

from us to you...

The David Agency Gazette

January 1, 2011

...staying in touch to serve you better

Breaking News... BREAKING NEWS

Tax Increase with Proposed Trade-Off on Workers Compensation Reform

Dear Client:

In the lame duck session that ends on January 11, 2011, Springfield legislators are attempting at passing a modified tax increase that Governor Quinn was elected on. The Illinois Constitution ties the personal tax rate to the corporate tax rate. While the proposal as of today is to increase the personal tax from the current 3% to 5.25%, this correlates to a corporate tax increase to 8.4% which will be the highest in the nation for businesses. Some of the increase is proposed to be permanent, the remainder temporary for four years, but renewable. Many shelved pieces of legislation have been brought out and put on the table trying to garner votes from anywhere they can. One of those pieces of legislation is Workers Compensation Reform. The controlling party in Springfield has held off on Workers Compensation Reform for years. But are now offering to trade Workers Compensation Reform for bi-partisan support on Governor Quinn's tax increase. Worker's Compensation Reform passed a House Committee Sunday January 9, 2011.

The reforms include reducing medical fee expenses of 15 percent, cap benefits at age 67 or five years after the injury whichever is later, and an injured worker would go to a doctor chosen by the employer, rather than "shopping" for opinions, according to the Chicago Tribune.

We bring this to your attention, because while we support workers compensation reform that should reduce businesses costs associated with Workers Compensation, the expectation is that the cost of the tax increase will be greater than the savings businesses will have in Workers Compensation savings from this reform.

Call or email immediately, before Wednesday January 12, 2011, contact your legislator and let them know how you want them to vote on the proposed Workers Compensation and the proposed Tax Increase on your behalf as your representative in Springfield, Illinois.

Here's how to find your elected official:

<http://www.elections.il.gov/districtlocator/districtofficialsearchbyaddress.aspx>

This is not copyrighted and we hope and encourage you will forward this to your fellow business associates.

Thank you,

David
David D. Meilahn, CEO

The David Agency Insurance, Inc.
385 North York Road
Elmhurst, IL 60126
dmeilahn@thedavidagency.com
(630) 592-5375 Direct Number
(312) 848-1977 Cell
(630) 516-9000 Reception
(630) 516-0700 Fax
Visit our recently updated website at <http://www.thedavidagency.com>

The David Agency Insurance, Inc.
385 North York Road
Elmhurst, IL 60126
(630)516-9000