



**COLORADO**  
**Department of Revenue**  
Executive Director's Office

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September 29, 2020

The Honorable Leroy Garcia  
President of the Senate  
Colorado General Assembly

The Honorable KC Becker  
Speaker of the House  
Colorado General Assembly

The Honorable Stephen Fenberg  
Senate Majority Leader  
Colorado General Assembly

The Honorable Alec Garnett  
House Majority Leader  
Colorado General Assembly

The Honorable Chris Holbert  
Senate Minority Leader  
Colorado General Assembly

The Honorable Patrick Neville  
House Minority Leader  
Colorado General Assembly

Dear Senators and Representatives:

The Colorado Department of Revenue (CDOR) is required to report annually on the refund mechanisms for Nonexempt District Revenues subject to Article X, Section 20 (TABOR) of the State's Constitution.

On September 1, 2020, the State Controller certified that the Fiscal Year 2019-20 (FY 2019-20) unaudited State revenues subject to TABOR were \$14,866,305,327. TABOR Nonexempt District Revenues are below the TABOR Adjusted Excess State Revenue Cap (ESRC) by \$82,542,238. Because the TABOR revenues are below the ESRC, no refund is required for FY 2019-20.

Section 39-22-627 (2), C.R.S., requires CDOR to estimate the amount by which state revenues would be decreased as the result of a reduction in the state income tax rate from 4.63 percent to 4.50 percent. Subsection (4) requires CDOR to estimate this amount utilizing the most recent data available from the staff of the legislative council (LCS). Using total estimated income tax revenue estimates from the September 2020 Forecast from LCS, CDOR estimated a reduction in income taxes for income tax year 2020 to be \$241.2 million.

Because no refund is required, state sales tax refunds were not estimated.

Sincerely,

Heidi Humphreys  
Interim Executive Director  
Colorado Department of Revenue