

Illinois' Top Democrats Agree To Budget That Cuts Taxes, But With Most Reductions Ending After Election

by Greg Bishop
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The Center Square – There's an agreement on a state budget to spend the most taxpayer money in Illinois history, and the \$45.6 billion plan includes temporary tax cuts, Democratic leaders said late Thursday. Republicans sought permanent tax relief.

Gov. J.B. Pritzker, Senate President Don Harmon, D-Oak Park, and House Speaker Emanuel "Chris" Welch, D-Hillside, announced Thursday evening they will pass a \$45.6 billion spending plan just in time for the Friday adjournment date.

Pritzker said there will be tax relief in the form of an extension of the earned income tax credit, a property tax rebate of up to \$300 per household, an income tax rebate, and a freeze of the 1% grocery tax. There'll also be a freeze of the looming 2 to 3 cent gas tax increase that's set to kick in on July 1. The grocery and gas tax cuts will be temporary.

"On groceries, a full year," Pritzker said. "On gas, again, six months up to Jan. 1, and then we'll revisit and see where we are in regard to oil prices and the world market and how that affects our gas prices."

Inflation, which is at 40-year highs, has driven up costs for consumers across the state.

Senate Minority Leader Dan McConchie, R-Hawthorn Woods, said state taxpayers need to be permanent relief.

"Not as what some of the planned proposals are, which is having checks arrive just before the election and then tax reductions expire right after the election," McConchie said at a separate news conference. Pritzker is running for re-election this year and all state House and Senate seats also will be on the ballot.

Republican senators said their permanent tax relief proposals would save taxpayers \$2.2 billion a year. The Democrats' proposal expected to pass Friday with temporary relief will save taxpayers about \$1.8 billion in total.

Democratic majorities in the House and the Senate have approved billions of dollars in tax hikes since Pritzker took office, including doubling the state's gas tax from 19 cents a gallon to 38 cents in 2019, with automatic additional increases each year. Pritzker signed off on all of the tax hikes.

Welch said it's abnormal to have an agreement ready to pass a full day before lawmakers adjourn. House Democrats introduced their nearly 4,000-page budget plan Wednesday, just two days before the end of session. The House plan includes a universal income pilot program in the Metro East area of the state, \$2,500 salary increases for lawmakers, and the highest spending of taxpayer dollars in the state's history.

"We have been very intentional in getting a budget out early, allowing you all and the Republicans to participate," Welch said alongside the governor.

But, in the Senate, Republicans say they were largely left out of negotiations. State Sen. Don DeWitte, R-St. Charles, said a meeting they had scheduled Wednesday was canceled at the last minute, and that leaves Republican constituents out of the decision-making on how to spend their money.

“They wanna shut out 5 to 6 million people who live in this state who deserve to be considered when it comes to how their tax dollars get spent in this annual budget process,” DeWitte said.

The exact budget bills weren’t filed when Democrats’ announced the agreement, but they said the plan will be filed soon and passed Friday.