

REPORT HIGHLIGHTS



SCHEDULE OF TABOR REVENUE, FISCAL YEAR 2017 OFFICE OF THE STATE CONTROLLER
PERFORMANCE AUDIT, OCTOBER 2017

CONCLUSION

We determined that the TABOR Financial Report, as certified by the Office of the State Controller, agreed to the State's underlying accounting records for Fiscal Year 2017 that were contained in the State's accounting system as of August 31, 2017. Except as noted below, we noted no exceptions related to the preparation and certification of the TABOR Financial Report in accordance with applicable laws, rules, and regulations related to Section 24-77-101 through 107, C.R.S.

KEY FINDINGS

- The objective of our audit was to determine whether the Office of the State Controller complied with applicable laws, rules, and regulations related to Section 24-77-101 through 107, C.R.S., in preparing the TABOR Financial Report and the certification required by Section 24-77-106.5, C.R.S.
- The State Controller's certification is used by the Office of the Governor, the General Assembly, and the Department of Revenue for planning and budgeting purposes and it is important that the correct information be presented.
- We identified one error contained in the TABOR financial report as certified on September 1. The TABOR certification letter submitted by the Office of the State Controller (OSC) incorrectly stated in the first paragraph that Fiscal Year 2017 revenues were "*greater than*" the excess state revenue cap by \$435,869,648 when in fact, revenues were "*less than*" the excess state revenue cap by that amount (emphasis added). The Office of the State Controller issued a correction to the certification on September 13 which corrected this error.
- Fiscal Year 2017 revenue is under the Excess State Revenues Cap by \$435,869,648; therefore, there is no TABOR refund for Fiscal Year 2017.

BACKGROUND

Schedule of TABOR Revenue:

- The Taxpayer's Bill of Rights (TABOR) was added to the Colorado Constitution in the November 1992 general election.
- TABOR limits are increased based on the annual inflation rate plus the percentage change in Colorado's population growth rate.
- The OSC was required to certify TABOR revenue to the Governor, General Assembly, and the Executive Director of the Department of Revenue no later than September 1, 2017.
- The Office of the State Auditor was required to audit the TABOR Financial Report by September 15, 2017.