Initiative 271:
Details Explained

FairTaxColorado.org
SHALL STATE TAXES BE INCREASED $2,000,000,000 ANNUALLY BY AN AMENDMENT TO THE COLORADO CONSTITUTION AND A CHANGE TO THE COLORADO REVISED STATUTES CONCERNING A GRADUATED STATE INCOME TAX FOR ALL INDIVIDUAL TAXPAYERS, INCLUDING JOINT FILERS, ESTATES, AND TRUSTS, AND, IN CONNECTION THEREWITH, REPEALING THE CONSTITUTIONAL REQUIREMENT FOR A SINGLE RATE INCOME TAX; DECREASING THE INDIVIDUAL INCOME TAX RATE FROM 4.63% TO 4.58% FOR INCOME UP TO $250,000, INCREASING THE INDIVIDUAL INCOME TAX RATE FROM 4.63% TO 7% FOR INCOME FROM $250,001 TO $500,000, FROM 4.63% TO 7.75% FOR INCOME FROM $500,001 TO $1,000,000, AND FROM 4.63% TO 8.90% FOR INCOME OVER $1,000,000 ANNUALLY ADJUSTING THE INCOME BRACKETS BY THE PERCENTAGE CHANGE IN COLORADO PERSONAL INCOME; ALLOWING THE STATE TO KEEP AND SPEND THE ADDITIONAL TAX REVENUE GENERATED BY THE TAX RATE CHANGES; REQUIRING AT LEAST 50% OF THE ADDITIONAL REVENUE TO BE USED FOR PRESCHOOL THROUGH TWELFTH GRADE PUBLIC EDUCATION AND THE REMAINDER TO BE USED TO ADDRESS THE IMPACTS OF A GROWING POPULATION AND A CHANGING ECONOMY AND REQUIRING THE CREATION OF A CITIZEN’S OVERSIGHT COMMITTEE TO ASSURE THAT THE ADDITIONAL REVENUE IS USED AS REQUIRED AND A TAX REVIEW COMMISSION TO REPORT ON THE EFFECTS OF THE INCOME TAX RATE STRUCTURE ON OR BEFORE 2031?
Initiative #271

Tax Table

- Tiered tax structure that lowers the tax rate for income under $250,000 (4.58%) and raises rates on income above $250,000 and higher income rates
- Estimated revenue raised is $1.975 billion

<table>
<thead>
<tr>
<th>Income Bracket</th>
<th>Proposed Marginal Rate</th>
<th>Current Marginal Rate</th>
<th>Difference in Percentage Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below $250k</td>
<td>4.58%</td>
<td>4.63%</td>
<td>-0.05 pp</td>
</tr>
<tr>
<td>$250k to $500k</td>
<td>7.00%</td>
<td>4.63%</td>
<td>2.37 pp</td>
</tr>
<tr>
<td>$500k to $1M</td>
<td>7.75%</td>
<td>4.63%</td>
<td>3.12 pp</td>
</tr>
<tr>
<td>$1M+</td>
<td>8.9%</td>
<td>4.63%</td>
<td>4.27 pp</td>
</tr>
<tr>
<td>Possible Revenue Generated</td>
<td></td>
<td></td>
<td>$2 billion</td>
</tr>
</tbody>
</table>

Estimated revenue raised is $1.975 billion.
How New Revenue Will Be Used

At least 50% of such revenue shall be appropriated and expended for pre-primary-12 education to recruit, retain, and pay teachers and student service providers, pursuant to the Public School Finance Act of 1994, Article 54 of Title 22, Colorado Revised Statutes, and for categorical programs, as defined in Section 17(2) of Article 9 of the Constitution of the State of Colorado, or their successor provisions, with such revenue being used to supplement and not supplant General Fund and state education fund appropriations for total program funding and categorical programs existing on the effective date of this section.

The remainder of such revenue shall be appropriated and expended to address the impacts of a growing population and a changing economy. At least 90% of such revenue shall be spent on services for Colorado residents and not administrative costs.
How to Talk About Initiative #271

Colorado needs a fair tax

It’s a tax cut for 95% of Coloradans

Colorado’s middle class pays a larger share of their income in taxes than the top 5%

A fair tax lowers rates for most Coloradans while increasing education funding
How to Talk About Initiative #271 & COVID-19
(Hint: Colorado still needs a fair tax!)

An unfair tax system has limited our ability to fix our roads and fund our schools, let alone prepare for a crisis like COVID-19.

A fair tax means the burden of recovery won’t be disproportionately borne by middle- and low-income earners.

We can’t cut our way to recovery, and a fair tax will ensure we don’t have to.

It’s more important than ever to invest in public health, education, and unemployment.
What’s Different This Time?

More connected advocates
Not just about taxes
Different electorate

Frustration about lack of resources in a growing economy
Frustration about inequity intensifying
Details for Signature Gathering

- Petitions approved: 3/7/20
- First petitions distributed: 3/13/20
- Target petition submission date: 7/25/20
- Final petition submission date: 8/3/20
- Number of signatures required: 124,632
- Need at least 2,000 signatures from all 35 Senate districts
- Simple majority for approval
COVID-19 Update on Signature Gathering

SAFETY IS OUR TOP PRIORITY DURING THIS CRISIS

• Current ask: Receive petitions by mail or pledge to sign when it’s safe
• We’re NOT encouraging anyone to gather signatures for the time being
• We are keeping a close eye on the situation—once it is safe to carry in public we will let everyone know
Petition Carrying Toolkit

Check out the Google site to:

- Watch our training video
- Read more about the measure
- Read petition carrying FAQs
- And more!
COVID-19 Update: Messaging Guidance

- Stay healthy, get ready: Digital toolkit
- #FindMyPetition social media campaign
- Tell us why you’re proud to support Fair Tax Colorado
- Tag on Facebook, Twitter, and Instagram

Practice social distancing:
Get your Fair Tax Colorado petition mailed

Stay healthy, get ready.
Campaign Updates

• Additional messaging polling will be conducted
• Center on Budget & Policy Priorities conducting texts/calls to all Senate districts for increased support
• Exploring the possibility of paid signature gathering in some hard-to-gather areas
Current Official Endorsements

- League of Women Voters
- AFT Colorado
- CEA
- Colorado Organization for Latina Opportunity & Reproductive Rights (COLOR)
- Funding our Future
- COPTA
- Jeffco PTA
- Support Jeffco Kids
- Colorado Fiscal Institute
- Good Business Colorado
- Colorado Association of Bilingual Educators
Current Official Endorsements

- Colorado Association of Bilingual Educators
- Center for Health Progress
- Colorado Center on Law & Policy
- Colorado Consumer Health Initiative
- Bell Policy Center
- Small Business Majority
- School District 14 Classroom Teachers Association
- Great Education Colorado
Learn More About Fair Tax Colorado

- Calculate your rate
- Donate
- Endorse
- Request a presentation
- Sign a petition
- Carry a petition