



support legislation for a Coal Severance Tax

The coal industry has been active in Illinois for over 100 years, but it is time to refocus on the impact it is having on our economy today.

Taking all revenue into account alongside all costs to the state and tax payers (which includes manufacturing and equipment tax exemptions, substantial tax incentives, and direct grants for multi-billion dollar companies) **the coal industry comes at a net cost of \$19.8 million to the Illinois budget.**

Today there are fewer than 4,000 coal miners in Illinois, less than 0.1% of total employment. It now takes fewer miners than ever to produce a ton of coal. **Compared to 100 years ago, Illinois is producing half as much coal with just 4 percent of the miners.** As the industry relies more on machines, it relies less on miners - leaving many unemployed. **Investing in the local economy ensures that those miners will not be left behind.**

Illinois needs investment in homegrown solutions.

While **78% of Illinois coal leaves the state**, Illinois is one of the only coal-producing states that does not collect a severance tax on coal.

This is a small fee paid by coal companies to ensure that when the coal leaves, **the community has revenue to invest in education, job training, and infrastructure improvements that help hard-working families get ahead.**

In 2015, this proposal could have **generated \$141.5 million** - increasing each year. By 2040, communities could receive **\$258.2 million each year.**

quick facts



Illinois is one of the only major coal-producing states that does not collect a severance tax



Other states have found that severance taxes do not impact production. This means hard-working miners keep their jobs, and the community has revenue for education and additional job-creation



In 2015, this proposal could have generated \$141.5 million in annual revenue for state and local governments. By 2040, over \$4.4 billion would be allocated for job-creating efforts



Even after providing \$4.4 billion for development, the permanent mineral trust fund would still hold \$2.2 billion, accumulating interest for future generations



why implement a severance tax?

allocations to the general revenue fund could alleviate pressure on essential services, building a mineral trust fund lets us prepare for the next generation, investing in coalfield communities supports education, job training, and infrastructure improvements that help hard-working families get ahead.

what could Illinois do with severance tax revenue?



companies contribute funds at 5% of the gross value of coal produced



funds are equally divided between
1. Illinois General Revenue Fund,
2. Permanent Mineral Trust Fund,
3. Communities with Coal Mines



community leaders envision job-creating economic development proposals



build a self-sufficient local economy with diverse opportunities for hard-working residents



permanent mineral trust fund accumulates interest and provides additional funds for job-creating projects



development funds are awarded to communities

In 2015 alone, this proposal could have generated \$141.5 million. Increasing each year, to \$258.2 million by 2040

learn more

get the facts on Coal's drain on the Illinois Budget, get the facts on Severance Tax Benefits for Illinois, and download fact sheets to spread the word at

ReInvestIL.org