



Key Facts About Illinois

Realities of a high-tax, high-regulation, high-spending state

The Problem

Out of the 50 states, Illinois ranks 48th in economic performance. According to the ALEC-Laffer State Competitiveness Index, Illinois is doing better than only two states: Michigan and Ohio.

According to this report, as well as government data, Illinois also ranks:

- 44th in economic outlook. Neighboring Indiana and Missouri rank well ahead in terms of future opportunity, at 12th and 17th respectively.
- 44th in GDP growth, averaging only 3.83% over the last decade. Illinois GDP growth has declined since 1977—from 7.6% to 5.9%.
- 46th in debt burden. Illinois continues to spend government revenue growth on government expansion rather than funding past debt obligations, including pensions.
- 44th in personal income growth, averaging at 4.5% in 1997-2007 while the U.S. average is 5.4%.
- 48th in employment growth from 1997 till 2007, ranking ahead of only Michigan and Ohio.
- 37th in improving its standard of living, growing at only 1.13% per year over the past decade. While Illinois ranks relatively high in standard of living (18th), the state continues to fall farther down the ranks.

- 48th in net out-migration, with 735,768 people leaving the state from 1998-2007. Only two states—California and New York—lost more people.

- 7th highest in median property taxes paid.

- 15th highest overall tax burden in the nation.

- 11th highest in property tax burden.

- 4th highest gas tax burden—approximately 40 cents per gallon.

- 1st in sales tax burden (Chicago & Cook County).

- Illinois is shrinking in wealth, once ranking as high as 6th in per capita personal income and dropping to 12th in 2008.

- The growth of the Illinois economy has lagged the rest of the country for the past three decades.

Our Solution

The solution: lower taxes; responsible spending; transparent, accountable government; and a business-friendly environment that empowers entrepreneurs, investors and workers instead of expanding government bureaucracies.

Why This Works

Low-tax, low-spending, low-regulation states like Texas have grown economically over recent years. Under the leadership of Governor Rick Perry, Texas's economic outlook is bright. If Illinois is to reclaim its place as a land of prosperity, leaders must consider smarter policies that maximize liberty and keep the state in check.

Learn more at illinoispolicyinstitute.org.