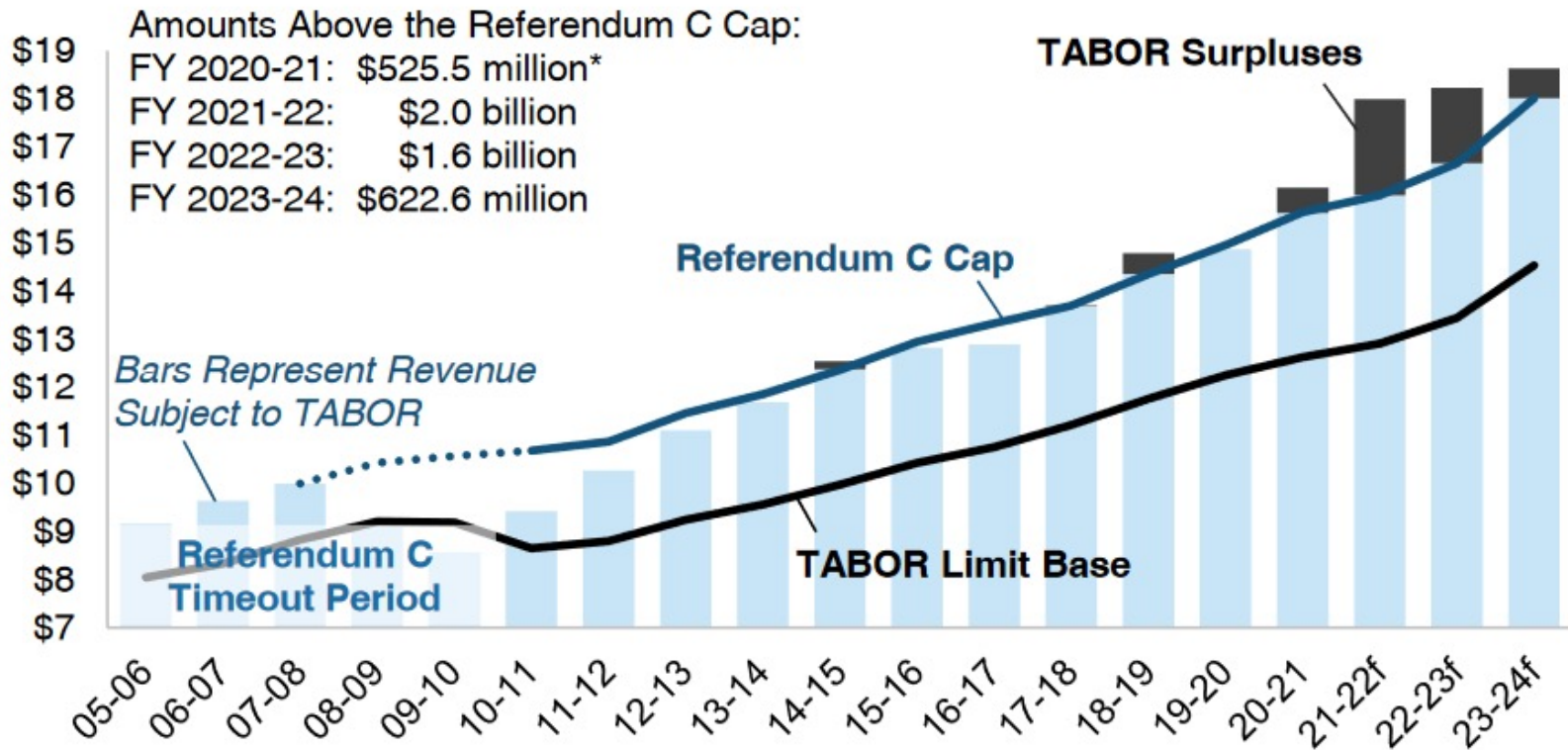


The Fiscal Situation and the November Ballot



March 2022 Revenue Estimates

Figure 2
TABOR Revenue, TABOR Limit Base, and the Referendum C Cap
Dollars in Billions



Largest TABOR Rebates

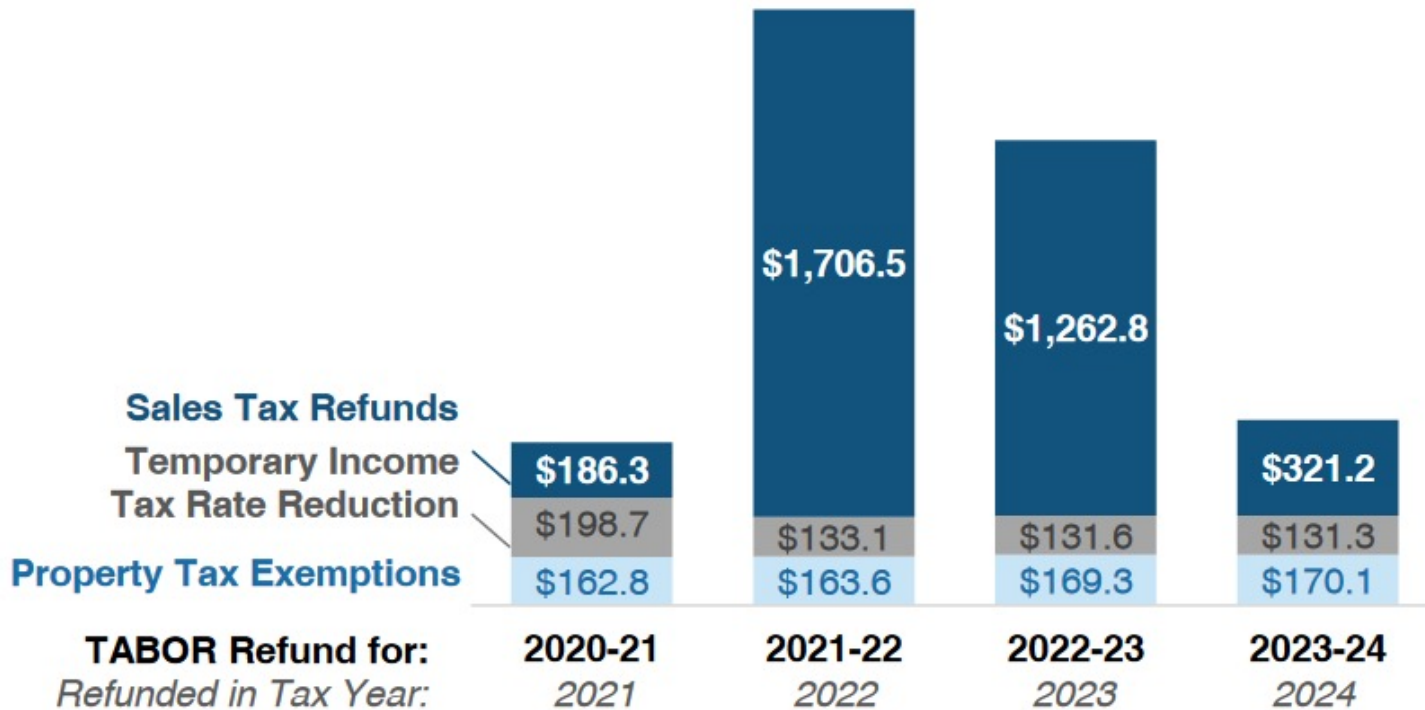
History of TABOR Rebates (millions)

Year	Rebates
1997	\$139.0
1998	\$563.2
1999	\$679.6
2000	\$941.1
2001	\$927.2
2005	\$41.1
2015	\$169.7
2019	\$428.5
2021	\$471.4

Source: Colorado Legislative Council

How the TABOR Rebates are Distributed

Figure 3
Expected TABOR Refunds and Refund Mechanisms
Dollars in Millions



\$400 Checks (SB22-233)

- To be eligible for this refund, a taxpayer must have resided in Colorado for the entirety of the 2021 tax year and be 18 years old as of December 31, 2021
- Sends back \$1.4 billion of the TABOR surplus that otherwise would have gone out in 6-Tier Method

6-Tier vs Identical Rebate

Single Filers

Tier 1	up to \$47,000	\$274	\$400
Tier 2	\$47k to \$94k	\$365	\$400
Tier 3	\$94k-\$149k	\$420	\$400
Tier 4	\$149-\$207k	\$499	\$400
Tier 5	\$207k-\$263k	\$537	\$400
Tier 6	\$263k above	\$864	\$400

Takes \$1.4 billion from TABOR Surplus

Total \$1.4 Billion through 6-Tier vs \$400 Identical

	6-Tier	\$400 Identical
Tier 1 up to \$47,000	336,536,643	489,734,299
Tier 2 \$47k to \$94k	345,641,261	377,237,630
Tier 3 \$94k-\$149k	257,296,412	243,988,407
Tier 4 \$149-\$207k	159,495,136	127,254,964
Tier 5 \$207k-\$263k	82,066,728	60,860,821
Tier 6 \$263k above	218,963,820	100,923,878

Property Tax Cut (SB22-238)

Part of the negotiation to keep Property Tax Cap from reaching November Ballot.

2023 Property Tax year:

Residential: RAR 6.765% exempts \$15k in value

Non-Res: assessment rate to 27.9% exempts \$30k

2024 Property Tax year:

Residential: RAR 6.8% for multi-family

Non-Res: Ag, Renewables to 26.4%

Property Tax Cut (SB22-238)

\$200m to schools from General Fund (for lost local share)

4.9% cut in assessed valuation (\$500 million property tax cut)

Local government backfill based on formula

under/over 300,000 in population in county

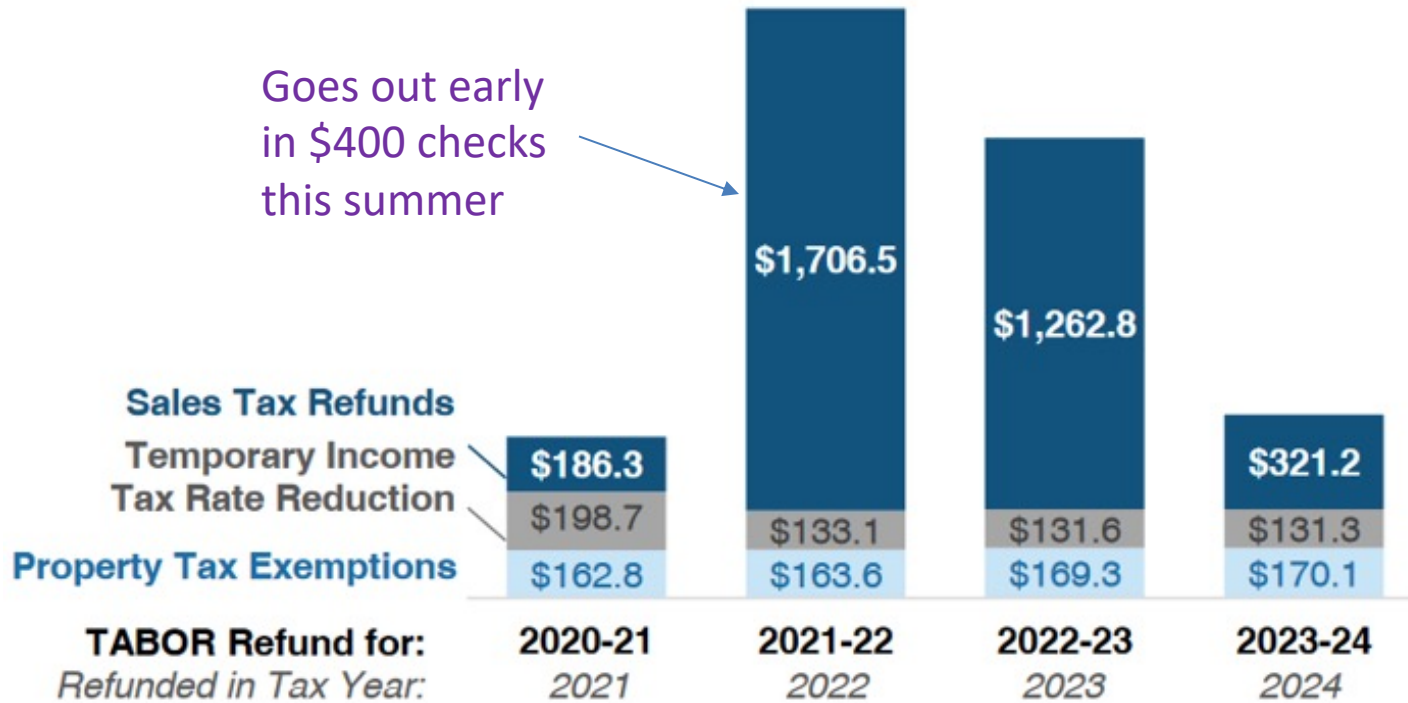
under/over 10% growth in assessed valuation

65% to 90% backfill

\$240 million of state back fill from rebates (FY2022-23 TABOR Rebates)

Mill Levy Overrides? (Ask Tracie don't ask me!)

\$400 Checks, Property Tax Cut on #63



-\$40 m

#63

-\$225m

full-year

impact

\$984m

#63
half-year
impact
\$470m

On the November Ballot Already

Initiative #31

- Cuts the income tax rate from 4.55% to 4.40%
- \$401.3 million in FY 2022-23
- \$420.4 million in FY 2023-24

Free School Lunch Initiative (HB22-1414)

- Will ask voters if they will limit tax deductions for higher-earning Coloradans to pay for the \$100 million program that starts the 2023-24 school year.
- The ballot measure would limit deductions for a household bringing in \$300,000 or more to \$16,000 for joint filers and \$12,000 for individuals.
- Add-back to Colorado taxable income (so adds a few million to SEF)
- [2022a hb1414 00.pdf \(colorado.gov\)](#)

Questions?

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Table 3
Changes in TABOR Refunds by Adjusted Gross Income
FY 2021-22 Surplus Refunded in FY 2022-23
Six-Tier Sales Tax and SB 22-233 Mechanisms Only

Single Filers					
Income Tiers			Current Law	SB 22-233*	Change
	up to	\$47,000	\$333	\$465	\$132
\$47,001	to	\$94,000	\$445	\$487	\$42
\$94,001	to	\$149,000	\$512	\$500	-\$12
\$149,001	to	\$207,000	\$608	\$519	-\$89
\$207,001	to	\$263,000	\$654	\$528	-\$126
\$263,001	and up		\$1,053	\$606	-\$447

Joint Filers					
Income Tiers			Current Law	SB 22-233*	Change
	up to	\$47,000	\$666	\$930	\$264
\$47,001	to	\$94,000	\$890	\$974	\$84
\$94,001	to	\$149,000	\$1,024	\$1,000	-\$24
\$149,001	to	\$207,000	\$1,216	\$1,038	-\$178
\$207,001	to	\$263,000	\$1,308	\$1,056	-\$252
\$263,001	and up		\$2,106	\$1,212	-\$894

* For taxpayers who were full-year residents of Colorado in 2021 and file 2021 taxes by October 17, 2022. Taxpayers who do not meet these criteria receive \$400 less (\$800 less if filing jointly).