

Congress of the United States

Washington, DC 20510

March 6, 2018

The Honorable Bruce Rauner
Office of the Governor
207 State House
Springfield, IL 62706

Dear Governor Rauner:

On January 3, 2018, 12 days after Congress passed the new partisan federal tax law, you stated that the law was “punishing” the State of Illinois and that it will “hurt a lot of middle-class families.” As members of Congress who opposed the Republican tax law because its harmful impact on Illinoisans across the State, we are writing to request information about how you plan to protect Illinois residents who will now be double taxed on state and local taxes over \$10,000.

It is estimated that over 400,000 taxpayers in Illinois will see an average tax hike of nearly \$1,000 in 2019 as a result of the Republican tax law. The negative impacts on Illinois are particularly bad given that 31 percent of Illinois tax filers, or 1.9 million households, deducted state and local taxes in 2015. The average deduction of each filer was \$12,523, well over the new \$10,000 cap.

State legislatures and governors across the country are working to find ways to mitigate the double taxation their residents are now facing. For example, New York and California State Legislatures are considering proposals that allow residents to contribute their state and local taxes owed beyond the \$10,000 cap to a state charity. In New Jersey, a proposed measure would allow towns and municipalities to establish charitable funds to pay for local initiatives. In Illinois, a similar bill has been filed in the House that would provide taxpayers who contribute to a state-established charitable fund with a tax credit that could be used against the taxpayer’s property tax liability.¹


States like New York and New Jersey are also considering challenging the constitutionality of the new provision, in an effort to fully strike down the cap on SALT deductions. The lawsuit would likely argue that the provision discriminates against high-SALT states like Illinois, New Jersey and New York and violates their 10th Amendment rights.

As Governor, you have a responsibility to ensure Illinois residents are not unfairly burdened by the newly-imposed \$10,000 cap on SALT deductions that allows double taxation of our constituents.


¹<http://www.ilga.gov/legislation/fulltext.asp?DocName=&SessionId=91&GA=100&DocTypeId=HB&DocNum=4237&GAID=14&LegID=108676&SpecSess=&Session=>

We request information about how you plan to mitigate the negative impacts of this Republican tax law, which we strongly opposed, on Illinoisans, and we stand ready to work with you to that end.

Sincerely,



Tammy Duckworth
U.S. Senator



Richard J. Durbin
U.S. Senator




Robin L. Kelly
U.S. Member of Congress



Bradley S. Schneider
U.S. Member of Congress



Raja Krishnamoorthi
U.S. Member of Congress



Daniel W. Lipinski
U.S. Member of Congress




Danny K. Davis
U.S. Member of Congress



Jan Schakowsky
U.S. Member of Congress


Mike Quigley
U.S. Member of Congress


Luis V. Gutiérrez
U.S. Member of Congress


Cheri Bustos
U.S. Member of Congress