



Key Facts About Cook County

Why the second largest county in America faces a declining population

The Problem

Cook County is the largest county in Illinois, with a population of 5,294,664 (41% of Illinois's 12,901,563 residents). However, between April 2000 and July 2008, its population declined at a rate of -1.5%, while the rest of Illinois grew by 3.9%. Why is everyone leaving?

Highest Taxes. Within Chicago and Cook County, the sales tax burden ranks 1st in the nation at 10.25%. That's 6.25% to the state, 1.75% to the county, 1.25% to the city, and 1% for a transportation sales tax.

Lots of Taxes. Altogether, Chicago and Cook County have levied nearly three dozen consumer taxes, with rates as high as 14.59%. Chicago's Tax Increment Financing (TIF) districts—areas where money is unaccountably diverted from property tax collections for “economic development”—have increased their revenue by 4991.3% between 1986 and 2005.

Budget Balloon. Rising tax levies have increased county revenues by 6.6% over the past 5 fiscal years, despite a declining population. Between 2000 and 2008, per capita spending in Cook County increased by over 40%.

State and Federal Subsidization. Overall, Cook County was subsidized by \$414,469,234 in intergovernmental funds last fiscal year. The federal government funded \$35,660,603, and the state of Illinois funded the remaining 90% of intergovernmental funds. That means 13% of Cook County's budget comes from outside the county government.

Declining Private Sector. The private nonfarm employment change in Cook County was a drastic -7.5%, compared to -2.6% in Illinois

(2000-2006). In May of 2009, the jobless rate in the Chicago Metro area rose to a 26-year high of 10.9%, one point higher than that of the state.

Out of the 200 largest cities in the U.S., the Milken Institute ranked the Cook County/Chicago Metro:

- 156th in 5-year job growth (2002-2007)
- 108th in 1-year job growth (2006-2007)
- 170th in 5-year wage and salaries growth (2001-2006)
- 114th in 1-year wage and salaries growth (2005-2006)
- 110th in overall job growth, with a rate of 0.31% (2007-2008)
- 148th in 5-year high-tech GDP growth (2002-2007)
- 129th in 1-yr relative high-tech GDP Growth (2006-2007)
- 160th in overall economic performance out of the 200 largest cities in America

Our Solution

Lower taxes coupled with accountable, transparent spending will create a business-friendly environment that empowers entrepreneurs, investors, and workers instead of increasing reliance on government money, programs, and bureaucracy.

Why This Works

High tax burdens and expansive government programs interfere with the market system that grew Cook County to where it is today. By decreasing the size of county government, individuals will be able to keep more of their money and maximize its usage. More money means more investment, and more investment means more business growth. This will ultimately put Cook County back on a positive trajectory for growth.

Learn more at illinoispolicyinstitute.org.