

Projected Tabor Rebates in Eight Charts

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The Bell Policy Center

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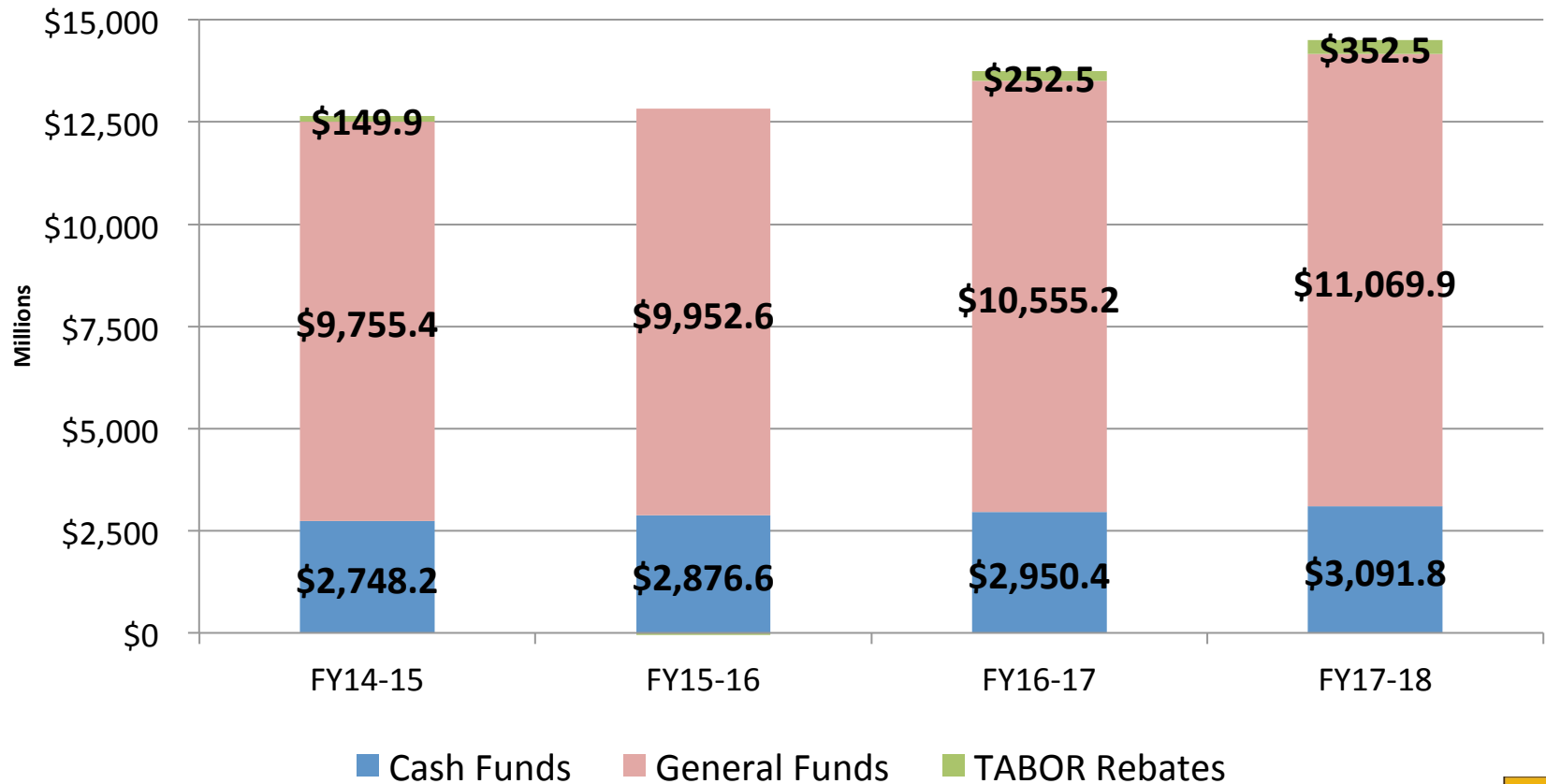


TABOR Revenue, Limit and Rebates

- Cash funds and General Funds combine to determine if state is over the TABOR limit
- All rebates are paid from General Funds ONLY. General Funds are used for things like K-12 education, higher education and health care
- Rebates are projected for:
 - FY14-15 - \$153.6 million
 - FY15-16 - \$0
 - FY16-17 - \$252.5 million
 - FY17-18 - \$352.5 million

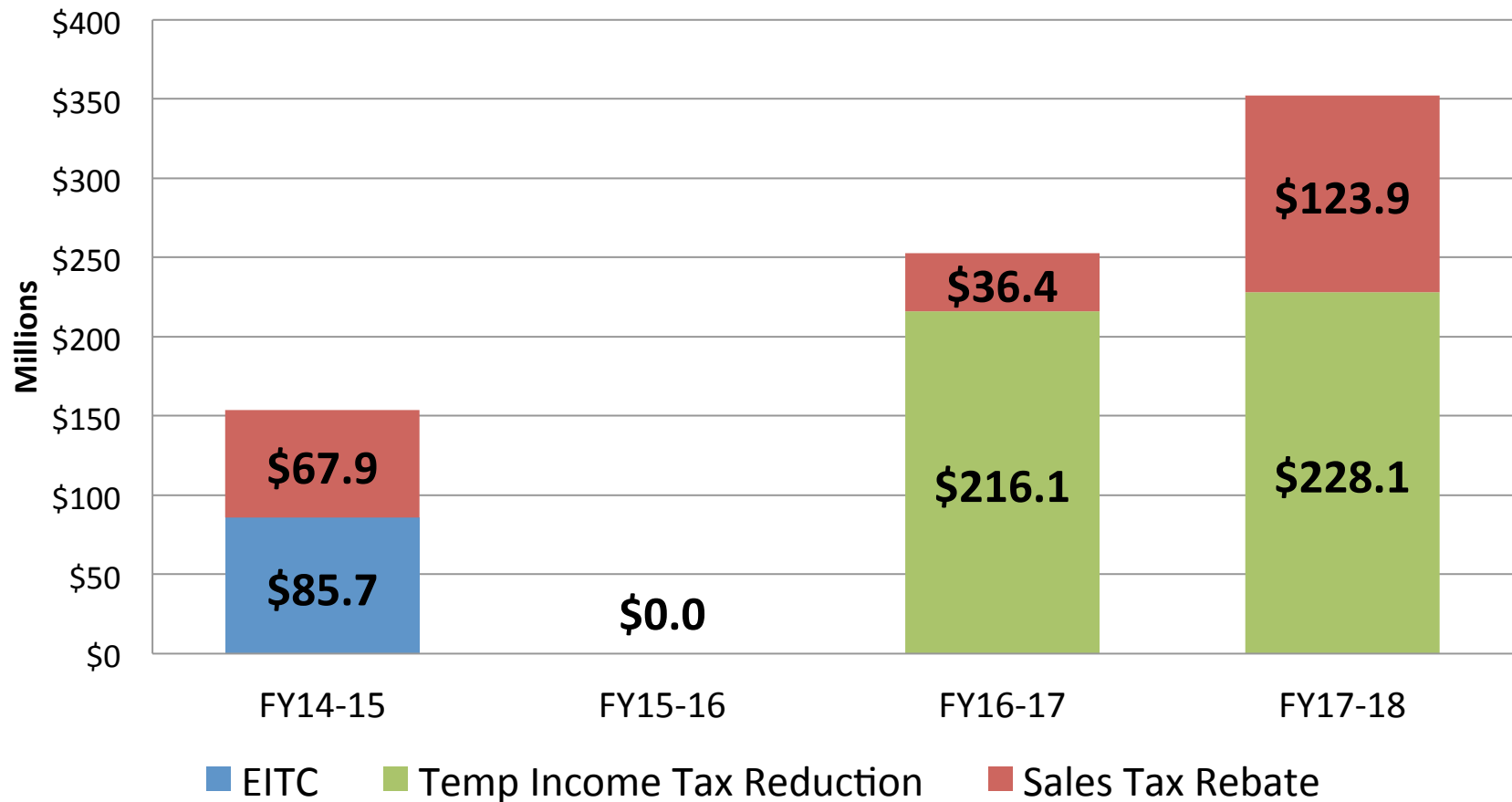


TABOR Revenue, Limit and Rebates



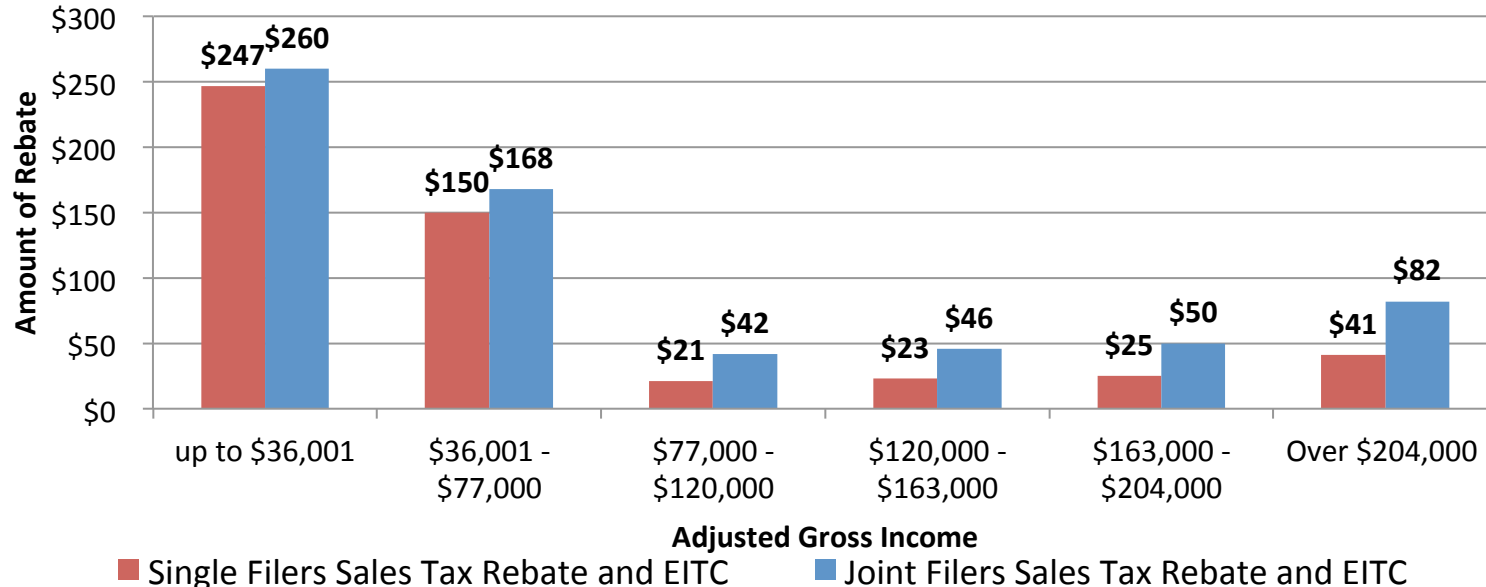
Amount of Projected TABOR Rebates

(Legislative Council Staff Sept 2015 Projections)



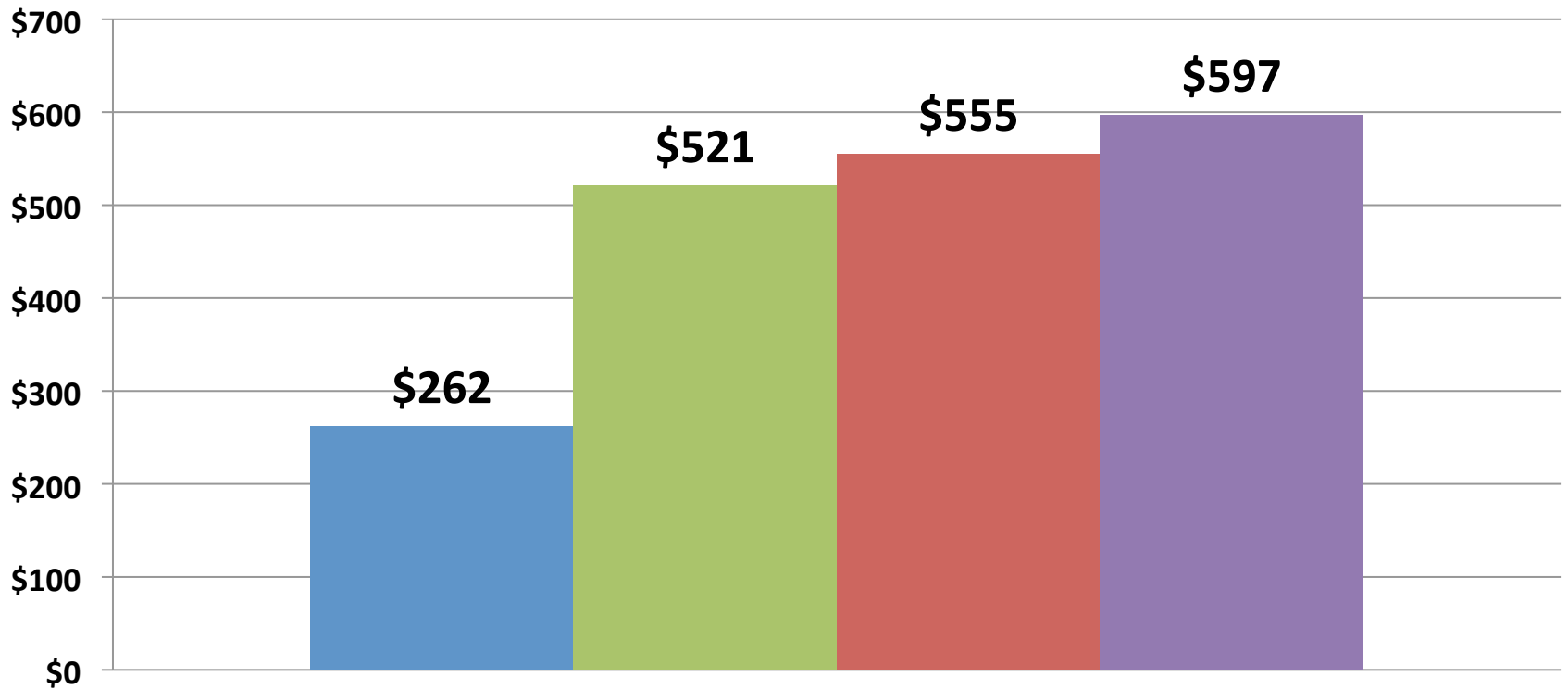
FY14-15 TABOR Rebates Per Taxpayer by Income

- Biggest rebates go to low- and moderate-income taxpayers because of the Earned Income Tax Credit
- Once funded as a TABOR rebate, the EITC becomes a permanent tax credit



Biggest EITCs go to Hardworking Families

(Actual average earnings for jobs in CO)

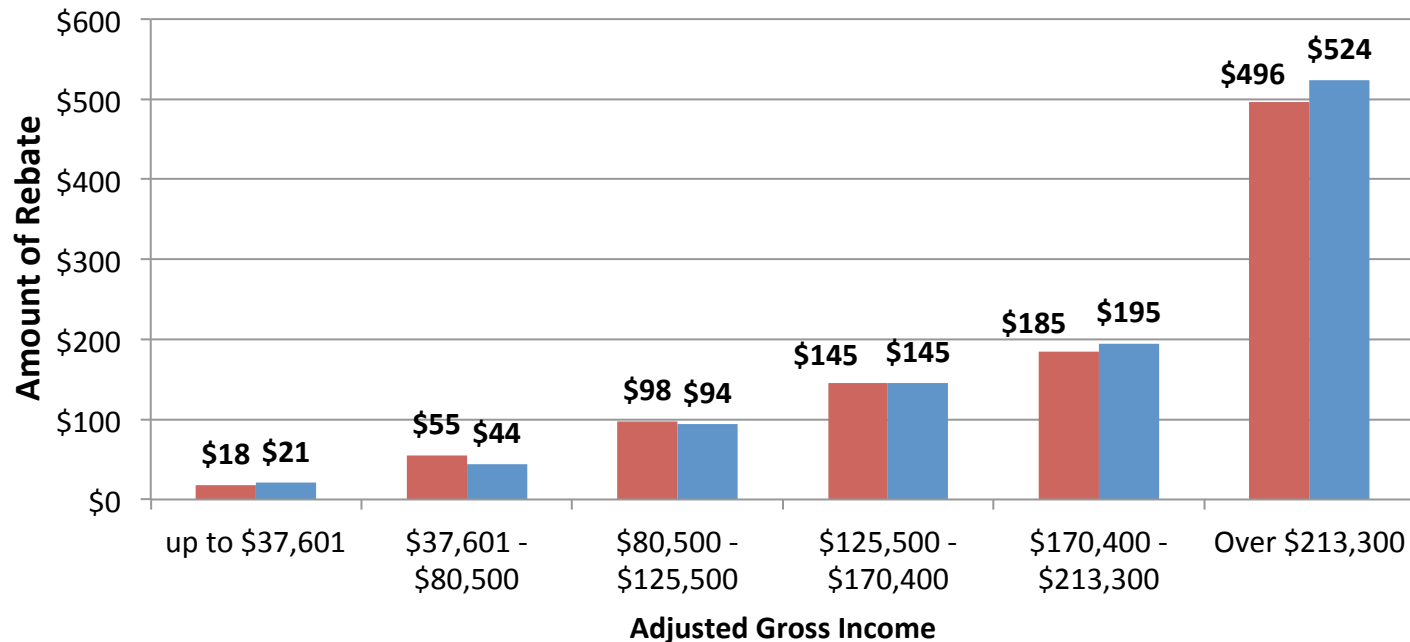


- Statewide Average
- Single Parent, 2 Kids, Retail Cashier, \$19,732 per year,
- Single Parent, 2 Kids, Minimum Wage, \$17,118 per year
- Married couple, 3 kids, Cement Mason, \$24,911 per year,



FY16-17 TABOR Rebates Per Taxpayer by Income

- Biggest TABOR rebates go to those with the highest income because of the temporary income tax rate cut rebate



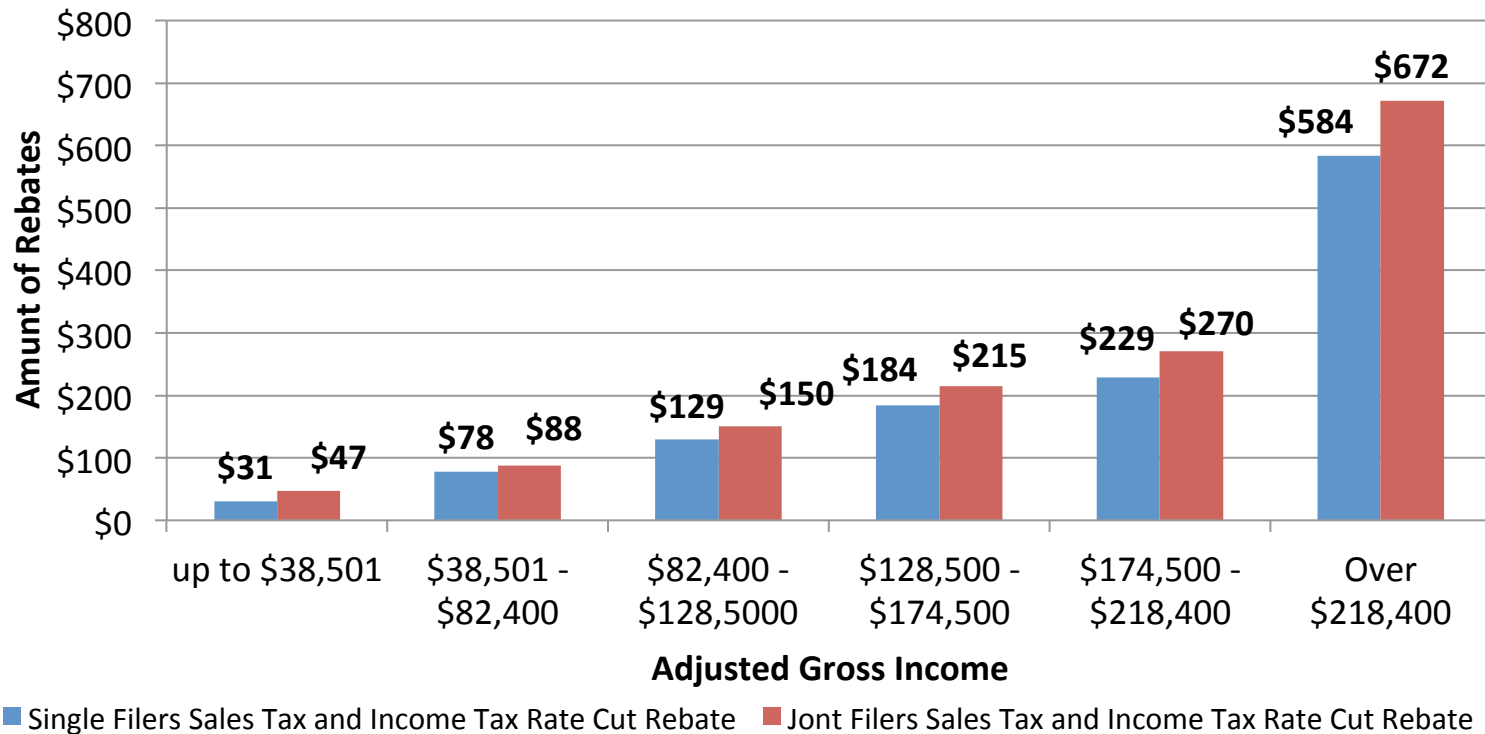
Single Filers Sales Tax and Income Tax Rate Cut Rebate

Joint Filers Sales Tax and Income Tax Rate Cut Rebate



FY17-18 TABOR Rebates Per Taxpayer by Income

- Again, the biggest TABOR rebates go to those with the highest income because of the temporary income tax rate cut rebate



TABOR Rebates Could be Better Used to Fund State Priorities*

- All taxpayers with incomes less than \$128,500 projected to receive less than \$150 in rebates. Those below \$39,000 projected to get less than \$50.
- TABOR rebates could be better used to:
 - Reduce the underfunding in K-12 Education by 30% in FY16-17 and 41% in FY17-18
 - Increase state funding for higher education by 39% in FY16-17 and 54% in FY17-18.
 - Triple the amount of need-based college financial aid in FY16-17 and almost quadruple it in FY17-18
 - Double the amount used for road and bridge safety projects in FY16-17 and increase it by 146% in FY 17-18

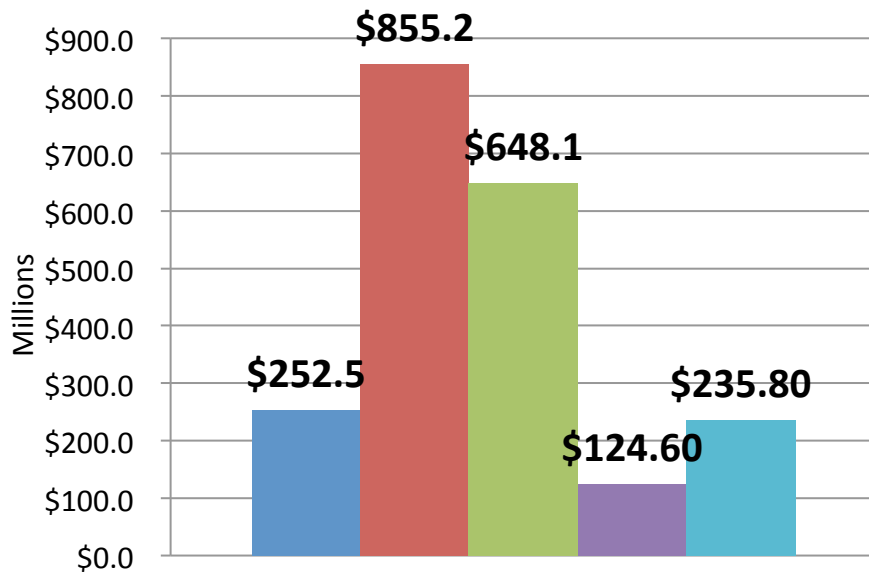
*Increases over amount spent in FY15-16.



TABOR Rebates Compared to State Priorities

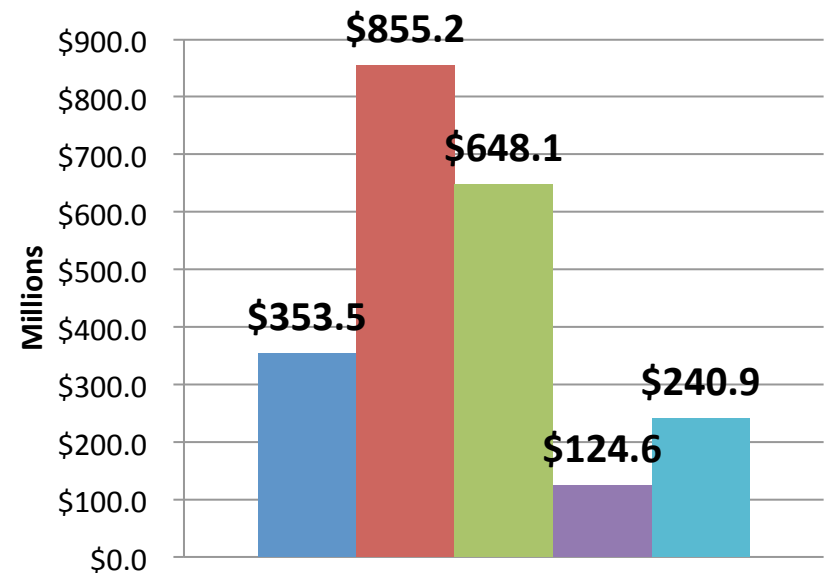
(Based on FY15-16 spending)

FY16-17 TABOR Rebates



- FY16-17 Total TABOR Rebate
- Underfunding in K-12 Education (Negative Factor)
- College Opportunity Fund
- State Funded Need-Based College Aid
- Road and Bridge Safety Surcharges

FY17-18 TABOR Rebates



- FY17-18 Total TABOR Rebate
- Underfunding in K-12 Education (Negative Factor)
- College Opportunity Fund
- State Funded Need-Based College Aid
- Road and Bridge Safety Surcharges



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