

-BE IT ENACTED BY THE PEOPLE OF THE STATE OF COLORADO:

THE CONSTITUTION OF THE STATE OF COLORADO IS AMENDED BY THE ADDITION OF A NEW ARTICLE XIX TO READ:

HOME ENERGY ADJUSTMENT TAX-REBATE (H.E.A.T.). (1) ALL OIL AND GAS SEVERANCE TAXES, INCLUDING BUT NOT LIMITED TO ANY TAXES BASED ON THE WELL HEAD VALUE OF OIL AND GAS, OR OIL SHALE PRODUCED IN THE STATE OF COLORADO, COLLECTED BY THE STATE OF COLORADO ABOVE THE BASELINE AMOUNT COLLECTED IN CALENDAR YEAR 2005 PLUS SUBSEQUENT ADJUSTMENTS FOR THE CHANGE IN STATE POPULATION AND INFLATION (CONSUMER PRICE INDEX) SHALL BE REFUNDED TO COLORADO TAXPAYERS ANNUALLY TO OFFSET HIGH HOME ENERGY COSTS.

(A) EACH YEAR THE TOTAL EXCESS OIL AND GAS TAX AMOUNT SHALL BE DIVIDED BY THE TOTAL NUMBER OF DEPENDENTS CLAIMED ON ALL COLORADO FULL-YEAR RESIDENT INDIVIDUAL TAX RETURNS FILED IN THAT SAME YEAR. THE EXCESS OIL AND GAS TAX REFUND AMOUNT SHALL BE SUMMED FOR EACH HOUSEHOLD BASED ON NUMBER OF DEPENDENTS PER HOUSEHOLD AND SHALL BE DISTRIBUTED TO EACH HEAD OF HOUSEHOLD VIA CHECK MAILED TO THE HEAD OF HOUSEHOLD DURING THE FIRST TWO WEEKS OF THAT OCTOBER. EACH CHECK SHALL CLEARLY STATE "THIS IS YOUR HOUSEHOLD'S HOME ENERGY ADJUSTMENT TAX-REBATE (H.E.A.T.) BASED UPON LAST YEAR'S EXCESS TAX REVENUE FROM THE PRODUCTION OF OIL AND GAS IN COLORADO."

(B) WHEN THE SINGLE DEPENDENT REFUND AMOUNT CALCULATES TO BE LESS THAN \$5.00, REFUNDS SHALL NOT BE DISTRIBUTED DURING THAT YEAR.

(C) EXCESS OIL AND GAS TAXES SHALL BE HELD IN A SEPARATE FUND. EXCESS OIL AND GAS TAX REVENUES ARE TO BE DEPOSITED IN THE FUND PRIOR TO MAY 1 OF EACH YEAR. ALL INTEREST, DIVIDENDS AND RETURNS GENERATED BY THE EXCESS OIL AND GAS TAX FUND SHALL ACCRUE TO THE FUND.

(D) THIS ARTICLE SHALL TAKE EFFECT DECEMBER 31, 2006. EXCESS REVENUES ACCUMULATED DURING CALENDAR YEAR 2006 SHALL BE REFUNDED TO COLORADO TAXPAYERS IN 2007.