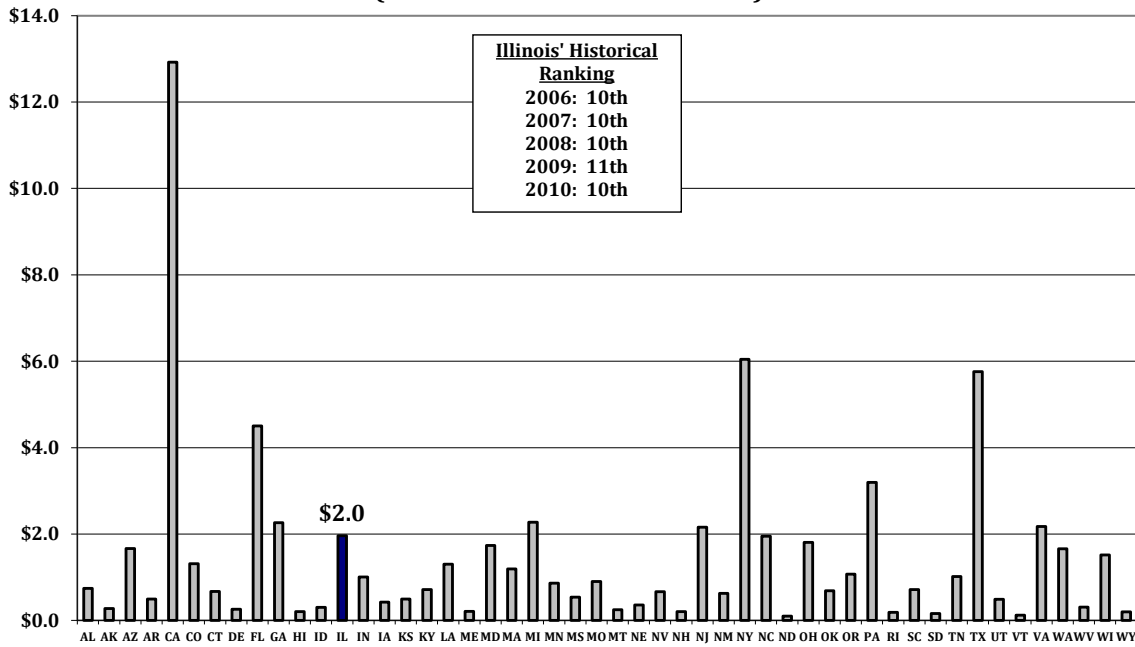
	Total					Total			
	Corrections	Dollars	Amount	Per Capita		Corrections	Dollars	Amount	Per Capita
	Expenditures	Ranking	Per Capita	Ranking		Expenditures	Ranking	Per Capita	Ranking
United States	\$72.9	-	\$236	-	United States	\$72.9	-	\$236	-
Alabama	\$0.7	25	\$155	44	Montana	\$0.2	42	\$250	15
Alaska	\$0.3	40	\$384	1	Nebraska	\$0.4	37	\$196	26
Arizona	\$1.7	14	\$259	13	Nevada	\$0.7	30	\$246	16
Arkansas	\$0.5	34	\$169	35	New Hampshire	\$0.2	45	\$155	42
California	\$12.9	1	\$346	3	New Jersey	\$2.2	9	\$245	18
Colorado	\$1.3	17	\$260	12	New Mexico	\$0.6	31	\$305	5
Connecticut	\$0.7	29	\$188	28	New York	\$6.0	2	\$312	4
Delaware	\$0.3	41	\$291	7	North Carolina	\$2.0	11	\$204	23
Florida	\$4.5	4	\$239	19	North Dakota	\$0.1	50	\$145	49
Georgia	\$2.3	7	\$233	20	Ohio	\$1.8	12	\$157	41
Hawaii	\$0.2	44	\$152	47	Oklahoma	\$0.7	28	\$183	29
Idaho	\$0.3	39	\$192	27	Oregon	\$1.1	20	\$279	9
Illinois	\$2.0	10	\$153	46	Pennsylvania	\$3.2	5	\$251	14
Indiana	\$1.0	22	\$155	43	Rhode Island	\$0.2	47	\$181	32
Iowa	\$0.4	36	\$140	50	South Carolina	\$0.7	26	\$155	45
Kansas	\$0.5	33	\$174	34	South Dakota	\$0.2	48	\$199	24
Kentucky	\$0.7	27	\$165	37	Tennessee	\$1.0	21	\$160	39
Louisiana	\$1.3	18	\$286	8	Texas	\$5.8	3	\$228	22
Maine	\$0.2	43	\$158	40	Utah	\$0.5	35	\$178	33
Maryland	\$1.7	13	\$300	6	Vermont	\$0.1	49	\$199	25
Massachusetts	\$1.2	19	\$182	30	Virginia	\$2.2	8	\$271	10
Michigan	\$2.3	6	\$230	21	Washington	\$1.7	15	\$246	17
Minnesota	\$0.9	24	\$162	38	West Virginia	\$0.3	38	\$166	36
Mississippi	\$0.5	32	\$182	31	Wisconsin	\$1.5	16	\$267	11
Missouri	\$0.9	23	\$150	48	Wyoming	\$0.2	46	\$357	2

Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

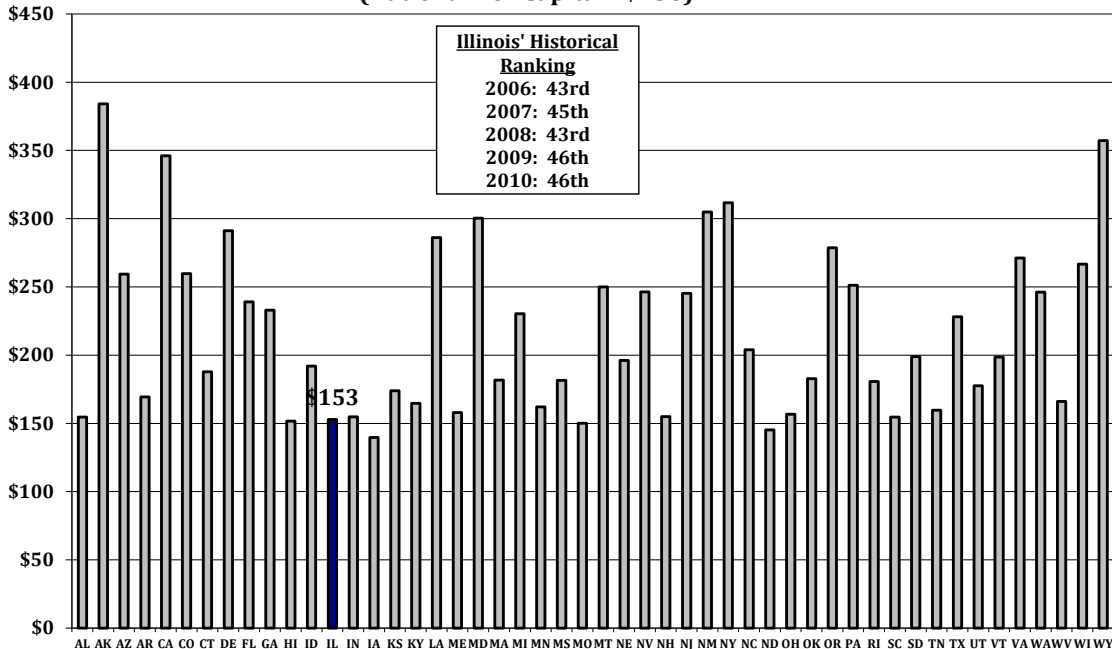
Grey Areas= Midwest Region

**CHART 35: Corrections Expenditures
by State and Local Governments in 2010
(National Total = \$72.9 billion)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

**CHART 36: Per-Capita Corrections Expenditures
by State and Local Governments in 2010
(National Per Capita = \$236)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

Category 19: State and Local Government Expenditures for Housing and Community Development

In 2010, Illinois ranked 9th in the nation in the category of state and local government expenditures for housing and community development with an amount of \$2.0 billion. Again, California had the highest total at \$10.9 billion. On a per-capita basis, Illinois ranked 17th with a value of \$159, which was below the national average of \$173. Illinois was the second highest ranked state in the Midwest Region, with Ohio slightly higher (ranked 11th).

**TABLE 26: Housing and Community Development Expenditures
by State and Local Governments in 2010**

\$ in billions

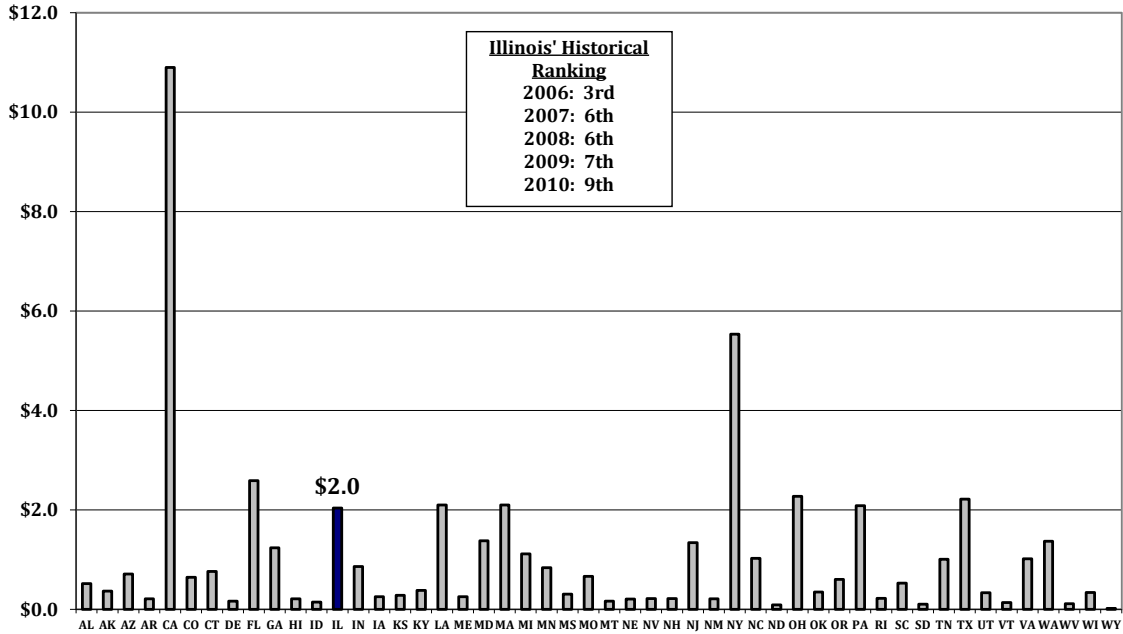
	Housing & Community Development Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		Housing & Community Development Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$53.5	-	\$173	-	United States	\$53.5	-	\$173	-
Alabama	\$0.5	26	\$108	36	Montana	\$0.2	44	\$169	14
Alaska	\$0.4	28	\$513	1	Nebraska	\$0.2	42	\$114	31
Arizona	\$0.7	21	\$111	34	Nevada	\$0.2	37	\$81	46
Arkansas	\$0.2	40	\$73	47	New Hampshire	\$0.2	38	\$164	16
California	\$10.9	1	\$292	4	New Jersey	\$1.3	12	\$152	22
Colorado	\$0.6	23	\$128	27	New Mexico	\$0.2	39	\$104	38
Connecticut	\$0.8	20	\$213	8	New York	\$5.5	2	\$285	5
Delaware	\$0.2	43	\$187	13	North Carolina	\$1.0	15	\$108	37
Florida	\$2.6	3	\$137	23	North Dakota	\$0.1	49	\$132	25
Georgia	\$1.2	13	\$127	28	Ohio	\$2.3	4	\$197	11
Hawaii	\$0.2	41	\$155	21	Oklahoma	\$0.3	29	\$93	42
Idaho	\$0.1	45	\$95	41	Oregon	\$0.6	24	\$157	20
Illinois	\$2.0	9	\$159	17	Pennsylvania	\$2.1	8	\$164	15
Indiana	\$0.9	18	\$133	24	Rhode Island	\$0.2	36	\$211	9
Iowa	\$0.3	35	\$84	45	South Carolina	\$0.5	25	\$114	32
Kansas	\$0.3	33	\$99	40	South Dakota	\$0.1	48	\$130	26
Kentucky	\$0.4	27	\$88	43	Tennessee	\$1.0	17	\$158	18
Louisiana	\$2.1	7	\$461	2	Texas	\$2.2	5	\$88	44
Maine	\$0.3	34	\$193	12	Utah	\$0.3	31	\$122	30
Maryland	\$1.4	10	\$238	6	Vermont	\$0.1	46	\$221	7
Massachusetts	\$2.1	6	\$320	3	Virginia	\$1.0	16	\$127	29
Michigan	\$1.1	14	\$113	33	Washington	\$1.4	11	\$203	10
Minnesota	\$0.8	19	\$158	19	West Virginia	\$0.1	47	\$63	48
Mississippi	\$0.3	32	\$103	39	Wisconsin	\$0.3	30	\$60	49
Missouri	\$0.7	22	\$111	35	Wyoming	\$0.0	50	\$39	50

Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

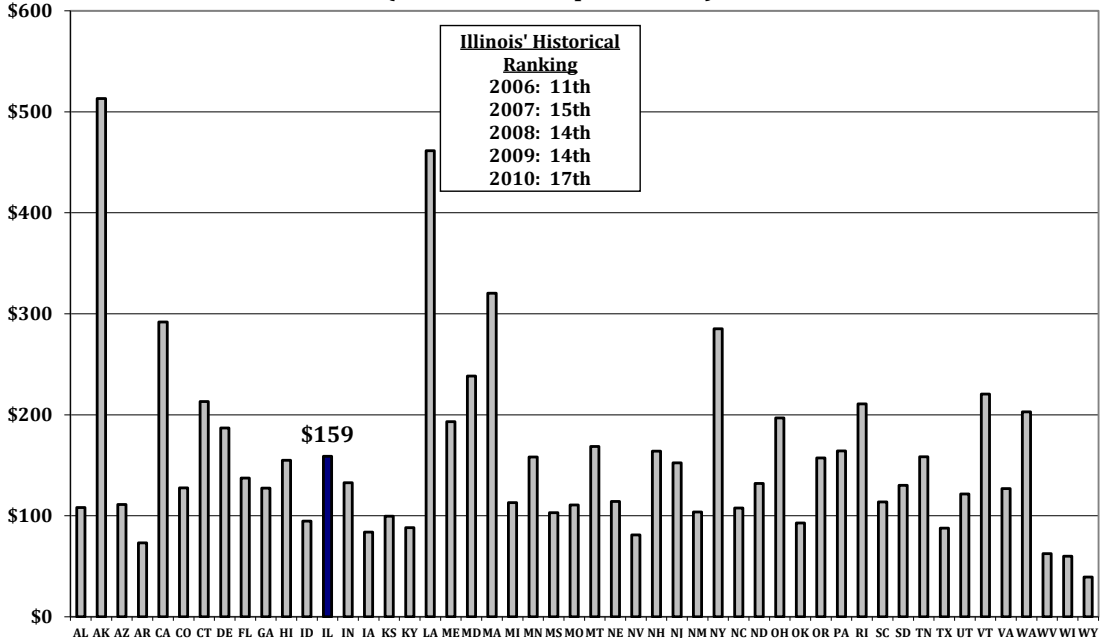
Grey Areas= Midwest Region

**CHART 37: Housing and Community Development Expenditures
by State and Local Governments in 2010
(National Total = \$53.5 billion)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

**CHART 38: Per-Capita Housing and Community Development Expenditures
by State and Local Governments in 2010
(National Per Capita = \$173)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

Category 20: State and Local Government Expenditures for Parks and Recreation

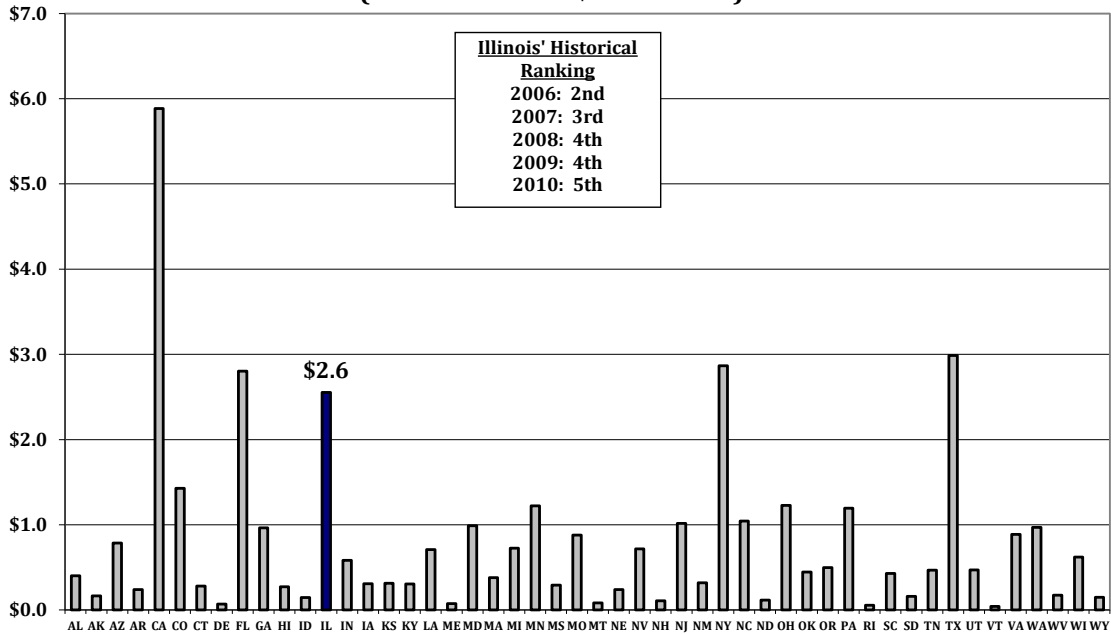
In 2010, in the category of state and local government expenditures for parks and recreation, Illinois ranked 5th in the nation in total dollars with spending totaling \$2.6 billion. California ranked 1st with an amount of \$5.9 billion. Illinois, on a per-capita basis, ranked 7th with a per-capita value of \$199, which was well above the national average of \$130 per capita. Illinois was the highest ranked Midwest Region state. Colorado had the highest per-capita ranking overall with a value of \$283.

TABLE 27: Parks and Recreation Expenditures by State and Local Governments in 2010									
\$ in billions									
	Parks and Recreation Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		Parks and Recreation Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$40.3	-	\$130	-	United States	\$40.3	-	\$130	-
Alabama	\$0.4	28	\$84	38	Montana	\$0.1	46	\$83	39
Alaska	\$0.2	40	\$231	4	Nebraska	\$0.2	37	\$132	19
Arizona	\$0.8	17	\$122	21	Nevada	\$0.7	19	\$265	2
Arkansas	\$0.2	38	\$82	40	New Hampshire	\$0.1	45	\$82	41
California	\$5.9	1	\$158	12	New Jersey	\$1.0	11	\$115	24
Colorado	\$1.4	6	\$283	1	New Mexico	\$0.3	30	\$154	14
Connecticut	\$0.3	35	\$78	42	New York	\$2.9	3	\$148	16
Delaware	\$0.1	48	\$78	43	North Carolina	\$1.0	10	\$109	27
Florida	\$2.8	4	\$149	15	North Dakota	\$0.1	44	\$172	9
Georgia	\$1.0	14	\$99	31	Ohio	\$1.2	7	\$106	29
Hawaii	\$0.3	36	\$200	6	Oklahoma	\$0.4	26	\$119	22
Idaho	\$0.1	43	\$93	35	Oregon	\$0.5	23	\$130	20
Illinois	\$2.6	5	\$199	7	Pennsylvania	\$1.2	9	\$94	34
Indiana	\$0.6	22	\$90	37	Rhode Island	\$0.1	49	\$53	50
Iowa	\$0.3	32	\$101	30	South Carolina	\$0.4	27	\$92	36
Kansas	\$0.3	31	\$109	26	South Dakota	\$0.2	41	\$196	8
Kentucky	\$0.3	33	\$70	46	Tennessee	\$0.5	25	\$74	44
Louisiana	\$0.7	20	\$156	13	Texas	\$3.0	2	\$118	23
Maine	\$0.1	47	\$57	49	Utah	\$0.5	24	\$170	11
Maryland	\$1.0	12	\$171	10	Vermont	\$0.0	50	\$65	47
Massachusetts	\$0.4	29	\$58	48	Virginia	\$0.9	15	\$110	25
Michigan	\$0.7	18	\$73	45	Washington	\$1.0	13	\$144	18
Minnesota	\$1.2	8	\$230	5	West Virginia	\$0.2	39	\$94	33
Mississippi	\$0.3	34	\$98	32	Wisconsin	\$0.6	21	\$109	28
Missouri	\$0.9	16	\$147	17	Wyoming	\$0.1	42	\$264	3

Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.
Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

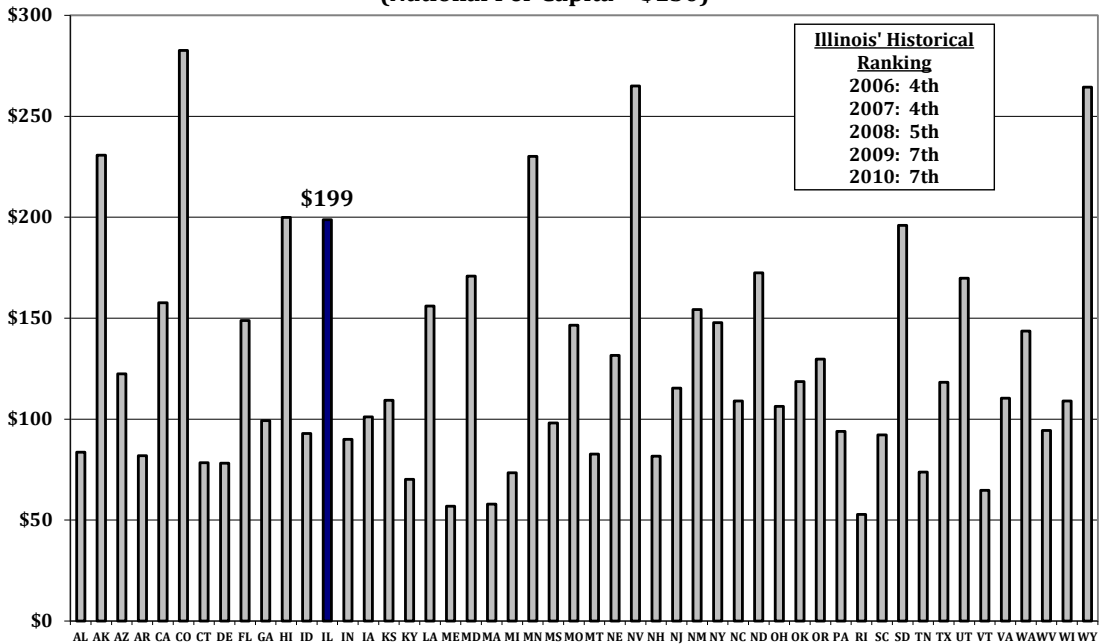
Grey Areas= Midwest Region

**CHART 39: Parks and Recreation Expenditures
by State and Local Governments in 2010
(National Total = \$40.3 billion)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

**CHART 40: Per-Capita Parks and Recreation Expenditures
by State and Local Governments in 2010
(National Per Capita = \$130)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

Category 21: State and Local Govt Expenditures for Public Welfare Programs

In 2010, in the category of state and local government expenditures for public welfare programs, Illinois ranked 7th in the nation in total dollars. California ranked 1st with spending totaling \$52.2 billion. Illinois, on a per-capita basis, ranked 27th with a per-capita value of \$1,382, which was below the national average of \$1,476 per capita. Kentucky (13th) was the highest ranked Midwest Region state with a per-capita value of \$1,632. New York had the highest per-capita ranking overall with a value of \$2,526.

**TABLE 28: Public Welfare Program Expenditures
by State and Local Governments in 2010**

\$ in billions

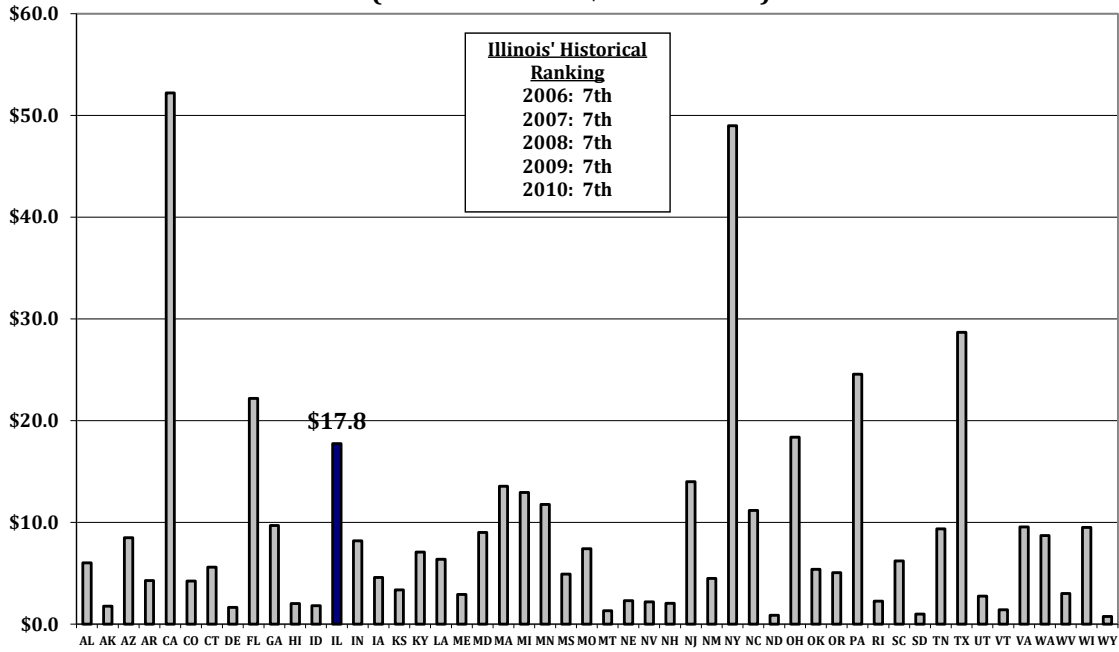
	Public Welfare Programs Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		Public Welfare Programs Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$456.7	-	\$1,476	-	United States	\$456.7	-	\$1,476	-
Alabama	\$6.0	25	\$1,259	38	Montana	\$1.3	47	\$1,332	30
Alaska	\$1.8	44	\$2,479	2	Nebraska	\$2.3	38	\$1,265	36
Arizona	\$8.5	19	\$1,326	31	Nevada	\$2.2	40	\$811	50
Arkansas	\$4.3	32	\$1,471	23	New Hampshire	\$2.0	41	\$1,556	19
California	\$52.2	1	\$1,399	26	New Jersey	\$14.0	8	\$1,590	16
Colorado	\$4.2	33	\$842	49	New Mexico	\$4.5	31	\$2,175	6
Connecticut	\$5.6	26	\$1,568	17	New York	\$49.0	2	\$2,526	1
Delaware	\$1.6	45	\$1,832	10	North Carolina	\$11.2	12	\$1,170	44
Florida	\$22.2	5	\$1,177	43	North Dakota	\$0.9	49	\$1,296	34
Georgia	\$9.7	13	\$999	47	Ohio	\$18.4	6	\$1,594	15
Hawaii	\$2.0	42	\$1,492	21	Oklahoma	\$5.4	27	\$1,436	24
Idaho	\$1.8	43	\$1,156	45	Oregon	\$5.1	28	\$1,320	32
Illinois	\$17.8	7	\$1,382	27	Pennsylvania	\$24.6	4	\$1,931	9
Indiana	\$8.2	20	\$1,261	37	Rhode Island	\$2.3	39	\$2,145	7
Iowa	\$4.6	30	\$1,509	20	South Carolina	\$6.2	24	\$1,338	29
Kansas	\$3.4	34	\$1,181	42	South Dakota	\$1.0	48	\$1,205	40
Kentucky	\$7.1	22	\$1,632	13	Tennessee	\$9.4	16	\$1,475	22
Louisiana	\$6.4	23	\$1,406	25	Texas	\$28.7	3	\$1,136	46
Maine	\$2.9	36	\$2,206	5	Utah	\$2.7	37	\$991	48
Maryland	\$9.0	17	\$1,559	18	Vermont	\$1.4	46	\$2,247	3
Massachusetts	\$13.6	9	\$2,068	8	Virginia	\$9.6	14	\$1,191	41
Michigan	\$12.9	10	\$1,310	33	Washington	\$8.7	18	\$1,292	35
Minnesota	\$11.8	11	\$2,215	4	West Virginia	\$3.0	35	\$1,621	14
Mississippi	\$4.9	29	\$1,659	12	Wisconsin	\$9.5	15	\$1,670	11
Missouri	\$7.4	21	\$1,235	39	Wyoming	\$0.8	50	\$1,340	28

Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

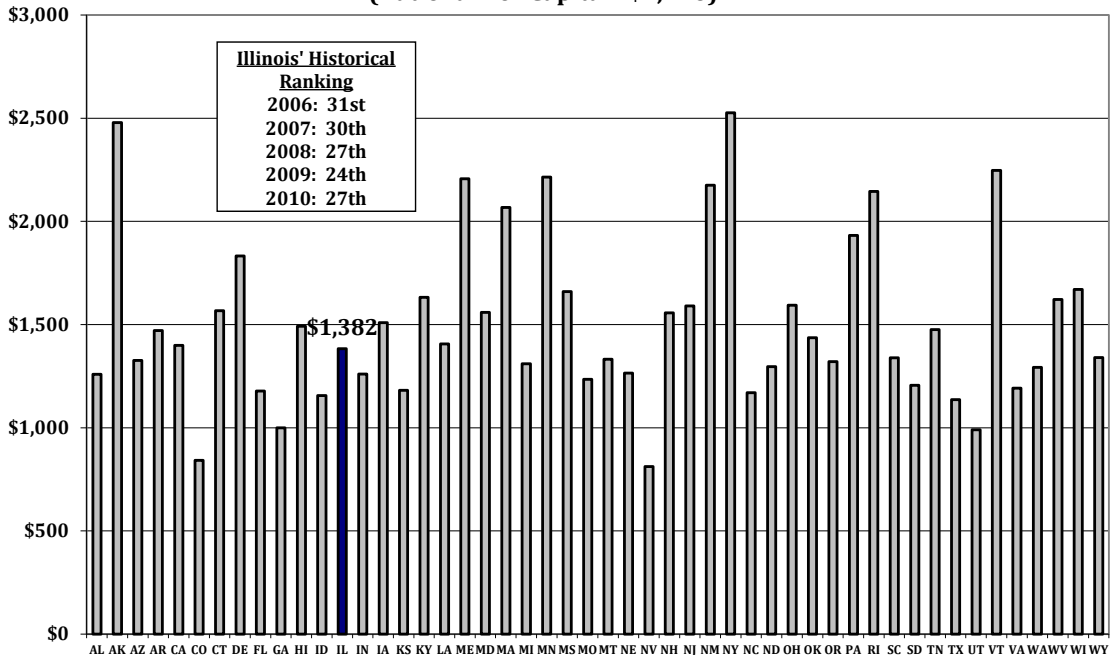
Grey Areas= Midwest Region

**CHART 41: Public Welfare Programs Expenditures
by State and Local Governments in 2010
(National Total = \$456.7 billion)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

**CHART 42: Public Welfare Programs Expenditures
by State and Local Governments in 2010
(National Per Capita = \$1,476)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

Category 22: State and Local Government Expenditures for Highways

In 2010, Illinois ranked 6th in the nation in the category of state and local government expenditures for highways with an amount of \$8.2 billion. California had the highest total at \$16.5 billion. On a per-capita basis, Illinois ranked 15th with a value of \$640, which was above the national average of \$504. Illinois' ranking has consistently increased over the past five years going from a 33rd ranking in 2006 to its current ranking of 15th.

Illinois was the second highest ranked state in the Midwest Region on a per-capita basis with Iowa slightly higher (ranked 7th). In looking at the highest ranked states, it is not surprising that these top states are the larger states in terms of area, as they have more highway miles to take care of. Alaska, being the largest state in the nation, had by far the highest per-capita rate in the country at \$2,435 per capita.

**TABLE 29: Highway Expenditures
by State and Local Governments in 2010**

\$ in billions

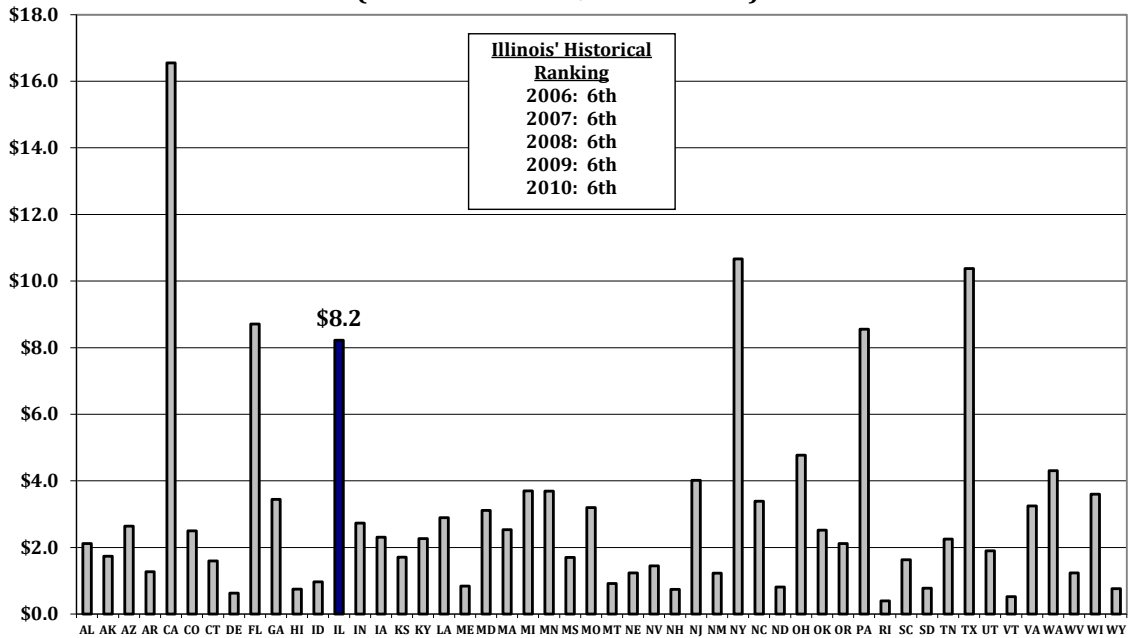
	Highway Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking		Highway Expenditures	Total Dollars Ranking	Amount Per Capita	Per Capita Ranking
United States	\$155.9	-	\$504	-	United States	\$155.9	-	\$504	-
Alabama	\$2.1	27	\$443	36	Montana	\$0.9	41	\$927	5
Alaska	\$1.7	30	\$2,435	1	Nebraska	\$1.2	37	\$677	11
Arizona	\$2.6	20	\$412	41	Nevada	\$1.5	35	\$536	29
Arkansas	\$1.3	36	\$435	38	New Hampshire	\$0.7	47	\$562	24
California	\$16.5	1	\$443	37	New Jersey	\$4.0	9	\$456	34
Colorado	\$2.5	23	\$496	32	New Mexico	\$1.2	39	\$596	22
Connecticut	\$1.6	34	\$447	35	New York	\$10.7	2	\$550	26
Delaware	\$0.6	48	\$703	8	North Carolina	\$3.4	14	\$355	48
Florida	\$8.7	4	\$463	33	North Dakota	\$0.8	43	\$1,205	3
Georgia	\$3.4	13	\$355	47	Ohio	\$4.8	7	\$414	40
Hawaii	\$0.7	46	\$549	27	Oklahoma	\$2.5	22	\$671	13
Idaho	\$1.0	40	\$619	20	Oregon	\$2.1	28	\$553	25
Illinois	\$8.2	6	\$640	15	Pennsylvania	\$8.6	5	\$673	12
Indiana	\$2.7	19	\$421	39	Rhode Island	\$0.4	50	\$375	45
Iowa	\$2.3	24	\$757	7	South Carolina	\$1.6	33	\$352	50
Kansas	\$1.7	31	\$599	21	South Dakota	\$0.8	44	\$956	4
Kentucky	\$2.3	25	\$521	31	Tennessee	\$2.3	26	\$354	49
Louisiana	\$2.9	18	\$636	17	Texas	\$10.4	3	\$411	42
Maine	\$0.8	42	\$632	19	Utah	\$1.9	29	\$685	10
Maryland	\$3.1	17	\$538	28	Vermont	\$0.5	49	\$839	6
Massachusetts	\$2.5	21	\$387	44	Virginia	\$3.2	15	\$405	43
Michigan	\$3.7	10	\$375	46	Washington	\$4.3	8	\$638	16
Minnesota	\$3.7	11	\$696	9	West Virginia	\$1.2	38	\$667	14
Mississippi	\$1.7	32	\$572	23	Wisconsin	\$3.6	12	\$633	18
Missouri	\$3.2	16	\$533	30	Wyoming	\$0.8	45	\$1,349	2

Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

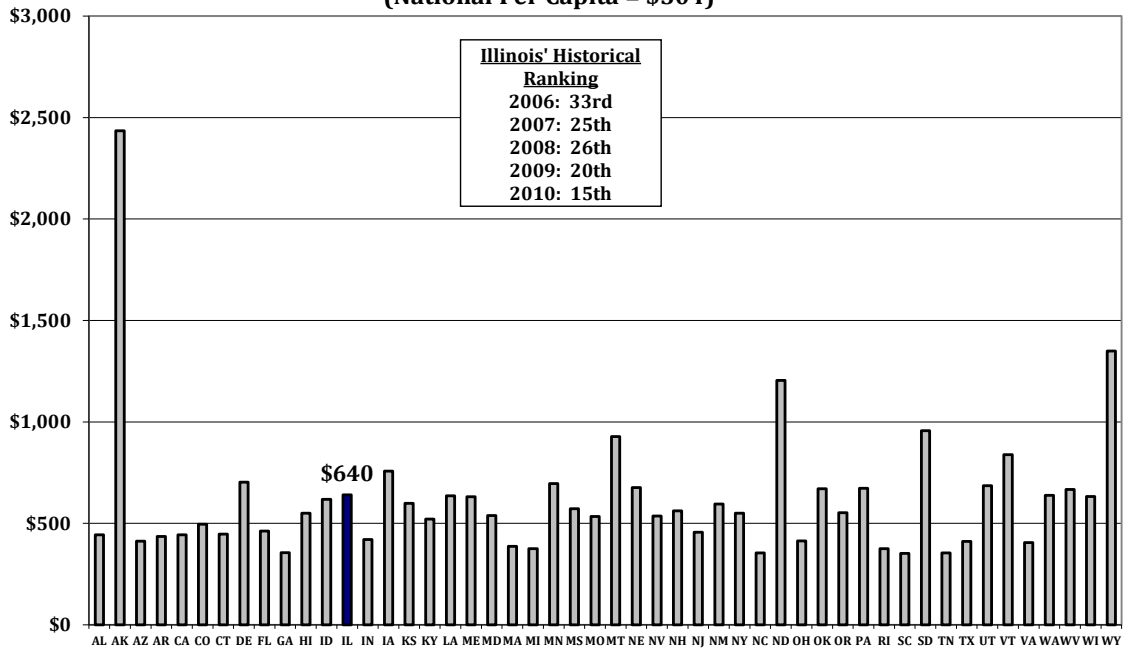
Grey Areas= Midwest Region

**CHART 43: Highway Expenditures
by State and Local Governments in 2010
(National Total = \$155.9 billion)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

**CHART 44: Highway Expenditures
by State and Local Governments in 2010
(National Per Capita = \$504)**



Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections, 2010 Annual Surveys of State and Local Government Finances.

Category 23: State and Local Government Debt Outstanding

In this category, state and local government debt outstanding includes short-term, long-term, full faith and credit, non-guaranteed and public debt for private purposes. In 2010, Illinois ranked 5th in the nation with a total debt of \$136.0 billion. California had the highest level of debt outstanding with \$404.0 billion. On a per-capita basis, Illinois ranked 8th with a value of \$10,590. This amount was above the national average of \$9,146. Illinois has consistently been the highest ranked state in the Midwest Region in both total dollars and on a per-capita basis over the last several years.

TABLE 30: State and Local Government Debt Outstanding in 2010

\$ in billions

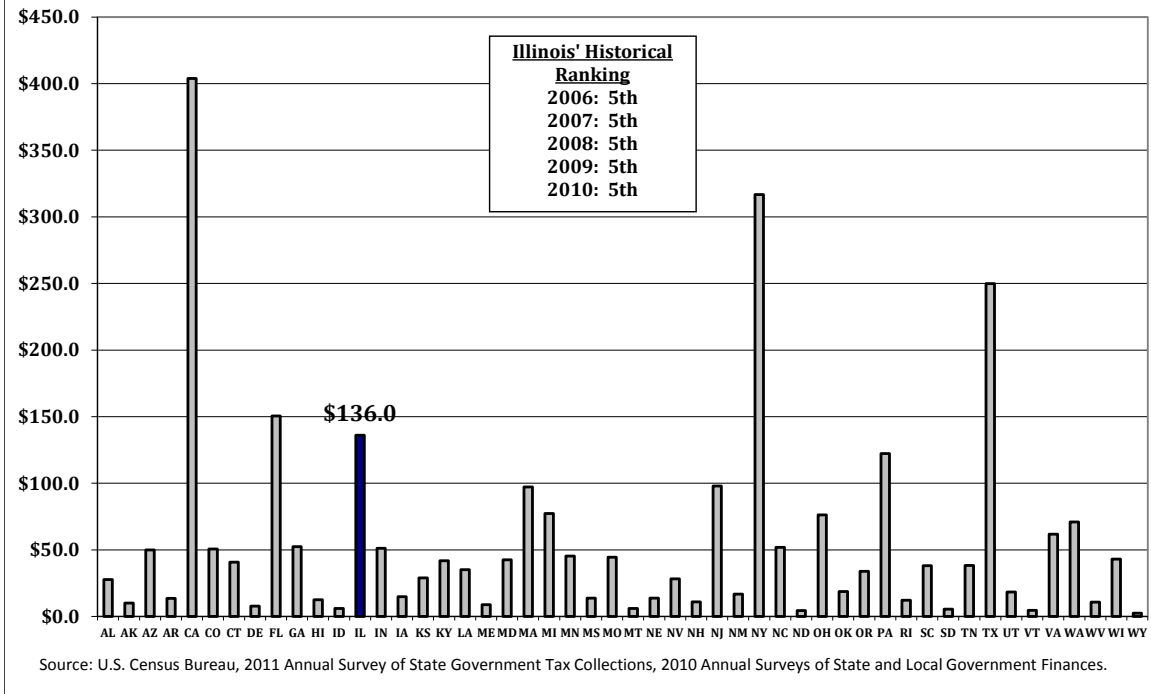
	Total				Total				
	Debt Outstanding	Dollars Ranking	Amount Per Capita	Per Capita Ranking	Debt Outstanding	Dollars Ranking	Amount Per Capita	Per Capita Ranking	
United States	\$2,829.1	-	\$9,146	-	United States	\$2,829.1	-	\$9,146	-
Alabama	\$27.7	30	\$5,781	42	Montana	\$6.0	46	\$6,048	39
Alaska	\$10.2	42	\$14,268	3	Nebraska	\$13.9	35	\$7,580	29
Arizona	\$50.0	17	\$7,791	26	Nevada	\$28.2	29	\$10,424	10
Arkansas	\$13.7	37	\$4,689	47	New Hampshire	\$11.0	40	\$8,348	20
California	\$404.0	1	\$10,820	7	New Jersey	\$98.0	7	\$11,143	6
Colorado	\$50.7	16	\$10,050	12	New Mexico	\$16.8	33	\$8,153	22
Connecticut	\$40.8	23	\$11,418	5	New York	\$316.7	2	\$16,327	1
Delaware	\$7.8	44	\$8,667	18	North Carolina	\$51.8	14	\$5,422	43
Florida	\$150.6	4	\$7,993	23	North Dakota	\$4.5	49	\$6,623	37
Georgia	\$52.4	13	\$5,400	44	Ohio	\$76.3	10	\$6,611	38
Hawaii	\$12.6	38	\$9,267	16	Oklahoma	\$18.7	31	\$4,972	45
Idaho	\$6.1	45	\$3,898	50	Oregon	\$34.0	27	\$8,857	17
Illinois	\$136.0	5	\$10,590	8	Pennsylvania	\$122.3	6	\$9,618	14
Indiana	\$51.1	15	\$7,879	24	Rhode Island	\$12.2	39	\$11,589	4
Iowa	\$15.0	34	\$4,902	46	South Carolina	\$38.1	25	\$8,215	21
Kansas	\$28.9	28	\$10,117	11	South Dakota	\$5.5	47	\$6,692	35
Kentucky	\$41.8	22	\$9,618	15	Tennessee	\$38.4	24	\$6,033	40
Louisiana	\$35.2	26	\$7,735	27	Texas	\$249.9	3	\$9,895	13
Maine	\$8.9	43	\$6,713	34	Utah	\$18.4	32	\$6,624	36
Maryland	\$42.5	21	\$7,353	33	Vermont	\$4.7	48	\$7,454	31
Massachusetts	\$97.3	8	\$14,836	2	Virginia	\$61.8	12	\$7,699	28
Michigan	\$77.3	9	\$7,826	25	Washington	\$71.1	11	\$10,538	9
Minnesota	\$45.4	18	\$8,542	19	West Virginia	\$10.8	41	\$5,809	41
Mississippi	\$13.8	36	\$4,658	48	Wisconsin	\$43.1	20	\$7,571	30
Missouri	\$44.5	19	\$7,426	32	Wyoming	\$2.5	50	\$4,376	49

Source: U.S. Census Bureau, 2010 Annual Surveys of State and Local Government Finances.

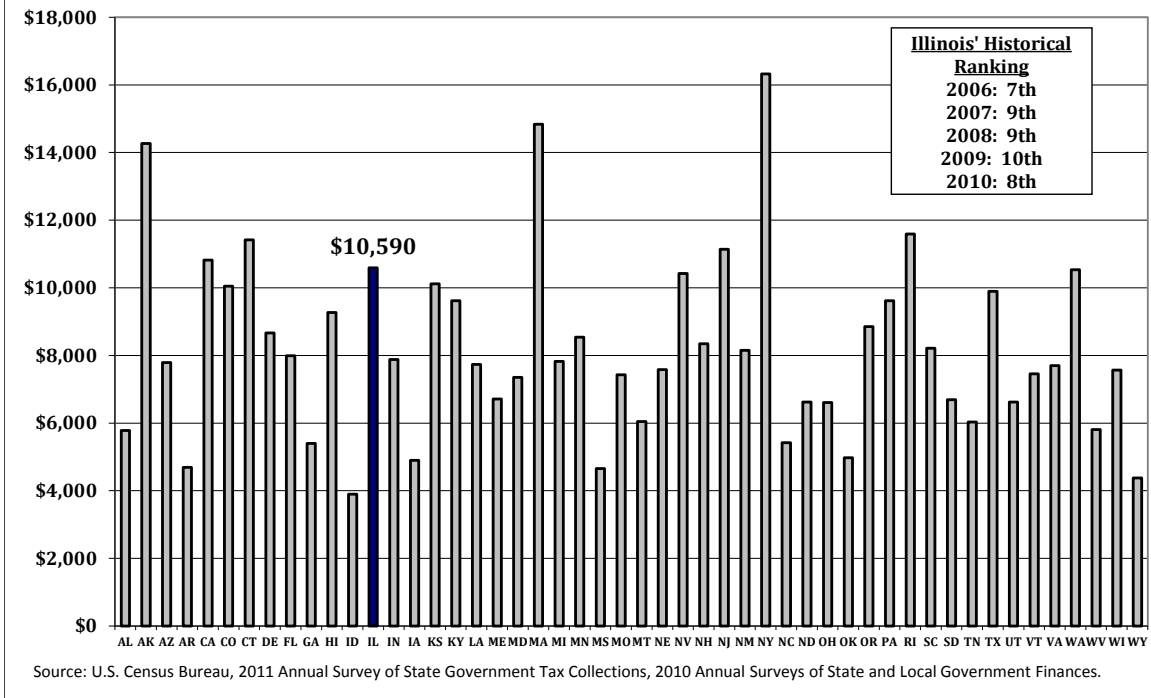
Source: U.S. Census Bureau, 2011 Annual Survey of State Government Tax Collections

Grey Areas= Midwest Region

**CHART 45: State and Local Government Debt Outstanding in 2010
(National Total = \$2,829.1 billion)**



**CHART 46: Per Capita State and Local Government Debt Outstanding in 2010
(National Per Capita = \$9,146)**



State Business Tax Climate Index

States, like Illinois, are continually looking for ways to attract and retain businesses. To do so, Illinois' tax structure and incentives offered must compare favorably with other states. The Tax Foundation annually releases an index called the State Business Tax Climate Index (SBCTI), which is "designed to measure the competitiveness of each state's tax system so lawmakers, the media and the public alike can gauge how their state compares to other states". In their 2012 edition, the Tax Foundation makes the following point about a state's business climate (which can be found at taxfoundation.org):

The modern market is characterized by mobile capital and labor, with all types of business, small and large, tending to locate where they have the greatest competitive advantage. The evidence shows that states with the best tax systems will be the most competitive in attracting new businesses and most effective at generating economic and employment growth. It is true that taxes are but one factor in business decision-making. Other concerns, such as raw materials or infrastructure or a skilled labor pool, matter, but a simple, sensible tax system can positively or negatively impact business operations with regard to these very resources. Furthermore, unlike changes to a state's health care, transportation, or education system—which can take decades to implement—changes to the tax code can quickly improve a state's business climate.

For Illinois to be able to land and then keep corporations in the state, it must compare favorably with surrounding states. So how does Illinois compare? The Tax Foundation's study attempts to compare the business climate of the fifty states by quantifying several factors into a single index. The 2012 SBTCI places 118 different variables into five component indexes that each measures a different sector of a state's business tax climate. The five component indexes are the Corporate Tax Index, Individual Income Tax Index, Sales Tax Index, Unemployment Tax Index and Property Tax Index. The total score for each state is calculated based on the scores on each of the five component indexes.

A table displaying the results of the study is shown on the following page. **The study ranked Illinois as having the 28th best State Business Tax Climate in the nation for FY 2012.** The five highest ranked states were Wyoming, South Dakota, Nevada, Alaska, and Florida. The lowest ranked states were California, New York, and New Jersey. Rankings of states surrounding Illinois include Indiana (11th), Missouri (15th), Michigan (18th), Kentucky (22nd), Ohio (39th), Iowa (41st), and Wisconsin (43rd). Illinois has consistently been near the middle of the pack in this index over the last several years.

Looking at each component of the index individually, Illinois ranked in the top half in the individual income tax index (10th), but was in the lower half of the rankings for the corporate tax index (45th), sales tax index (33rd), unemployment insurance tax index (43rd), and property tax index (44th). Two years ago, Illinois ranked 27th in the corporate tax index. This drop is likely related to the recent increase in the corporate income tax rate from 4.8% to 7.0%. Despite the personal tax rate increase, Illinois' ranking in the individual income tax index only dropped from 10th to 13th.

**TABLE 31: Major Components of the State Business Tax Climate Index
FY 2012**

State	Overall Rank	Individual			Unemployment	
		Corporate Tax Index Rank	Income Tax Index Rank	Sales Tax Index Rank	Insurance Tax Index Rank	Property Tax Index Rank
Alabama	20	16	18	41	11	6
Alaska	4	27	1	5	28	13
Arizona	27	28	17	50	1	5
Arkansas	31	36	27	38	17	18
California	48	43	50	40	13	17
Colorado	16	20	16	44	23	9
Connecticut	40	25	31	30	32	50
Delaware	12	50	28	2	3	14
Florida	5	12	1	19	5	24
Georgia	34	9	40	12	22	39
Hawaii	35	4	41	31	30	15
Idaho	21	19	26	23	48	2
Illinois	28	45	13	33	43	44
Indiana	11	18	10	11	16	11
Iowa	41	48	32	25	35	36
Kansas	25	35	21	32	6	28
Kentucky	22	26	25	8	47	19
Louisiana	32	17	24	49	4	23
Maine	37	47	30	10	40	38
Maryland	42	14	46	9	45	40
Massachusetts	24	34	15	17	49	47
Michigan	18	49	11	7	44	30
Minnesota	45	42	44	36	34	26
Mississippi	17	11	19	28	8	29
Missouri	15	8	23	26	9	7
Montana	8	15	20	3	20	8
Nebraska	30	33	29	27	12	37
Nevada	3	1	1	42	42	16
New Hampshire	6	46	9	1	39	41
New Jersey	50	39	48	46	25	49
New Mexico	38	38	33	45	14	1
New York	49	23	49	37	46	45
North Carolina	44	29	43	47	7	35
North Dakota	29	21	35	15	31	4
Ohio	39	22	42	29	10	33
Oklahoma	33	7	38	39	2	12
Oregon	13	31	34	4	33	10
Pennsylvania	19	44	12	21	37	42
Rhode Island	46	40	36	24	50	46
South Carolina	36	10	39	20	38	21
South Dakota	2	1	1	34	41	20
Tennessee	14	13	8	43	27	48
Texas	9	37	7	35	15	31
Utah	10	5	14	22	24	3
Vermont	47	41	47	14	19	43
Virginia	26	6	37	6	36	27
Washington	7	30	1	48	18	22
West Virginia	23	24	22	18	26	25
Wisconsin	43	32	45	16	21	32
Wyoming	1	1	1	13	29	34

Note: Rankings do not average across to total. States without a given tax rank equally as number 1.

Source: Tax Foundation. Full report can be found at www.taxfoundation.org.

Employment Data Information:

The tumultuous economy over the last several years has taken its toll on thousands of jobs throughout the nation. Unemployment rates during the “Great Recession” reached levels not seen in decades. Many states, in fact, recorded historically high unemployment rates in late 2010. While Illinois did not reach a “record high” during this time, the State was not immune to these job losses as Illinois’ unemployment rate surpassed the 11% mark for the first time since August 1983.

The latest figure (October 2012) from the Bureau of Labor Statistics places Illinois’ seasonally adjusted unemployment rate at 8.8%. This is higher than the October 2012 U.S. rate of 7.9%.

As the table on the following page shows, Illinois’ seasonally adjusted unemployment rate of 8.8% currently places Illinois as having the 9th highest unemployment rate in the nation (or 43rd overall, when including the District of Columbia). Nevada currently has the highest rate at 11.5%. The state with the lowest current rate is North Dakota at 3.1%.

The sharp rise in unemployment levels since the Great Depression has understandably generated much attention from the media and the general public. Consequently, lawmakers have made numerous inquiries to the Commission regarding the job market in Illinois, asking questions such as, “What types of jobs are Illinois losing?”, “How has Illinois’ employment situation changed over the years?”, and “How does Illinois’ employment figures compare to other states throughout the nation?”. In an effort to address these questions, the Commission compiled employment statistics from the U.S. Bureau of Labor Statistics over the last two decades. The data used in this analysis can be obtained at the Bureau’s website (www.bls.gov).

The latest data (total non-farm employment, seasonally adjusted) shows that there were approximately 5.7 million Illinois residents employed in October 2012. Illinois employed the 6th most workers during this month and made up approximately 4.3% of the nation’s jobs. Considering Illinois is the 5th most populated state in the country, Illinois’ high ranking in this category is not necessarily surprising. However, the 6th populated state of Pennsylvania had slightly more employed people than Illinois which allowed them to pass Illinois in the rankings for this particular month. California, with the largest population, had the most employed at 14.4 million.

**TABLE 32: October 2012 Unemployment Rates for States
and Historical High/Lows**
Seasonally Adjusted

State	Oct. 2012	Rate	Historical High		Historical Low	
	Rate	Ranking	Date	Rate	Date	Rate
Alabama	8.1	31	Dec. 1982	14.3	Apr. 2007	3.2
Alaska	7.1	25	June 1986	11.5	Apr. 2007	5.9
Arizona	8.1	31	Jan. 1983	11.6	July 2007	3.5
Arkansas	7.2	26	July 1983	10.1	Nov. 2000	4.0
California	10.1	49	Oct. 2010	12.4	Jan. 2001	4.7
Colorado	7.9	29	Nov. 2010	9.0	Jan. 2001	2.6
Connecticut	9.0	45	Dec. 2010	9.4	Oct. 2000	2.1
Delaware	6.8	20	Dec. 1976	9.3	Feb. 1989	2.8
District of Columbia	8.5	37	Feb. 1983	11.6	May 1989	4.8
Florida	8.5	37	Feb. 2010	11.4	Aug. 2006	3.3
Georgia	8.7	41	Jan. 2010	10.5	Dec. 2000	3.3
Hawaii	5.5	8	Jan. 1976	9.9	Dec. 2006	2.3
Idaho	7.0	24	Feb. 1983	9.6	Mar. 2007	2.7
Illinois	8.8	43	Feb. 1983	12.9	Feb. 1999	4.2
Indiana	8.0	30	Jan. 1983	12.7	Apr. 1999	2.6
Iowa	5.1	4	Mar. 1983	8.6	Oct. 1999	2.5
Kansas	5.7	10	Aug. 2009	7.6	Apr. 1979	3.0
Kentucky	8.4	36	Jan. 1983	12.0	June 2000	4.1
Louisiana	6.6	16	Nov. 1986	12.8	July 2006	3.6
Maine	7.4	27	Jan. 1977	9.0	Jan. 2001	3.1
Maryland	6.7	19	Nov. 1982	8.4	Feb. 2008	3.3
Massachusetts	6.6	16	Jan. 1976	11.1	Oct. 2000	2.6
Michigan	9.1	46	Dec. 1982	16.8	Mar. 2000	3.3
Minnesota	5.8	13	Dec. 1982	9.1	Mar. 1999	2.5
Mississippi	8.9	44	Apr. 1983	13.5	Apr. 2001	4.9
Missouri	6.9	21	Feb. 1983	10.6	Jan. 2000	2.8
Montana	6.0	14	Mar. 1983	8.8	Dec. 2006	3.1
Nebraska	3.8	2	Feb. 1983	6.7	Feb. 1998	2.2
Nevada	11.5	51	Oct. 2010	14.0	Apr. 2000	3.8
New Hampshire	5.7	10	Sept. 1992	7.6	May 1987	2.1
New Jersey	9.7	48	Dec. 1976	10.7	July 2000	3.6
New Mexico	6.3	15	Mar. 1983	10.0	June 2007	3.4
New York	8.7	41	Nov. 1976	10.3	Apr. 1988	4.0
North Carolina	9.3	47	Feb. 2010	11.4	Mar. 1999	3.1
North Dakota	3.1	1	Feb. 1983	6.8	July 2001	2.6
Ohio	6.9	21	Jan. 1983	13.9	Jan. 2001	3.8
Oklahoma	5.3	7	June 1983	9.2	Dec. 2000	2.8
Oregon	8.6	39	Jan. 1983	12.1	Feb. 1995	4.7
Pennsylvania	8.1	31	Mar. 1983	12.9	Mar. 2000	4.0
Rhode Island	10.4	50	Jan. 2010	11.9	July 1988	2.9
South Carolina	8.6	39	Dec. 2009	12.0	Mar. 1998	3.2
South Dakota	4.5	3	Feb. 1983	6.0	Mar. 2000	2.5
Tennessee	8.2	34	Jan. 1983	12.8	May 2000	3.9
Texas	6.6	16	Nov. 1986	9.3	Jan. 2001	4.2
Utah	5.2	5	Mar. 1983	10.0	Mar. 2007	2.4
Vermont	5.5	8	Jan. 1976	8.8	Apr. 2000	2.4
Virginia	5.7	10	Jan. 1983	7.8	Dec. 2000	2.2
Washington	8.2	34	Nov. 1982	12.2	May 2007	4.4
West Virginia	7.5	28	Mar. 1983	18.1	Apr. 2008	3.9
Wisconsin	6.9	21	Jan. 1983	11.5	Feb. 2000	3.0
Wyoming	5.2	5	Jan. 1987	9.1	Apr. 1979	2.3

Note: The October 2012 figures are preliminary. Rates shown are a percentage of the labor force. Data refer to place of residence. Series begin in January 1976. Historical highs and lows show the most recent month that a rate was recorded in the event of multiple occurrences. Estimates for at least the latest five years are subject to revision early in the following calendar year.

Source: <http://www.bls.gov/web/laus/lausthl.htm>

As shown in the table below, in looking at October employment levels since 2000 (seasonally adjusted), Illinois hit a high of over six million jobs at the beginning of the decade in October 2000. The state hit its low point in the midst of the Great Recession in 2009. Comparing Illinois' latest 2012 figure with its "lowpoint", Illinois employment levels have improved 2.2% since reaching this trough in 2009. At first glance, this improvement may appear encouraging, but compared to other states, Illinois ranks 41st in the nation in the rate of improvement from a state's "lowpoint" with its current value.

A similar finding was calculated when looking at how Illinois compares to its "highpoint". Illinois' latest employment value is still 338 thousand jobs, or 5.6%, below its highpoint reached in 2000. This ranked Illinois 41st in the nation – meaning that only 10 states have had slower job recoveries than Illinois. The State of Michigan is ranked last in the nation with employment levels still 15.2% below its highpoint. A table displaying the highpoints, lowpoints, and current levels of employment for all of the states in the nation is shown below.

TABLE 33: Employment "High-Point" and "Low-Point" by State (2000-2012, Year over Year Comparisons by Current Month of October) (Employment Values in thousands)											
	Current Value (Oct 2012)	% of Country	Ranking of Jobs	2000 to Present Lowpoint	Current vs. Chg. From Lowpoint	Current vs. Change from Lowpoint (%)	Ranking of Change	2000 to Present Highpoint	Current vs. Chg. From Highpoint	Current vs. Change from Highpoint (%)	Ranking of Change
Alabama	1,881.5	1.4%	24	1,863.7	17.8	1.0%	46	2,010.6	-129.1	-6.4%	45
Alaska	328.0	0.2%	49	285.0	43.0	15.1%	5	328.0	0.0	0.0%	1
Arizona	2,463.9	1.8%	21	2,257.0	206.9	9.2%	13	2,684.3	-220.4	-8.2%	49
Arkansas	1,170.0	0.9%	33	1,145.3	24.7	2.2%	40	1,205.4	-35.4	-2.9%	23
California	14,417.2	10.8%	1	13,900.0	517.2	3.7%	28	15,176.0	-758.8	-5.0%	38
Colorado	2,310.1	1.7%	22	2,152.5	157.6	7.3%	16	2,345.5	-35.4	-1.5%	14
Connecticut	1,624.9	1.2%	28	1,608.8	16.1	1.0%	45	1,703.1	-78.2	-4.6%	33
Delaware	416.2	0.3%	47	412.7	3.5	0.8%	47	438.3	-22.1	-5.0%	39
Dist. Of Columbia	739.0	0.6%	39	655.2	83.8	12.8%	6	739.0	0.0	0.0%	1
Florida	7,371.5	5.5%	4	7,124.6	246.9	3.5%	32	8,026.0	-654.5	-8.2%	48
Georgia	3,954.4	3.0%	10	3,831.6	122.8	3.2%	33	4,146.5	-192.1	-4.6%	34
Hawaii	607.7	0.5%	42	549.5	58.2	10.6%	9	626.7	-19.0	-3.0%	24
Idaho	622.2	0.5%	41	563.0	59.2	10.5%	10	654.4	-32.2	-4.9%	37
Illinois	5,712.6	4.3%	6	5,592.1	120.5	2.2%	41	6,051.0	-338.4	-5.6%	41
Indiana	2,905.0	2.2%	14	2,764.2	140.8	5.1%	20	2,989.5	-84.5	-2.8%	22
Iowa	1,496.3	1.1%	30	1,444.2	52.1	3.6%	30	1,522.3	-26.0	-1.7%	15
Kansas	1,344.8	1.0%	31	1,310.8	34.0	2.6%	37	1,390.6	-45.8	-3.3%	27
Kentucky	1,833.8	1.4%	26	1,761.5	72.3	4.1%	25	1,866.8	-33.0	-1.8%	16
Louisiana	1,947.7	1.5%	23	1,771.9	175.8	9.9%	11	1,947.7	0.0	0.0%	1
Maine	595.3	0.4%	43	593.3	2.0	0.3%	49	618.9	-23.6	-3.8%	28
Maryland	2,595.0	1.9%	20	2,471.5	123.5	5.0%	22	2,609.2	-14.2	-0.5%	8
Massachusetts	3,255.1	2.4%	13	3,161.5	93.6	3.0%	36	3,356.9	-101.8	-3.0%	25
Michigan	3,972.7	3.0%	8	3,831.9	140.8	3.7%	29	4,685.2	-712.5	-15.2%	51
Minnesota	2,710.5	2.0%	17	2,630.1	80.4	3.1%	35	2,768.9	-58.4	-2.1%	20
Mississippi	1,089.3	0.8%	35	1,083.8	5.5	0.5%	48	1,156.6	-67.3	-5.8%	44
Missouri	2,670.9	2.0%	19	2,644.1	26.8	1.0%	44	2,795.5	-124.6	-4.5%	32
Montana	436.4	0.3%	45	390.8	45.6	11.7%	7	445.9	-9.5	-2.1%	21
Nebraska	958.4	0.7%	36	908.1	50.3	5.5%	19	964.5	-6.1	-0.6%	9
Nevada	1,136.1	0.9%	34	1,038.6	97.5	9.4%	12	1,289.9	-153.8	-11.9%	50
New Hampshire	626.8	0.5%	40	616.9	9.9	1.6%	42	647.7	-20.9	-3.2%	26
New Jersey	3,892.2	2.9%	11	3,844.4	47.8	1.2%	43	4,086.0	-193.8	-4.7%	35
New Mexico	798.8	0.6%	37	749.2	49.6	6.6%	18	846.4	-47.6	-5.6%	42
New York	8,831.6	6.6%	3	8,404.2	427.4	5.1%	21	8,831.6	0.0	0.0%	1
North Carolina	3,964.8	3.0%	9	3,794.4	170.4	4.5%	23	4,164.6	-199.8	-4.8%	36
North Dakota	422.0	0.3%	46	327.3	94.7	28.9%	1	422.0	0.0	0.0%	1
Ohio	5,191.9	3.9%	7	5,011.3	180.6	3.6%	31	5,622.5	-430.6	-7.7%	46
Oklahoma	1,603.8	1.2%	29	1,442.9	160.9	11.2%	8	1,603.8	0.0	0.0%	1
Oregon	1,636.3	1.2%	27	1,576.4	59.9	3.8%	27	1,735.0	-98.7	-5.7%	43
Pennsylvania	5,752.2	4.3%	5	5,579.5	172.7	3.1%	34	5,810.4	-58.2	-1.0%	13
Rhode Island	457.0	0.3%	44	457.0	0.0	0.0%	51	495.3	-38.3	-7.7%	47
South Carolina	1,869.0	1.4%	25	1,795.1	73.9	4.1%	24	1,948.6	-79.6	-4.1%	30
South Dakota	408.9	0.3%	48	377.4	31.5	8.3%	15	411.7	-2.8	-0.7%	10
Tennessee	2,694.1	2.0%	18	2,595.0	99.1	3.8%	26	2,802.0	-107.9	-3.9%	29
Texas	10,883.2	8.2%	2	9,374.9	1,508.3	16.1%	4	10,883.2	0.0	0.0%	1
Utah	1,248.1	0.9%	32	1,072.9	175.2	16.3%	3	1,260.2	-12.1	-1.0%	12
Vermont	302.0	0.2%	50	295.4	6.6	2.2%	39	308.5	-6.5	-2.1%	19
Virginia	3,728.9	2.8%	12	3,493.8	235.1	6.7%	17	3,761.4	-32.5	-0.9%	11
Washington	2,888.6	2.2%	15	2,659.0	229.6	8.6%	14	2,948.5	-59.9	-2.0%	17
West Virginia	747.6	0.6%	38	728.9	18.7	2.6%	38	763.2	-15.6	-2.0%	18
Wisconsin	2,720.7	2.0%	16	2,714.9	5.8	0.2%	50	2,876.5	-155.8	-5.4%	40
Wyoming	287.5	0.2%	51	240.3	47.2	19.6%	2	300.4	-12.9	-4.3%	31
Totals	133,522.5	100.0%									

Source: The Bureau of Labor Statistics at <http://www.bls.gov/sae/>. Data Compiled by CGFA.

The next table compares the October 2012 employment figure of each state with the employment levels of last year, five years ago, ten years ago, fifteen years ago, and twenty years ago. As shown, throughout these years of comparison, Illinois is consistently in the lower half of improvement compared to other states. For example, although Illinois' employment levels have improved 8.5% from twenty years ago, this rate of growth only ranks Illinois as 47th in the nation. The state with the greatest improvement over this time period is Nevada growing 76.5%.

Interestingly, over the past five years, Nevada actually ranked last in the nation as its employment levels have fallen 11.9% below the totals in 2007. Again, the Great Recession is likely a major contributor to this falloff as consumers have less money to spend/gamble and is hurting travel destinations such as Nevada.

TABLE 34: Total Nonfarm Employment Year-Over-Year Change (Comparisons are by Current Month of October 2012) (Employment Values in thousands)											
	Current Value (Oct 2012)	Current Value vs. 1-Year Ago	Ranking of Change	Current Value vs. 5-Years Ago	Ranking of Change	Current Value vs. 10-Years Ago	Ranking of Change	Current Value vs. 15-Years Ago	Ranking of Change	Current Value vs. 20-Years Ago	Ranking of Change
Alabama	1,881.5	0.7%	33	-6.4%	47	-0.2%	40	0.3%	47	11.4%	45
Alaska	328.0	0.1%	44	3.0%	4	10.1%	6	20.9%	8	32.8%	11
Arizona	2,463.9	1.9%	12	-8.2%	50	8.6%	11	22.2%	6	61.5%	2
Arkansas	1,170.0	1.2%	22	-2.9%	25	2.2%	30	5.1%	35	20.7%	27
California	14,417.2	2.1%	9	-5.0%	40	-0.3%	41	8.8%	22	19.0%	32
Colorado	2,310.1	1.9%	15	-1.5%	16	6.1%	16	15.2%	12	43.0%	7
Connecticut	1,624.9	-0.2%	45	-4.6%	35	-1.9%	44	0.4%	46	6.6%	50
Delaware	416.2	-0.4%	47	-5.0%	41	0.2%	38	6.4%	31	22.5%	23
Dist. Of Columbia	739.0	0.6%	38	5.7%	2	11.2%	5	19.8%	9	9.7%	46
Florida	7,371.5	0.9%	30	-7.5%	49	2.5%	26	14.2%	16	37.1%	10
Georgia	3,954.4	1.7%	16	-4.6%	36	2.2%	29	8.3%	24	30.8%	15
Hawaii	607.7	2.0%	10	-3.0%	27	8.2%	12	14.6%	15	12.2%	44
Idaho	622.2	2.2%	7	-4.9%	39	8.7%	9	22.0%	7	48.4%	6
Illinois	5,712.6	0.7%	36	-4.5%	33	-2.7%	47	-1.4%	48	8.5%	47
Indiana	2,905.0	2.5%	4	-2.7%	24	0.0%	39	1.2%	43	13.0%	41
Iowa	1,496.3	1.0%	24	-1.7%	18	3.6%	21	5.6%	34	19.2%	31
Kansas	1,344.8	0.6%	37	-2.9%	26	1.3%	34	4.9%	37	20.1%	28
Kentucky	1,833.8	2.1%	8	-1.8%	19	2.5%	27	6.5%	30	20.9%	26
Louisiana	1,947.7	1.4%	18	1.0%	6	2.8%	25	4.4%	38	19.3%	29
Maine	595.3	0.2%	41	-3.8%	29	-1.8%	43	6.8%	29	15.7%	36
Maryland	2,595.0	1.3%	20	-0.5%	10	4.7%	18	13.6%	18	24.5%	22
Massachusetts	3,255.1	1.3%	19	-1.0%	13	0.4%	37	4.0%	39	16.0%	35
Michigan	3,972.7	0.7%	35	-6.4%	46	-11.5%	51	-10.8%	51	1.1%	51
Minnesota	2,710.5	1.3%	21	-2.1%	22	1.8%	32	7.4%	26	22.5%	24
Mississippi	1,089.3	-0.4%	46	-5.8%	45	-2.9%	48	-2.5%	49	12.5%	42
Missouri	2,670.9	1.0%	25	-4.5%	34	-1.0%	42	0.6%	45	14.0%	39
Montana	436.4	2.3%	6	-2.1%	23	9.8%	7	17.8%	10	37.4%	9
Nebraska	958.4	1.1%	23	-0.4%	9	5.5%	17	11.5%	20	26.9%	20
Nevada	1,136.1	0.5%	39	-11.9%	51	7.0%	14	26.1%	3	76.5%	1
New Hampshire	626.8	0.2%	43	-3.2%	28	1.6%	33	8.8%	21	28.0%	18
New Jersey	3,892.2	0.7%	34	-4.7%	37	-1.9%	45	3.8%	40	12.4%	43
New Mexico	798.8	-0.7%	50	-5.6%	43	4.1%	20	11.8%	19	31.5%	14
New York	8,831.6	1.5%	17	0.8%	7	4.4%	19	8.7%	23	14.6%	38
North Carolina	3,964.8	0.9%	31	-4.8%	38	3.4%	22	7.6%	25	25.0%	21
North Dakota	422.0	5.3%	1	17.2%	1	27.8%	1	33.2%	1	51.3%	4
Ohio	5,191.9	1.9%	13	-4.2%	32	-4.5%	49	-4.2%	50	6.8%	49
Oklahoma	1,603.8	2.7%	2	1.5%	5	9.5%	8	14.8%	13	31.8%	12
Oregon	1,636.3	0.9%	27	-5.7%	44	3.1%	24	5.8%	32	27.5%	19
Pennsylvania	5,752.2	0.8%	32	-1.0%	14	2.0%	31	5.7%	33	13.3%	40
Rhode Island	457.0	-0.5%	49	-6.8%	48	-4.8%	50	1.1%	44	7.5%	48
South Carolina	1,869.0	2.0%	11	-4.1%	31	3.2%	23	7.4%	27	21.7%	25
South Dakota	408.9	0.9%	28	0.3%	8	7.9%	13	15.3%	11	31.8%	13
Tennessee	2,694.1	0.9%	29	-3.9%	30	0.8%	36	3.6%	41	18.6%	33
Texas	10,883.2	2.6%	3	3.8%	3	15.7%	4	24.8%	4	48.4%	5
Utah	1,248.1	2.3%	5	-1.0%	12	16.3%	2	24.5%	5	60.4%	3
Vermont	302.0	0.2%	42	-1.8%	20	1.1%	35	7.3%	28	19.3%	30
Virginia	3,728.9	1.0%	26	-0.9%	11	6.6%	15	14.6%	14	30.3%	16
Washington	2,888.6	1.9%	14	-2.0%	21	8.6%	10	13.7%	17	29.4%	17
West Virginia	747.6	-1.5%	51	-1.6%	17	2.3%	28	5.0%	36	16.5%	34
Wisconsin	2,720.7	-0.4%	48	-5.4%	42	-2.4%	46	1.6%	42	14.6%	37
Wyoming	287.5	0.5%	40	-1.2%	15	15.9%	3	27.0%	2	39.0%	8
Totals	133,522.5										

Source: The Bureau of Labor Statistics at <http://www.bls.gov/sae/>. Data Compiled by CGFA.

The previous table identifies Illinois October 2012 figure as 0.7% above October 2011 levels, but 4.5% below levels from five years ago (ranked 33rd), 2.7% below levels from ten years ago (ranked 47th), and 1.4% below employment levels from fifteen years ago (ranked 48th). The level of job growth, or lack thereof, over the past two decades is concerning, especially as compared to the rate of growth of other states throughout the country. The following tables attempt to answer the question of which types of jobs are experiencing the greatest falloff/slow-down in Illinois.

The Bureau of Labor Statistics categorizes the employment data into 11 sectors. The latest data (as shown in Table 35 below) shows that the “Trade, Transportation, and Utilities” sector had the highest composition of jobs in Illinois at 19.8%. This was followed by the “Education and Health Services” sector (composing 15.1%) and the “Professional and Business Services” sector (composing 15.0%). Table 36 shows that this breakout is similar to the U.S. composition, in that the Trade, Transportation, and Utilities” sector has the highest composition (19.0%), but is slightly different in that the “Government” sector has the second highest composition of jobs in the U.S. (16.5%). In Illinois, the “Government” sector is ranked 4th at 14.5%.

TABLE 35: Illinois Nonfarm Employment Sector Composition by Year
(Using Current Month of October)

	1990	1995	2000	2005	2010	2012
Mining and Logging	0.4%	0.2%	0.2%	0.2%	0.2%	0.2%
Construction	4.1%	4.0%	4.5%	4.6%	3.5%	3.2%
Manufacturing	17.2%	15.9%	14.3%	11.6%	10.0%	10.4%
Trade, Transportation, and Utilities	21.6%	21.2%	20.7%	20.2%	20.1%	19.8%
Information	2.5%	2.4%	2.5%	2.0%	1.8%	1.7%
Financial Activities	7.1%	6.7%	6.7%	6.9%	6.5%	6.4%
Professional and Business Services	10.8%	12.0%	14.0%	14.2%	14.4%	15.0%
Education and Health Services	10.3%	11.0%	11.3%	12.7%	14.9%	15.1%
Leisure and Hospitality	7.5%	8.1%	8.1%	8.7%	9.2%	9.4%
Other Services	4.0%	4.0%	4.1%	4.4%	4.4%	4.2%
Government	14.5%	14.3%	13.9%	14.4%	15.0%	14.5%
Total Nonfarm	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

TABLE 36: U.S. Nonfarm Employment Sector Composition by Year
(Using Current Month of October)

	1990	1995	2000	2005	2010	2012
Mining and Logging	0.7%	0.5%	0.5%	0.5%	0.6%	0.6%
Construction	4.7%	4.5%	5.2%	5.6%	4.2%	4.1%
Manufacturing	16.1%	14.6%	13.0%	10.6%	8.9%	8.9%
Trade, Transportation, and Utilities	20.7%	20.3%	19.9%	19.4%	19.0%	19.0%
Information	2.5%	2.4%	2.8%	2.3%	2.1%	2.0%
Financial Activities	6.1%	5.8%	5.8%	6.1%	5.9%	5.8%
Professional and Business Services	9.9%	11.0%	12.7%	12.8%	12.9%	13.5%
Education and Health Services	10.2%	11.4%	11.5%	13.0%	15.1%	15.3%
Leisure and Hospitality	8.5%	9.0%	9.0%	9.6%	10.1%	10.3%
Other Services	3.9%	3.9%	3.9%	4.0%	4.1%	4.0%
Government	16.9%	16.5%	15.7%	16.3%	17.1%	16.5%
Total Nonfarm	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: The Bureau of Labor Statistics at <http://www.bls.gov/sae/>. Data Compiled by CGFA.

Table 35 also shows how the composition of jobs has dramatically changed over the last twenty years. For example, in 1990, the “Manufacturing” sector made up 17.2% of Illinois jobs and was the second largest sector of jobs in the state. The latest data shows this composition percentage has dropped to 10.4% and is now the fifth largest employment sector. Although, it should be pointed out that this trend is also occurring nationally as the “Manufacturing” sector has fallen from 16.1% of the U.S. total in 1990 to its current level of 8.9%.

The “Professional and Business Services” and “Education and Health Services” sectors, on the other hand, have gained the most jobs over the last two decades as their composition in Illinois has risen from 10.8% and 10.3% of the total in 1990, to their current levels of 15.0% and 15.1%, respectively. Again, a similar trend has occurred nationally as the “Professional and Business Services” sector has increased from 9.9% of the nation’s jobs to 13.5%, while the “Education and Health Services” sector has increased from 10.2% to 15.3% of total employment in the U.S.

Table 37 below looks at the Illinois data a little closer by displaying actual figures. Again, the largest sector of jobs in Illinois comes from the “Trade, Transportation, and Utilities” sector, employing over 1.1 million Illinois workers in 2012. The next largest sector is the “Professional and Business Services” sector (858 thousand jobs), followed by the “Education and Health Services” sector (864 thousand), the “Government” sector (828 thousand), and the “Manufacturing” sector (597 thousand jobs). The table displays these statistics by year since 2000 and shows the annual change of these jobs sectors during that same time period.

TABLE 37: Illinois Nonfarm Employment by Sector (Using Current Month of October)													
(In Thousands, Seasonally Adjusted)													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Mining and Logging	9.8	9.8	9.5	9.4	9.3	10.2	10.2	9.9	9.9	9.0	9.3	9.7	9.6
Construction	270.8	276.9	281.0	272.3	270.8	269.8	272.6	268.6	254.0	208.2	197.5	192.0	185.1
Manufacturing	864.4	790.4	742.9	702.7	697.2	684.6	682.3	667.9	647.1	558.0	565.3	575.7	596.9
Trade, Transp., and Util.	1,251.0	1,211.6	1,195.8	1,179.3	1,184.4	1,189.9	1,200.1	1,212.4	1,194.2	1,124.0	1,130.9	1,140.2	1,132.7
Information	149.1	144.1	133.4	126.5	119.6	117.0	115.8	115.9	112.6	104.6	101.2	100.5	96.8
Financial Activities	404.4	402.1	401.2	400.8	399.3	404.0	406.1	399.3	387.9	366.8	364.0	362.4	366.7
Prof. and Bus. Serv.	844.2	806.3	787.6	783.2	802.7	836.7	860.5	873.0	846.8	775.5	812.8	838.5	858.2
Ed. and Health Services	682.1	700.7	713.4	722.5	734.0	749.3	767.2	785.0	808.5	819.5	839.5	856.5	863.7
Leisure and Hospitality	489.2	487.7	494.7	500.4	507.8	514.0	523.7	533.8	531.2	512.4	518.3	518.6	536.2
Other Services	246.6	251.1	252.0	257.9	259.6	258.8	259.8	261.8	263.5	256.3	250.1	246.2	238.4
Government	839.4	854.4	861.8	846.6	846.5	845.9	843.9	851.2	857.7	857.8	847.3	834.5	828.3
Total Nonfarm	6,051.0	5,935.1	5,873.3	5,801.6	5,831.2	5,880.2	5,942.2	5,978.8	5,913.4	5,592.1	5,636.2	5,674.8	5,712.6
% Diff. from 2000 Value:		-1.9%	-2.9%	-4.1%	-3.6%	-2.8%	-1.8%	-1.2%	-2.3%	-7.6%	-6.9%	-6.2%	-5.6%
Annual % Change													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Mining and Logging	-6.7%	0.0%	-3.1%	-1.1%	-1.1%	9.7%	0.0%	-2.9%	0.0%	-9.1%	3.3%	4.3%	-1.0%
Construction	3.7%	2.3%	1.5%	-3.1%	-0.6%	-0.4%	1.0%	-1.5%	-5.4%	-18.0%	-5.1%	-2.8%	-3.6%
Manufacturing	-1.9%	-8.6%	-6.0%	-5.4%	-0.8%	-1.8%	-0.3%	-2.1%	-3.1%	-13.8%	1.3%	1.8%	3.7%
Trade, Transp., and Util.	1.4%	-3.1%	-1.3%	-1.4%	0.4%	0.5%	0.9%	1.0%	-1.5%	-5.9%	0.6%	0.8%	-0.7%
Information	4.1%	-3.4%	-7.4%	-5.2%	-5.5%	-2.2%	-1.0%	0.1%	-2.8%	-7.1%	-3.3%	-0.7%	-3.7%
Financial Activities	-0.5%	-0.6%	-0.2%	-0.1%	-0.4%	1.2%	0.5%	-1.7%	-2.9%	-5.4%	-0.8%	-0.4%	1.2%
Prof. and Bus. Serv.	2.3%	-4.5%	-2.3%	-0.6%	2.5%	4.2%	2.8%	1.5%	-3.0%	-8.4%	4.8%	3.2%	2.3%
Ed. and Health Services	1.9%	2.7%	1.8%	1.3%	1.6%	2.1%	2.4%	2.3%	3.0%	1.4%	2.4%	2.0%	0.8%
Leisure and Hospitality	1.5%	-0.3%	1.4%	1.2%	1.5%	1.2%	1.9%	1.9%	-0.5%	-3.5%	1.2%	0.1%	3.4%
Other Services	1.1%	1.8%	0.4%	2.3%	0.7%	-0.3%	0.4%	0.8%	0.6%	-2.7%	-2.4%	-1.6%	-3.2%
Government	1.1%	1.8%	0.9%	-1.8%	0.0%	-0.1%	-0.2%	0.9%	0.8%	0.0%	-1.2%	-1.5%	-0.7%
Total Nonfarm	1.1%	-1.9%	-1.0%	-1.2%	0.5%	0.8%	1.1%	0.6%	-1.1%	-5.4%	0.8%	0.7%	0.7%

Source: The Bureau of Labor Statistics at <http://www.bls.gov/sae/>. Data Compiled by CGFA.

A closer look at the data shows only three of the eleven job sectors in Illinois have seen their employment levels grow since 2000. These are “Education and Health Services”, “Leisure and Hospitality”, and “Professional and Business Services”. The largest falloff

came from the “Manufacturing” sector, which is down 268 thousand jobs since 2000. The “Information” sector had the largest percentage decline at -35.1%, followed by the “Construction” sector (-31.6%) and the “Manufacturing” sector (-30.9%).

The question, then, is whether Illinois’ changes in job composition “normal” in today’s employment environment or is Illinois perhaps falling behind other states in employment activity? The rankings below in Table 38 may provide some insight into this question. The answer is tricky as it depends on which sector of employment is being discussed and over what time frame.

TABLE 38: Illinois Employment by Sector Year-Over-Year Change (Comparisons are by Current Month of October 2012) (Employment Values in thousands)											
	Current Value (Oct 2012)	Current Value vs. 1-Year Ago	Ranking of Change	Current Value vs. 5-Years Ago	Ranking of Change	Current Value vs. 10-Years Ago	Ranking of Change	Current Value vs. 15-Years Ago	Ranking of Change	Current Value vs. 20-Years Ago	Ranking of Change
Mining and Logging	9.6	-1.0%	18	-3.0%	18	1.1%	21	-17.2%	23	-42.9%	36
Construction	185.1	-3.6%	40	-31.1%	37	-34.1%	48	-21.6%	45	-7.8%	47
Manufacturing	596.9	3.7%	9	-10.6%	15	-19.7%	22	-34.0%	27	-30.5%	28
Trade, Transp., and Util.	1,132.7	-0.7%	46	-6.6%	39	-5.3%	46	-6.4%	47	1.0%	47
Information	96.8	-3.7%	37	-16.5%	31	-27.4%	32	-33.3%	39	-26.1%	39
Financial Activities	366.7	1.2%	25	-8.2%	35	-8.6%	43	-7.6%	49	-2.7%	47
Prof. and Bus. Serv.	858.2	2.3%	23	-1.7%	35	9.0%	42	14.5%	45	47.5%	41
Ed. and Health Services	863.7	0.8%	41	10.0%	29	21.1%	34	33.5%	38	47.4%	45
Leisure and Hospitality	536.2	3.4%	12	0.4%	24	8.4%	32	16.3%	37	32.5%	37
Other Services	238.4	-3.2%	48	-8.9%	46	-5.4%	43	2.4%	44	12.7%	44
Government	828.3	-0.7%	35	-2.7%	41	-3.9%	45	3.6%	46	6.9%	43

Source: The Bureau of Labor Statistics at <http://www.bls.gov/sae/>. Data Compiled by CGFA.

For example, as shown above, over the last year, the “Manufacturing” sector has increased 3.7%, which ranks Illinois as having the 9th best year-over-year change in this category in the nation. However, over the last twenty years, the “Manufacturing” sector has fallen 30.5%, which ranks Illinois 28th in the percentage change over this time period.

Another notable example is the highest employing sector, the “Trade, Transportation, and Utilities” sector. Over the past twenty years, this sector has grown 1.0% from twenty years ago. However, this relatively slow growth ranks them 47th in the nation, meaning that 46 states had higher percentage growths in this sector than Illinois.

Numerous other comparisons could be made by looking at the table. Unfortunately, from an Illinois employment perspective, Illinois ranks in the lower half of job growth for most of the job sectors, especially when comparing employment levels from a decade or more ago. The shift in the nation’s population to the South and to the West has no doubt contributed to Illinois’ declines as it appears that U.S. residents are flocking to warmer weather climates.

(Note: For a closer look at population shifts, and an extensive look at statistical demographic data and rankings from the 2010 census, please see the Commission’s 2012 report, entitled “Illinois Demographics”, which can be found at the Commission’s website).

Employment Earnings

A concern to the economy of Illinois and its long-term financial outlook is the weekly earnings of the subsector of jobs seeing improvement and the earnings of those that the State is unable to retain. As stated earlier, the “Trade, Transportation, and Utilities” sector is the largest source of employment in Illinois, but as shown below, they have one of the lowest average weekly totals of any sector (October 2012 value of \$773). The “Education and Health Services” and the “Leisure and Hospitality” sectors have seen the largest improvement in the number of jobs over the last five years in Illinois, but are two of the lowest sectors in terms of weekly earnings. Equally troublesome is that those sectors with the highest weekly earnings were the sectors that have lost the most jobs. (Data displaying these statistics can be seen in the table below).

TABLE 39: Average Weekly Earnings and Employment Change by Sector in Illinois 2007 to 2012						
	Oct 2007	Oct 2008	Oct 2009	Oct 2010	Oct 2011	Oct 2012
Construction	\$1,177	\$1,148	\$1,227	\$1,234	\$1,307	\$1,315
Manufacturing	\$870	\$863	\$880	\$949	\$993	\$977
Trade, Transportation, and Utilities	\$681	\$674	\$666	\$706	\$766	\$773
Information	\$993	\$973	\$1,052	\$1,035	\$1,017	\$1,024
Financial Activities	\$992	\$1,004	\$1,072	\$1,008	\$1,107	\$1,091
Professional and Business Services	\$943	\$998	\$1,028	\$1,036	\$1,023	\$1,005
Education and Health Services	\$691	\$704	\$728	\$728	\$785	\$793
Leisure and Hospitality	\$315	\$313	\$323	\$325	\$315	\$309
Other Services	\$674	\$707	\$717	\$711	\$723	\$729
	Oct. 2012 Jobs (thous.)	Oct. 2012 Earnings	Illinois Sector Earnings Ranking	2012 vs 2007 Difference in Jobs (thous.)	2012 vs 2007 % Change in Jobs	Illinois Sector Job Growth Ranking
Construction	185.1	\$1,315	1	(83.5)	-31.1%	9
Manufacturing	596.9	\$977	5	(71.0)	-10.6%	7
Trade, Transportation, and Utilities	1132.7	\$773	7	(79.7)	-6.6%	4
Information	96.8	\$1,024	3	(19.1)	-16.5%	8
Financial Activities	366.7	\$1,091	2	(32.6)	-8.2%	5
Professional and Business Services	858.2	\$1,005	4	(14.8)	-1.7%	3
Education and Health Services	863.7	\$793	6	78.7	10.0%	1
Leisure and Hospitality	536.2	\$309	9	2.4	0.4%	2
Other Services	238.4	\$729	8	(23.4)	-8.9%	6

Note: Mining and Government subsectors' weekly earnings were not available.
Source: www.bls.gov

For example, the sector with the highest weekly earnings in October 2012 was “Construction”, paying, on average, \$1,315 per week. However, construction jobs are down 31.1% since October 2007. The next highest paying sectors are “Financial Activities” (\$1,091 per week) and “Information” (\$1,024 per week), but employment in these categories are down 8.2% and 16.5%, respectively, over the last five years. These statistics would suggest that although employment levels are improving in Illinois, the majority of the jobs being added appear to be the lower paying jobs.

While the trends in employment activity have been improving in Illinois, the State still appears to be lagging the nation as a whole. An improvement in these numbers is important, especially from a State budgetary perspective, because these jobs have a direct correlation with the amount of State revenues collected for the State. The higher the wages paid to the employees, the more money that will be collected from the State's income tax (especially at the higher income tax rate of 5%). And of course, the higher the pay, the more money that could be spent in Illinois to increase sales and other related tax revenues. But if the new jobs tend to be lower paying jobs, the increase in employment may not lead to the corresponding increase in Illinois tax revenues that the State has benefitted from in the past.

As always, the Commission will continue to monitor the progress of jobs in Illinois and will provide further updates as more data becomes available.

BACKGROUND

The Commission on Government Forecasting and Accountability (CGFA), a bipartisan, joint legislative commission, provides the General Assembly with information relevant to the Illinois economy, taxes and other sources of revenue and debt obligations of the State. The Commission's specific responsibilities include:

- 1) Preparation of annual revenue estimates with periodic updates;
- 2) Analysis of the fiscal impact of revenue bills;
- 3) Preparation of "State Debt Impact Notes" on legislation which would appropriate bond funds or increase bond authorization;
- 4) Periodic assessment of capital facility plans;
- 5) Annual estimates of public pension funding requirements and preparation of pension impact notes;
- 6) Annual estimates of the liabilities of the State's group health insurance program and approval of contract renewals promulgated by the Department of Central Management Services;
- 7) Administration of the State Facility Closure Act.

The Commission also has a mandate to report to the General Assembly "... on economic trends in relation to long-range planning and budgeting; and to study and make such recommendations as it deems appropriate on local and regional economic and fiscal policies and on federal fiscal policy as it may affect Illinois. . . ." This results in several reports on various economic issues throughout the year.

The Commission publishes several reports each year. In addition to a Monthly Briefing, the Commission publishes the "Revenue Estimate and Economic Outlook" which describes and projects economic conditions and their impact on State revenues. The "Bonded Indebtedness Report" examines the State's debt position as well as other issues directly related to conditions in the financial markets. The "Financial Conditions of the Illinois Public Retirement Systems" provides an overview of the funding condition of the State's retirement systems. Also published are an Annual Fiscal Year Budget Summary; Report on the Liabilities of the State Employees' Group Insurance Program; and Report of the Cost and Savings of the State Employees' Early Retirement Incentive Program. The Commission also publishes each year special topic reports that have or could have an impact on the economic well being of Illinois. All reports are available on the Commission's website.

These reports are available from:

Commission on Government Forecasting and Accountability
703 Stratton Office Building
Springfield, Illinois 62706
(217) 782-5320
(217) 782-3513 (FAX)

<http://www.ilga.gov/commission/cgfa2006/home.aspx>