

## Ballot Title Setting Board

### Proposed Initiative 2003-2004 #122<sup>1</sup>

The title as designated and fixed by the Board is as follows:

An amendment to the Colorado constitution concerning cuts in government taxes and charges, and, in connection therewith, establishing a \$25 cut that increases \$25 yearly to lower each 2005 and later state and local tax or charge in each bill for each: (1) utility and television account customer-paid tax, grant, franchise charge, and other public charge except a 911 telephone fee, (2) vehicle sales, use, lease, and ownership tax, and real estate transfer tax, on each \$20,000 of taxable value, and fraction thereof, (3) yearly income tax on each \$20,000 of state taxable income, and fraction thereof, up to \$100,000, (4) occupation, property drainage, and local vehicle registration tax and charge, and (5) yearly property tax; allowing voters to lower or cancel, and governments to reduce or delay, the cuts in certain circumstances; allowing governments to let taxpayers refuse the cut on each bill; requiring governments to refund twice the amount illegally withheld if certain conditions are violated; and requiring compliance audits and strict enforcement by the state.

The ballot title and submission clause as designated and fixed by the Board is as follows:

Shall there be an amendment to the Colorado constitution concerning cuts in government taxes and charges, and, in connection therewith, establishing a \$25 cut that increases \$25 yearly to lower each 2005 and later state and local tax or charge in each bill for each: (1) utility and television account customer-paid tax, grant, franchise charge, and other public charge except a 911 telephone fee, (2) vehicle sales, use, lease, and ownership tax, and real estate transfer tax, on each \$20,000 of taxable value, and fraction thereof, (3) yearly income tax on each \$20,000 of state taxable income, and fraction thereof, up to \$100,000, (4) occupation, property drainage, and local vehicle registration tax and charge, and (5) yearly property tax; allowing voters to lower or cancel, and governments to reduce or delay, the cuts in certain circumstances; allowing governments to let taxpayers refuse the cut on each bill; requiring governments to refund twice the amount illegally withheld if certain conditions are violated; and requiring compliance audits and strict enforcement by the state?

*Hearing April 7, 2004:*

*Single subject approved; titles set.*

*Hearing adjourned 4:41 p.m.*

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<sup>1</sup> Unofficially captioned "Tax Cuts – Amend TABOR" by legislative staff for tracking purposes. Such caption is not part of the titles set by the Board.

Be it Enacted by the People of the State of Colorado:

Article X, section 20, The Taxpayer's Bill of Rights, is amended to add:

(8)(d) Tax cuts. A \$25 tax cut, increased \$25 yearly (to \$50, \$75, ...), shall lower each 2005 and later:

utility and television account customer-paid tax, grant, franchise charge, and other public charge except a 911 telephone fee; vehicle sales, use, lease, and ownership tax, and real estate transfer tax, on each \$20,000 of taxable value, and fraction thereof; yearly income tax on each \$20,000 of state taxable income, and fraction thereof, up to \$100,000; occupation, property drainage, and local vehicle registration tax and charge; and yearly property tax total levied by each district.

Exceptions:

(I) District voters each November in even-numbered years may lower or cancel one or more future tax cuts for the next one or two years only. District voters in November 2005 also may lower or cancel the 2005 income and property tax cuts.

(II) Only if real property tax would be a majority of their next year's cash revenue after excluding gifts, federal funds, bond proceeds, and that year's added property tax cut, districts may approve adding \$5 as that year's real property tax cut.

(III) Districts may approve a delay only in adding that part of their next year's tax cuts which would result in that year's cash revenue from district taxes and other districts growing less than current year inflation. Until fully restored, each delayed part shall be added back to the tax cuts to the extent such revenue growth in each later year exceeds inflation in its prior year.

(IV) On each bill, districts may offer each taxpayer a choice to refuse the tax cut on that bill.

Enforcement:

Lowering or canceling the tax cuts is a tax increase. Districts with any petition process shall have exception (I) ballot issues by initiative petition only, adapting state signature requirements and filing deadlines. Multiple-year tax cut totals shall keep using exception (I) and (II) amounts, but only for years properly approved. Violation of revenue limits in approved exceptions (II) or (III) shall void that approval, and districts shall refund to district taxpayers, within 120 days after the year ends, twice the tax cut amount illegally withheld by that invalid approval. Exceptions (I)-(III) approved after 2006 shall apply only in districts with a governing board elected by voters. Exceptions shall be in whole dollars, are not gifts, and shall not reduce the tax cuts after the tax cuts take effect. The tax cuts shall apply to each tax or charge on each bill, and shall be in addition to any other tax cut or revenue reduction or refund. The state shall audit itself and each local entity yearly for full compliance, and enforce strictly the tax cuts and exceptions. Successful plaintiffs enforcing (8)(d) shall always receive all costs and reasonable attorney fees, contingent or not, but defendants may receive only costs, and only in frivolous suits.

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ELECTIONS / LICENSING  
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2:16 P.M.  
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