

CHAPTER 508

TAXATION

SENATE BILL 22-222

BY SENATOR(S) Pettersen and Moreno, Bridges, Buckner, Coleman, Danielson, Donovan, Fields, Gonzales, Hansen, Hinrichsen, Jaquez Lewis, Kolker, Lee, Story, Winter, Fenberg;
also REPRESENTATIVE(S) Kennedy and Weissman, Amabile, Bacon, Bernett, Bird, Boesenecker, Caraveo, Cutter, Duran, Esgar, Froelich, Gonzales-Gutierrez, Hooton, Kipp, Lontine, McCluskie, McCormick, McLachlan, Michaelson Jenet, Sirota, Snyder, Sullivan, Titone, Valdez A., Woodrow.

AN ACT

CONCERNING A REQUIREMENT THAT THE BALLOT TITLE AND FISCAL SUMMARY FOR ANY BALLOT INITIATIVE THAT INCREASES OR DECREASES STATE INCOME TAX RATES INCLUDE A TABLE SHOWING THE AVERAGE TAX CHANGE FOR TAX FILERS IN DIFFERENT INCOME CATEGORIES.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 1-5-407, **amend** (7) as follows:

1-5-407. Form of ballots. (7) No printing or distinguishing marks shall be on the ballot except as specifically provided in this code, or in section 1-40-106 (3)(e) to (3)(g) **AND** (3)(j).

SECTION 2. In Colorado Revised Statutes, 1-40-105.5, **amend** (1.5)(a)(III); and **add** (1.5)(a)(V) as follows:

1-40-105.5. Initial fiscal impact statement - definition. (1.5) (a) For every initiated measure properly submitted to the title board, the director shall prepare a fiscal summary that consists of the following information:

(III) Any information from the initiated measure or a description of state and local government implementation in order to provide the information required in subsection (1.5)(a)(I) or (1.5)(a)(II) of this section; ~~and~~

(V) IF THE MEASURE WOULD EITHER INCREASE OR DECREASE THE INDIVIDUAL INCOME TAX RATE, A TABLE THAT SHOWS THE ESTIMATED EFFECT OF THE CHANGE ON THE TAX OWED BY INDIVIDUALS IN DIFFERENT INCOME CATEGORIES. THE TABLE

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

PREPARED BY THE DIRECTOR MUST HAVE ONE COLUMN TITLED "INCOME CATEGORIES" THAT SHOWS INCOME CATEGORIES, ONE COLUMN TITLED "CURRENT AVERAGE INCOME TAX OWED" THAT SHOWS THE AVERAGE INCOME TAX OWED BY FILERS WITHIN EACH INCOME CATEGORY, ONE COLUMN TITLED "PROPOSED AVERAGE INCOME TAX OWED" THAT SHOWS THE AVERAGE INCOME TAX OWED BY FILERS WITHIN EACH INCOME CATEGORY IF THE INITIATED MEASURE WERE TO PASS, AND ONE COLUMN TITLED "PROPOSED CHANGE IN AVERAGE INCOME TAX OWED" THAT IDENTIFIES THE DIFFERENCE BETWEEN THE AVERAGE INCOME TAX OWED BY FILERS WITHIN EACH INCOME CATEGORY IF THE INITIATED MEASURE WERE TO PASS AND IF THE INITIATED MEASURE WERE NOT TO PASS. IF THE DIFFERENCE IN THE AMOUNT OF TAX OWED SHOWN IN THE TABLE IS AN INCREASE, THE CHANGE MUST BE EXPRESSED AS A DOLLAR AMOUNT PRECEDED BY A PLUS SIGN. IF THE CHANGE IN THE AMOUNT OF TAX OWED SHOWN IN THE TABLE IS A DECREASE, THE CHANGE MUST BE EXPRESSED AS A DOLLAR AMOUNT PRECEDED BY A NEGATIVE SIGN. THE DIRECTOR SHALL USE THE FOLLOWING INCOME CATEGORIES IN CREATING THE TABLE:

(A) FEDERAL ADJUSTED GROSS INCOME OF TWENTY-FIVE THOUSAND DOLLARS OR LESS;

(B) FEDERAL ADJUSTED GROSS INCOME GREATER THAN TWENTY-FIVE THOUSAND DOLLARS AND NO MORE THAN FIFTY THOUSAND DOLLARS;

(C) FEDERAL ADJUSTED GROSS INCOME GREATER THAN FIFTY THOUSAND DOLLARS AND NO MORE THAN ONE HUNDRED THOUSAND DOLLARS;

(D) FEDERAL ADJUSTED GROSS INCOME GREATER THAN ONE HUNDRED THOUSAND DOLLARS AND NO MORE THAN TWO HUNDRED THOUSAND DOLLARS;

(E) FEDERAL ADJUSTED GROSS INCOME GREATER THAN TWO HUNDRED THOUSAND DOLLARS AND NO MORE THAN FIVE HUNDRED THOUSAND DOLLARS;

(F) FEDERAL ADJUSTED GROSS INCOME GREATER THAN FIVE HUNDRED THOUSAND DOLLARS AND NO MORE THAN ONE MILLION DOLLARS;

(G) FEDERAL ADJUSTED GROSS INCOME GREATER THAN ONE MILLION DOLLARS AND NO MORE THAN TWO MILLION DOLLARS; AND

(H) FEDERAL ADJUSTED GROSS INCOME GREATER THAN TWO MILLION DOLLARS AND NO MORE THAN FIVE MILLION DOLLARS.

SECTION 3. In Colorado Revised Statutes, 1-40-106, **amend** (3)(h); and **add** (3)(j) as follows:

1-40-106. Title board - meetings - ballot title - initiative and referendum - definitions. (3) (h) In determining whether a ballot title qualifies as brief for purposes of ~~sections~~ SECTION 1-40-102 (10) and ~~1-40-106(3)(b)~~ SUBSECTION (3)(b) OF THIS SECTION, the language required by subsection (3)(e), (3)(f), ~~or~~ (3)(g), OR (3)(j) of this section may not be considered.

(j) A BALLOT TITLE FOR A MEASURE THAT EITHER INCREASES OR DECREASES THE INDIVIDUAL INCOME TAX RATE MUST, IF APPLICABLE, INCLUDE THE TABLE CREATED

FOR THE FISCAL SUMMARY PURSUANT TO SECTION 1-40-105.5 (1.5)(a)(V).

SECTION 4. In Colorado Revised Statutes, 1-40-124.5, **amend** (1)(b)(III) introductory portion as follows:

1-40-124.5. Ballot information booklet. (1) (b) The director of research of the legislative council of the general assembly shall prepare a fiscal impact statement for every initiated or referred measure, taking into consideration fiscal impact information submitted by the office of state planning and budgeting, the department of local affairs or any other state agency, and any proponent or other interested person. The fiscal impact statement prepared for every measure shall be substantially similar in form and content to the fiscal notes provided by the legislative council of the general assembly for legislative measures pursuant to section 2-2-322. A complete copy of the fiscal impact statement for such measure shall be available through the legislative council of the general assembly. The ballot information booklet shall indicate whether there is a fiscal impact for each initiated or referred measure and shall abstract the fiscal impact statement for such measure. The abstract for every measure shall appear after the arguments for and against such measure in the analysis section of the ballot information booklet, and shall include, but shall not be limited to:

(III) For any initiated or referred measure that modifies the state tax laws, if the measure would either increase or decrease individual income tax revenue or state sales tax revenue, a table that shows the number of tax filers in each income category, the total ~~tax burden~~ change IN THE AMOUNT OF TAX OWED for each income category, and the average ~~tax burden~~ change IN THE AMOUNT OF TAX OWED for each filer within each income category. If the change in a ~~tax burden~~ THE AMOUNT OF TAX OWED shown in the table is an increase, the change must be expressed as a dollar amount preceded by a plus sign. If the change in a ~~tax burden~~ THE AMOUNT OF TAX OWED shown in the table is a decrease, the change must be expressed as a dollar amount preceded by a negative sign. The table must use the following income categories:

SECTION 5. Refer to people under referendum. At the election held on November 8, 2022, the secretary of state shall submit this act by its ballot title to the registered electors of the state for their approval or rejection. Each elector voting at the election may cast a vote either "Yes/For" or "No/Against" on the following ballot title: "Shall there be a change to the Colorado Revised Statutes requiring that the ballot title and fiscal summary for any ballot initiative that increases or decreases state income tax rates include a table showing the average tax change for tax filers in different income categories?" Except as otherwise provided in section 1-40-123, Colorado Revised Statutes, if a majority of the electors voting on the ballot title vote "Yes/For", then the act will become part of the Colorado Revised Statutes.