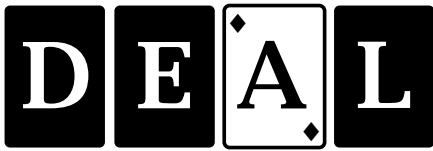


a better



for *illinois*

Facts About *A Better Deal for Illinois*: Overview

THE CASINO INDUSTRY BENEFITS ILLINOIS

The Illinois riverboat casino industry makes significant contributions to the state budget, the Illinois economy and Illinois communities.

The casino industry pumps hundreds of millions of dollars—more than \$430 million of taxes collected in 2001—into the state's education budget. In addition, casinos generate more than \$100 million a year in local taxes that support community development projects.

Illinois casinos employ more than 11,000 people statewide, paying wages and benefits of \$327 million during 2001. The industry generated more than \$150 million worth of business for Illinois-based suppliers.

THE SITUATION TODAY

Last spring, in an effort to address the state's budget problems, the Illinois General Assembly passed a bill that raised taxes on riverboat casinos, increasing the top rate from 35 to 50 percent of adjusted gross revenues and raising other gaming taxes across the board. Illinois gaming taxes continue to be the highest in the country by far.

The exorbitant tax rate in Illinois puts the state's riverboat casino industry at a serious competitive disadvantage in relation to bordering states, where lower taxes leave competitors with more money to invest in and market their casinos.

Experts now forecast budget shortfalls in Springfield well into the future. This long-term problem calls for a long-term, fiscally sustainable solution that maintains a solid tax base but also encourages economic activity.

A PLAN FOR THE FUTURE

The Illinois casino industry has developed *A Better Deal for Illinois*. The proposal grows the state's tax intake through increased business activity rather than through a prohibitive tax structure that removes incentives for growth and investment.

The industry proposes increasing the number of games and tables authorized at each casino and returning to the wagering tax rates that existed prior to 2002. Together, these changes will make Illinois casinos more competitive with neighboring states and provide an incentive to stimulate the maximum investment in casino properties.

Even with the proposed eventual rollback of the tax, taxes on Illinois casinos would still be the highest in the country. Returning taxes to their pre-2002 levels, combined with more games and slot machines at the casinos, will generate millions of dollars more in tax revenue than under the current tax structure with its excessive top rate of 50 percent.

At the same time, the proposal would create 1,000 new jobs and bring tens of millions of dollars in additional work for Illinois casino suppliers.

The *Better Deal for Illinois* is a win-win for taxpayers, casino employees, Illinois businesses that provide goods and services to the casino industry, charitable groups and communities across Illinois.