

House State, Civic, Military, & Veterans Affairs

03/14/2022 01:30 PM

HB22-1125 Income Tax Rate Reduction

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Tony Gagliardi For National Federation of Independent Business	<p data-bbox="565 373 1446 447">On behalf of the 7,000 Colorado members of the National Federation of Independent Businesses we request your SUPPORT for Hb 22-1125.</p> <p data-bbox="565 489 1463 709">Small businesses, while on the road to recovery, are finding difficult footing having to contend with increased wages to attract qualified workers, increased regulatory costs, and supply chain disruptions. Not to mention an insolvent Unemployment Trust Fund, which is likely to result in massive increases in Unemployment Taxes. All conditions have had a significant effect on the small business survivability rate.</p> <p data-bbox="565 751 1422 825">Small business optimism is at all-time lows. Much of the downturn is caused in uncertainty on Main Street.</p> <p data-bbox="565 867 954 898">Please vote YES on Hb 22-1125.</p>



March 10, 2022

House State, Civic, Military, & Veterans Affairs
Colorado General Assembly

RE: HB22-1125 Income Tax Rate Reduction - OPPOSE

Dear Chair Kennedy, Vice-Chair Woodrow, and Members of the Committee:

[HB22-1125](#) would make permanent any TABOR reduction in the income tax rate. This would be a permanent ratcheting down of income tax rates; each large TABOR refund would reduce income tax rates by .05% below the previous TABOR-induced reduction, permanently.

This may sound like a small reduction, but the first TABOR reduction would permanently reduce General Fund revenue by over \$100 million. The second TABOR reduction would mean over \$200 million was taken from all future budgets. And so on.

Yes, the state is flush with cash this session, but almost all of it is one-time funds, available this budget cycle but not the following years. That one-time cash is useful for one-time expenditures, including building infrastructure, affordable housing, and paying down debt. But improving the supply of child care workers; adding mental health professionals to serve young people; and preventing, fighting, and recovering from wildfires all require spending money based on people's salaries not just this budget cycle, but for years to come. Cutting the income tax rate, permanently, again and again, will reduce, not expand, the funds the state has, now and in the future, for these and other important services. The League of Women Voters supports adequate funding of government programs. This bill makes funding for government programs less adequate, and the League strongly opposes it.

Please vote NO on HB22-1125

Sincerely,

Maud Naroll, Volunteer Lobbyist
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