

Gov. J.B. Pritzker: Get rid of the grocery tax. Period.

By J. B. Pritzker

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Three weeks ago, I proposed my sixth balanced budget for our state. In my budget address, I argued, as I have in years past, that the people of Illinois deserve relief from recent high inflation, especially every time they shop for groceries. We ought to eliminate the regressive sales tax on groceries and put money back into the pockets of the working families of Illinois. Making life easier for people by lowering the cost of living is one of the most basic responsibilities of government. The cost of food is high, and state government doesn't need to add to that burden.

Getting rid of the grocery tax should be a bipartisan endeavor championed by every elected official. As you've read in these pages, there are some who are fighting against this tax cut, and their excuse is that local governments need their residents to pay grocery taxes. They have even threatened to raise property taxes and cut services if we give everyone some relief at the grocery checkout counter.

What grocery tax cut opponents aren't telling you is that local governments in Illinois have seen a dramatic increase in funding from state government, and they can afford to lower your local tax burden. In 2010, the state distributed \$3.8 billion to local governments, and in 2023, that number nearly doubled to more than \$7 billion. While municipalities claim their funding from the Local Government Distributive Fund was cut, the numbers tell a different story. Funding from that source has doubled, from \$985 million in 2010 to \$1.9 billion today. That's more than twice the rate of inflation. In fact, since I took office in 2019, local governments have seen a windfall of overall support from state government of an additional \$1.3 billion a year.

Here are some of the ways we accomplished that: In 2019 when the General Assembly and I closed an online sales tax loophole benefiting mostly out-of-state corporations, Illinois municipalities began receiving an additional \$200 million a year in sales tax revenue. That same year, we passed the landmark Rebuild Illinois capital plan, and local governments have benefited from \$680 million annually to use at their discretion for local transportation projects. When we legalized cannabis, we ensured locals would see a share of that revenue, now totaling an estimated \$100 million per year.

We are also saving local governments \$110 million annually by having the state assume the cost of local bond issuances. Just last year, we increased the percentage of individual income taxes that state government shares with municipalities and counties. On top of all of that, the state is sending nearly \$80 million a year in video gaming revenue to local governments.

The idea that state government is somehow starving township, city and county governments, as some mayors and county board members now claim, is preposterous. The General Assembly and I have gone out of our way to increase funding for local governments. One reason we have done this is to encourage locals to ease the burden of high property taxes local governments have imposed on homeowners, renters and businesses across Illinois. When you add in the \$1.7 billion

increase in education funding sent from the state to all schools since I took office, local taxing bodies should already have been able to lower property taxes. But nearly none have done so. So perhaps if we start by eliminating the grocery tax, we can inspire local governments to do the right thing in other areas too.

My goal from day one has been to provide relief, wherever possible, for Illinois families. It has become clear that opponents of eliminating the grocery tax do not share that vision. As they mount a campaign to oppose this tax cut, we all should take note that state government has nearly doubled its funding of local governments in the last 14 years, yet most locals have done very little to ease your tax burden.

No Illinois governor and General Assembly in modern state history have provided this much support for local governments. Yet when we suggest eliminating a 1% grocery tax that 37 other states have already done away with, some who rail against taxation now want to keep our most regressive tax in place.

I have spent my five years in office fighting to reduce the burden on working families. Ending the grocery tax is a good opportunity for local governments to join me.

J.B. Pritzker is the governor of Illinois.

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