



**Office of the Governor
JB Pritzker**

**Gov. Pritzker Proposes Budget to Protect Illinois Families, Close \$1 Billion
in Corporate Tax Loopholes**

Key Elements

- Amid the worst pandemic in a century, Governor Pritzker's proposed FY22 budget invests in human services to strengthen the social safety net while holding overall spending flat.
- The proposed budget does not increase income taxes for hardworking Illinois families.
- The administration proposes significant government efficiencies, as well as strategically maximizing federal dollars and bending the cost curve of government.

Ends \$1 Billion In Giveaways to Corporations

- For decades, corporations have benefited from tax loopholes. These funds are vital to invest in critical safety net services.
- Large businesses such as multi-national corporations with foreign subsidiaries will no longer get better tax treatment on foreign income.
- Major high-volume retailers with monthly sales over \$500,000 will no longer get a break, leaving 99 percent of retailers unaffected.
- Businesses that spend \$1 million in depreciable assets will no longer be able to write off 100 percent of the value of those purchases in the first year of the asset.
- Eliminating recent changes that are no longer affordable.
- Ending corporate giveaways also produces more than \$225 million for local governments.

Strengthening Safety Net Services

- Requests \$60 million in immediate funding to Department of Economic Security to support unemployment benefits and an additional \$73 million in FY22 to increase staffing and fraud prevention efforts.
- Increases funding to the Department of Children and Family Services by 7.9 percent, building on Governor Pritzker's previous investments.
- Increases funding for the Department of Human Services, particularly for those with developmental disabilities, home services and efforts to prevent evictions.

Protects Education Funding

- With new federal aid to schools nearly \$3 billion so far, maintains Illinois' progress toward a more equitable education in aid directly to schools, far more than the state's projected contribution.
- In higher education, invests in expanding MAP grants to students most in need by \$28 million and holds overall spending flat.
- Protects the Early Childhood Block Grant.

Investments In Economic Development, Infrastructure and the Environment

- Funds emergency rental and housing assistance to prevent homelessness during a pandemic at \$570 million.
- Invests \$375 million to expand broadband internet across the state.
- Invests \$300 million to fund economic development opportunities and shovel ready projects.
- Funds \$650 million for municipal water loans to improve water quality.
- Continues Rebuild Illinois capital investments of more than \$33 billion to upgrade aging infrastructure and support and create good jobs.

Creates a More Equitable Illinois Through Criminal Justice Reforms

- Includes historic funding for Restore, Reinvest and Renew initiatives from adult-use cannabis revenues.
- Invests in the 21st Century Illinois Transformation Model to care for youth in facilities.
- Reflects savings by continuing to reduce prison population.
- Provides funding for the pretrial commission that will begin the landmark criminal justice reforms of having one system of pre-trial detention for the poor and another for the rich.
- Funds officer-worn body cameras for Illinois State Police and provides \$3.4 million in funding to local law enforcement agencies for officer-worn body cameras.
- Funds the Division of Forensic Services to reduce the DNA backlog.

The Governor and the administration will continue to advance long-term structural budget improvements that continue the stronger fiscal trajectory Illinois was on before the pandemic while focusing on economic recovery for the hardest hit.