



March 26, 2008

The Honorable Senate President Jones
507 W. 111th St.
Chicago, IL 60628

Dear Senator Jones:

On behalf of the Downers Grove Area Chamber of Commerce & Industry Board of Directors, Legislative Committee and our 700 business members, I am writing to express our opposition to SB2288-Education Funding/Property Tax Swap.

This bill clearly is a 67% income tax increase with no reforms. We are concerned that it would increase the state corporate income tax from 4.8% to 8% and the personal income tax from 3% to 5%. The total cost of the tax increase on business is \$1 billion in the first year with an additional 2.5% Personal Property Replacement Tax. This bill positions the State of Illinois at a serious disadvantage for business retention.

It appears this bill is a 'sister' of SB/HB750 (sans the service tax), previously proposed. It remains an unacceptable choice of funding as it does not address budget deficit issues, guarantee a freeze on future tax hikes or provide for any other long-term spending reforms. It also authorizes automatic annual funding increases for education purposes, possibly allowing the spending to outpace the revenues collected.

We hope you will reconsider SB2288 as a viable source for education funding and work to further IlliniosWorks, a much broader solution to education and a much needed capital bill.

Sincerely,

Laura Crawford
President & CEO