

Two Decades of TABOR

Analysis of Colorado's Taxpayer's Bill of Rights Twenty-Years-After (Expanded, Supportive Edition)

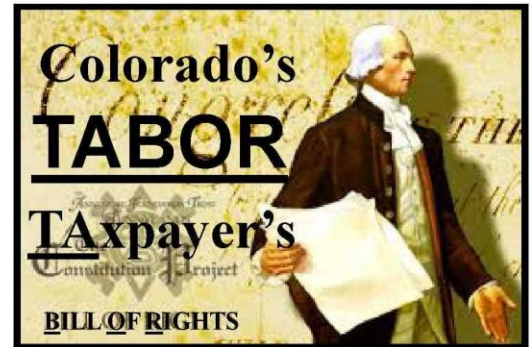
Research Paper, June 14, 2016

By Fred Holden

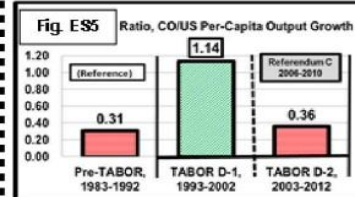
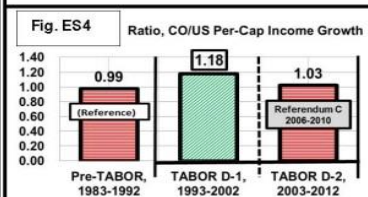
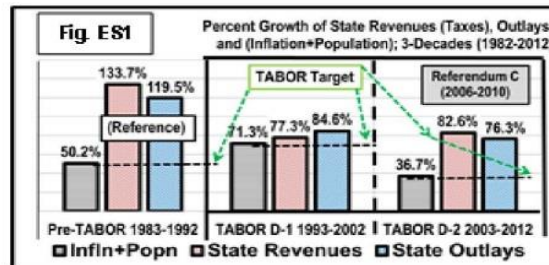
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*TOTAL Power of ONE in America:
Discover What You Need to Know,*

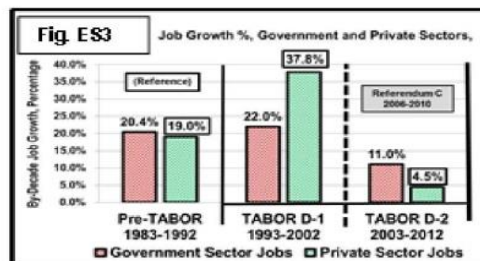
Why and How to be a More Powerful Person and Citizen



A Tale of Two Decades of TABOR, Colorado's Taxpayer's Bill of Rights



Any way you look at it,
"True-TABOR Decade-1" is metaphorically
"A Rose Between Two Thorns."



Executive Summary

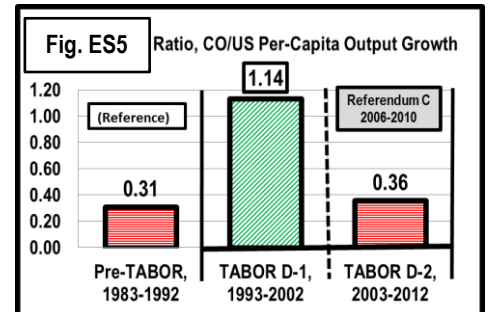
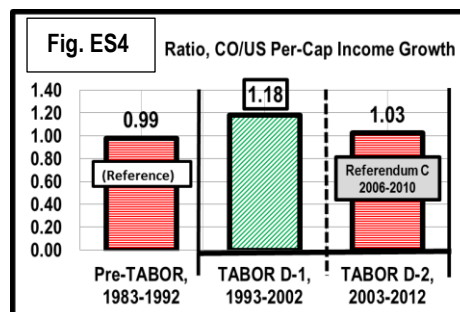
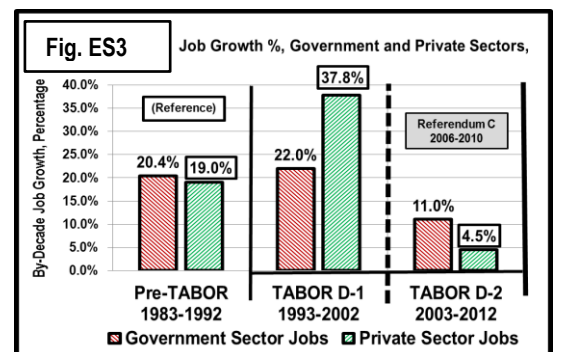
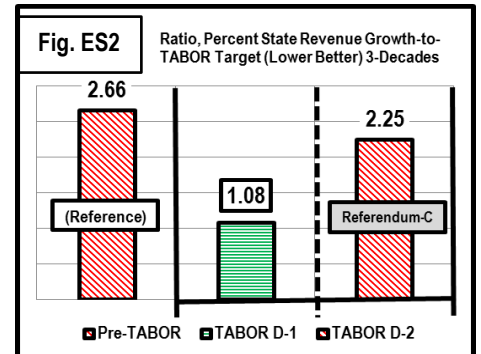
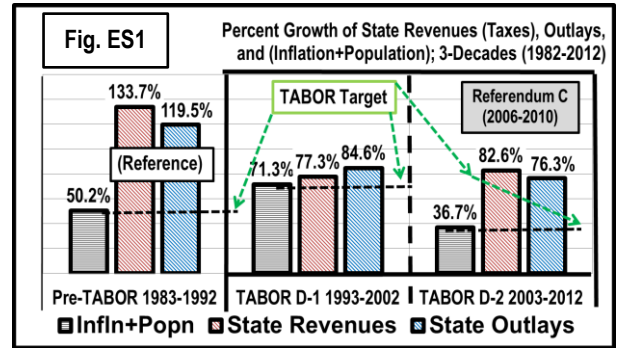
Twenty years of TABOR have passed since Colorado voters adopted The Taxpayer's Bill of Rights in 1992, "to reasonably restrict most the growth of government." It is in Colorado's Constitution as Article X-Revenue, Section 20. TABOR allows government to grow each year at the rate of Colorado inflation-plus-population; plus more tax growth by presentation of the districts and consent of the voters.

The Comprehensive Annual Financial Report, CAFR, is the annual professionally-audited government accounting document, thirty-years-of-which provided the three decades of this report: Pre-TABOR, TABOR Decade-1 and TABOR Decade-2. The results are revealing and encouraging. Pre-TABOR serves as a reference "Compared to what?" to help analyze and compare the Two Decades of TABOR performance in these four areas:

- **Exposing control or lack, of State Government Taxes and Outlays;** TABOR Decade-1 showed a great hewing to the TABOR-Target, **Figure ES1**. TABOR Decade-2 was weakened by Ref-C passage and more, and **Figure ES2** for stark ratios of performance.
- **Creation of jobs by category:** TABOR D-1 did more tax-generating, private sector job creation, and less public sector job growth, **Figure ES3**, showing the True TABOR Decade-1 did the job.
- **Specific derived taxpayer benefits** from Two Decades of TABOR were cumulative tax relief of \$6,173 per-capita, or \$24,692, family-of-four over the 20-years.
- **True TABOR Decade-1 performance ratios** of Colorado vs U. S. National showed per-capita income and per-capita output were superior. See Figures **ES4** and **ES5**, higher is better.

On so many levels the True-TABOR Decade-1 showed the outstanding power of tax-and-expenditure limitation. The reported details, introduction, data analysis, rationale, conclusions and Appendices that follow provide a world of information concerning the power of limiting government growth. TABOR provided better balance of the two parts of the Colorado economy, the Private Sector and the Public (Government) Sector, in the size, growth and interaction between the two.

TABOR is a success. Particularly in True-TABOR Decade 1 it more than passed its own test "to reasonably restrain most the growth of government," taxing-and-spending; compared to the previous uncontrolled decade; but then the deteriorating, weakening-by-design second decade, even still, was able to perform adequately if not admirably over its first two decades. Long live TABOR.



###

Introduction

It can be no secret that government tax-and-expenditure limitations are anathema to those in-and-around governments. But to the people, to the hard-working, taxpaying people, both public (government) and private sectors, such limitation brings government power and control closer to the people. As such it is unlikely that those in government will ever so bind themselves. Fortunately, Colorado is one of 26 “Initiative and Referendum States.”ⁱ

Keep in mind throughout this Research Paper that TABOR Decade 1 was accepted and enforced in a respected, unencumbered and most abided-by, in its initial implementation, then decay.

The TABOR Amendment: What is It, and Why?

“Slow government growth” is the three-word mission statement of Colorado citizens who created the Taxpayer’s Bill of Rights. Its second sentence elaborates, “Its preferred interpretation shall reasonably restrain most the growth of government.” TABOR is a unique, controversial and powerful tax-and-spending limitation amendment to the Colorado Constitution. It is found in Article X-Revenue, Section 20. The full text of TABOR is provided as Appendix G in this Research Paper. No other state has such a comprehensive tax-and-spending-limitation in place. With twenty years history, its impacts can be, and herein are, studied, quantified and analyzed, and compared to the preceding non-TABOR 10-years. The three decade are dubbed Pre-TABOR, TABOR D-1 and TABOR D-2, or in more descriptive words, No-TABOR, True-TABOR, and Weakened-TABOR.

The Taxpayer’s Bill of Rights’ main objective was to contain government taxation-and-spending growth, but not be any sort of barrier to necessary government growth. TABOR requires voter approval of all tax-and-debt increases, “or a tax policy change directly causing a net tax revenue gain to any district,” Colorado Constitution, Article 10, Section 20, (4) (a).

Early efforts to enact the first 1988 version of TABOR foundered on the issue of restrictions on government fees. The voter-approved 1992 version of TABOR did not include direct limits on fees. Instead, the annual increase in overall state spending and taxing was limited to the annual rate of inflation-plus-population growth, based on “United States Bureau of Labor Statistics Consumer Price Index for Denver-Boulder-Greeleyⁱⁱ, all items, all urban consumers, or its successor index.” [Art X, Sec. 20, (2) (f)]. Local revenue growth was limited by other provisions.

Importantly, TABOR exempts much government income from itself, covered later, and requires public disclosures and ballot information about proposed tax or spending increases.

TABOR does not tell lawmakers what legislation to pass or how to apportion available moneys to spending. With provisions for logical annual increasing spending, TABOR does limit the total amount of money spent and does prevent new taxes or tax rate increases, although governments may justify and request more money; and voters are always free to approve extra spending, debt or taxes. TABOR encourages elected officials to seek, justify, promote and offer by referendum to Colorado voters, necessary additional taxes, resulting in rewarding good government with more funds for new and/or existing successful programs.

What Was TABOR Supposed to Do?

Here are some intended outcomes of the tax-and- spending limitation Colorado Constitution Taxpayer’s Bill of Rights Amendment:

- **Slow – not stop or cut – growth of state and local governments’ taxes and spending, without diminishing or damaging governments’ important roles, functions, responsibilities and operations,**
- **Reveal TABOR’s influence, if any, on “Jobs, Jobs, Jobs,” almost a mantra by those running for or serving in public office, especially by the voters who put them there to live by their public works and public service.**
- **Control and provide information about local debt.**
- **Put the people who pay the taxes more in control of their taxes.**
- **Encourage better government performance and utilization of public moneys.**
- **Create incentives for fiscal prudence and government productivity.**
- **Stimulate growth of entrepreneurship, businesses and employment, to help create Coloradan’s higher standard-of-living and quality-of-life.**

TABOR — Love It or Hate It, but Can’t Ignore It

TABOR enjoys a love-hate relationship. Polls show that strong majorities of taxpayers and small business owners, leaders and managers, the SGAs, Small Government Advocates, love TABOR. Those who like to control and expand state spending or are its recipients, the BGAs, Big Government Advocates, hate it. TABOR gets in the way of the latter’s lobbying, legislative and political agenda, in doling out and receiving largesse, creating a bigger fiscal pie or piece of the pie — a bigger state — that can dispense more government (taxpayer-funded) goodies all around, and in the process, be able to exert more and greater control over Colorado citizens.

In a 1987 meeting following the defeat of the 1986 tax limitation Amendment 4, George Dibble, then-president of Colorado Association of Commerce and Industry (CACI), the state business chamber of commerce, was asked by proponents what it would take to get CACI to support tax limitation. He answered, “We will never support tax limitation.” Asked Why? “Because the state already has all the money. We want a voice in how it is spent.”

The BIG BONUS: With TABOR, taxpayers need not regularly, continuously, relentlessly and exhaustively monitor and react to the fiscal foibles of the political process. The people have their own quite personal, professional, working and family lives, and prefer a systemic, “always on” solution. What they chose in TABOR was to use the authority and power of the Constitution, and the honored Oath of Office of elected, appointed and hired public officials, to continue the important work of providing for, yet limiting government growth and power.

What about that “Population-plus-Inflation” Thing?

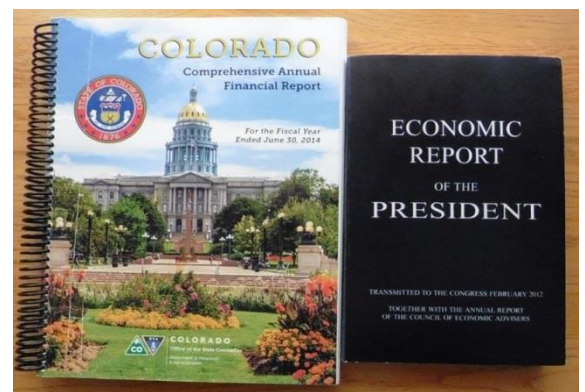
A powerful and essential evaluation tool is the demanding question, “**Compared to what?**” A reasonable and rational standard, population-plus-inflation, is defined, applied, and used as a measure of performance or adherence to the desired government growth outcome.

Why population-plus-inflation? Colorado's Taxpayer's Bill of Rights adopts that standard to allow generous annual government growth, to obtain more revenues (taxes), and spend more. This objective considers that governments have adequately performed their services for a year, and, to do so the next year, *taxing-and-spending must be allowed to increase*, 1) to serve more people, and 2) to restore spending power of that lost to inflation; hence, population-plus-inflation. If population grows 2% and inflation grows 3%, TABOR-allows government to grow unencumbered, 5%. This ignores any prized government creativity, effectivity and productivity.

The expressed foundation and mission of Colorado's Taxpayer's Bill of Rights "shall reasonably restrain most the growth of government"; that is, *to attenuate the inevitable damage that excess government growth does to both public and private sectors, and people within, for both the short run and long run*, consequently diminishing the peoples' "life, liberty and pursuit of happiness." *Two Decades of TABOR* provides a marvelous opportunity to evaluate the effects and value of government tax-and-spending limitation. It is understandable that these two impacts are at work regarding TABOR.

Two Important Research Paper Review Factors must be taken into account: Data Veracity, and Causality vs Coincidence. These considerations take precedence for such an analysis.

Data Veracity: The source and application of the data is almost all from each of 30-years of the professionally-audited Colorado *Comprehensive Annual Financial Reports* (CAFRs), and from national sources such as the annual *Economic Report of the President* and key federal departments of commerce, labor and others. Required by law for all government districts, a CAFR is audited and certified to accurately reflect, summarize and report a full fiscal year of government operations and finances. Each day, each month, each year becomes a "new now" of accumulated and published data. With full 10-years of "new now" data, a full decade's information veracity and value are virtually guaranteed to be as accurate and reliable as possible, and incidentally, the only like it available.



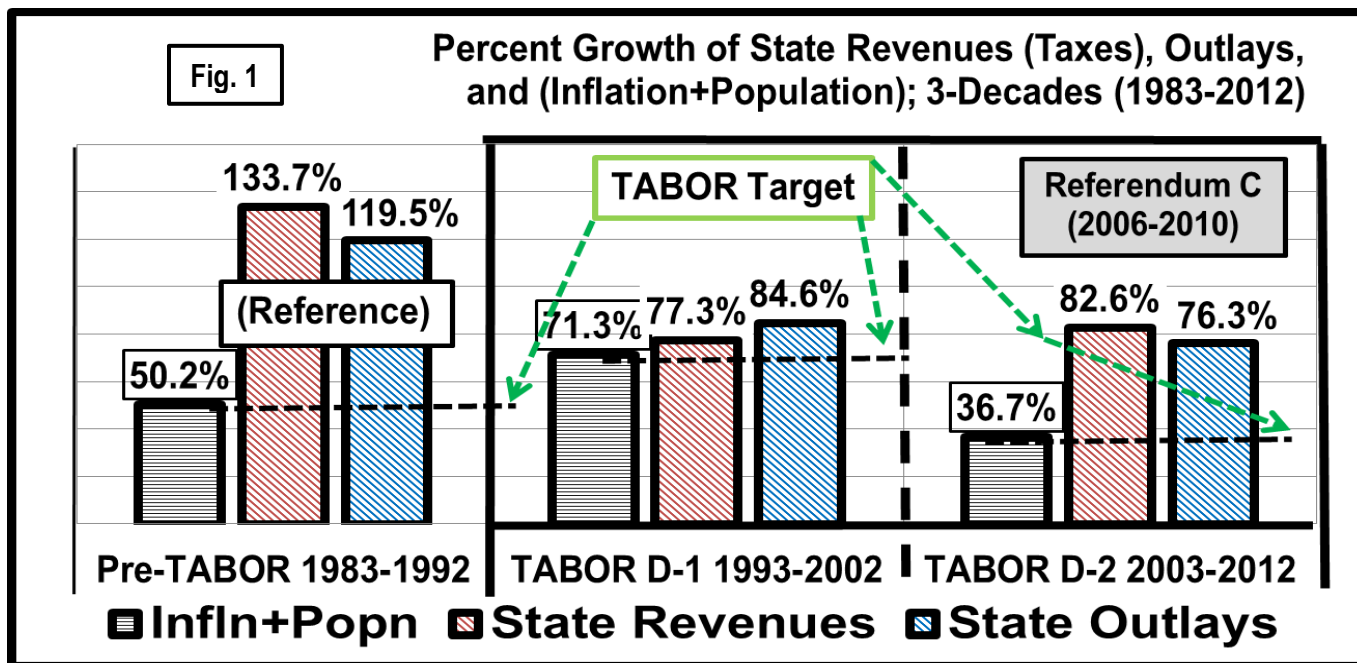
Causality vs Coincidence: Only by the reader, can the desirable-and-undesirable, obvious-and-not-so-obvious interpretations that may stream from these comprehensive and hard-hitting results and conclusions, be evaluated and accepted. Part of what is here offered is a look into the specifics of the State's interpretation and manipulation of the state finances and reporting concerning TABOR.

Analysis

How Well Did TABOR “reasonably restrain most the growth of government”?

Perhaps begrudgingly accepting that excessive government growth is to be confronted and confined, does **Figure 1** tell the three-decade TABOR evolution of Colorado government growth in terms of taxing-and-spending, especially with respect to the three-decade TABOR targets?

For comparison, view the unfettered Pre-TABOR decade runaway. While TABOR target (population+inflation) grew 50%, state revenues grew 133%; outlays, 119%, both more than double. TABOR Decade-1 showed more disciplined, smaller increases from the target 71%,



to, respectively, 77% revenue and 85% spending Growth. Check the Decade-2 result of TABOR-tinkering, TABOR-diminishing “Referendum-C,” where both taxes-and-spending more than doubled the designated 37% TABOR target to, respectively, Colorado’s 83% revenue increase and 76% spending increase, a significant loss of balance, and a serious loss of government fiscal discipline and control.

Viewing TABOR Decade D-2, So what is this “Referendum-C” thing?

Referendum-C, dubbed “A Five-Year TABOR Time-Out,” Eases Restrictions, Weakens TABOR D-2 (2003-2012)

Referendum-C came about by a powerful consortium of BGAs, Big Government Advocates, seeking to convince Coloradans that TABOR had prevented State acquisition of necessary revenues, and that a “Five-Year-Timeout” from TABOR would solve the problem. Almost by itself The Bell Policy Center was able to organize to present the Referendum C case to almost 1,100 Colorado organization entities, a feat that had to be accomplished statewide to get the necessary ballot support to pass the proposition, ably placed on the ballot in referendum form by the Colorado Legislature. A huge coalition had been carefully organized and funded by that same strange agglomeration of opponents, “The Six Bigs” — Big Government, Big Business, Big Media, Big Labor, Big Education and Big Everything Else. A seventh Big later manifested in what some had tagged “Big Zillionaires,” four-or-more multimillionaires who generously support these efforts.

(2014 CAFR, page 86): “In the 2005 general election, voters approved Referendum-C – a statutory measure referred to the ballot by the Legislature, that authorized the State to retain revenues in excess of the limit for the five Fiscal Years 2005-06 through 2009-10. With

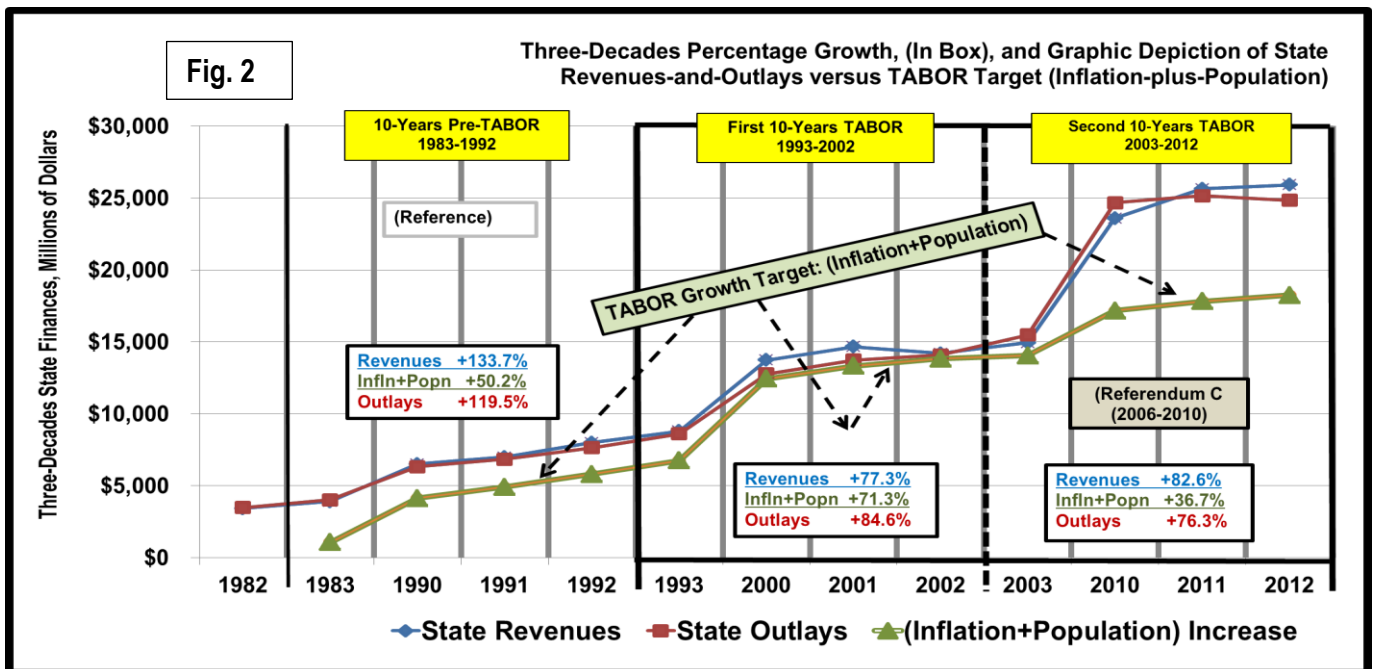
the end of the Referendum C five-year excess revenue retention period, the State is subject to an Excess State Revenue Cap (ESRC) starting in Fiscal Year 2010-11.” The State retained \$3,593.6 million during the five-year refund time-out authorized by Referendum C, and \$6,228.6 million from Fiscal Year 2010-11 through 2013-14 due to the increasing ESRC as compared to TABOR limit, for a total of \$9,822.2 million of retained Referendum C revenue.” (See p. 15). So what is the ESRC (Excess State Revenue Cap)? From the 2014 CAFR, p. 38:

“CONDITIONS EXPECTED TO AFFECT FUTURE OPERATIONS

“Many of the conditions affecting future operations of the State that were included in the Fiscal Year 2012-13 Management Discussion and Analysis continue to affect the State at the end of Fiscal Year 2013-14, as follows:

“Referendum C Sunsets – Referendum C was passed by the voters in November 2005 and allowed the State to retain all revenues in excess of the TABOR limit for a five-year period from Fiscal Year 2005-06 through 2009-10. During that period, the State retained \$3,593.6 million that it would otherwise have been required to refund to State taxpayers. No amounts were retained in Fiscal Years 2008-09 or 2009-10. Referendum C created an Excess State Revenue Cap (ESRC) that increases each year for inflation and population growth and allows the State to retain and spend amounts above the TABOR limit and below the ESRC. This provision removes the effect of the TABOR ratchet down provision (discussed earlier in this MDA). However, economic recovery and State revenue growth rates in excess of the population and inflation adjustment could result in future refunds of TABOR revenues in excess of the new ESRC. In Fiscal Year 2013-14, the State was \$160.5 million under the ESRC, but absent Referendum C, would have been required to refund \$2,125.3 million per the TABOR limit due to its ratchet down provision. Both the Legislative Council economist and the Governor’s Office of State Planning and Budgeting economist project that under current law there will be a TABOR refund in Fiscal Year 2015-16.” iii

A more dynamic, sweeping panorama of the decade before the advent of TABOR, followed by the two decades of TABOR under study and analysis can be viewed in **Figure 2.**



1983-to-2014 Comprehensive Financial Reports provide 30-Years of Colorado Economic Data for Analysis.

This **Figure 2** broad sweep of Colorado data has never been assembled before. Researching, recording in spreadsheet format and analysis in various forms, three-decades data growth to seek, find, qualify, record, and double-check for accuracy. Then ten-year percentage growth rates were calculated in dollars and Compound Annual Growth Rates, CAGR^{iv}. Once assembled on large spread sheets, analyses were performed on the data, that data selected for analysis had to do with growth and comparisons of growth over three decades in some 30 categories. These are presented and discussed in various categories, showing results in appropriate charts for illustration, clarification and comprehension. The crux of the three decades are presented in a one-page, three-decade unifying chart, Appendix A, Comprehensive Master Colorado Growth Chart, showing analyzed categories and results for comparison.

Figure 2 is a full 3-decade overview of Colorado State Revenues, Outlays, and TABOR target (Population+Inflation) of the Pre-TABOR and two-decade flow of TABOR Data. Contrary to some reporting it is noteworthy that in the 30-years, only one year, 2002, were State revenues (blue) less than the year before. For handy availability, by-decade percentage growth boxes are provided for contrast-and-comparison of Population-plus-Inflation, and State Revenues and Outlays.

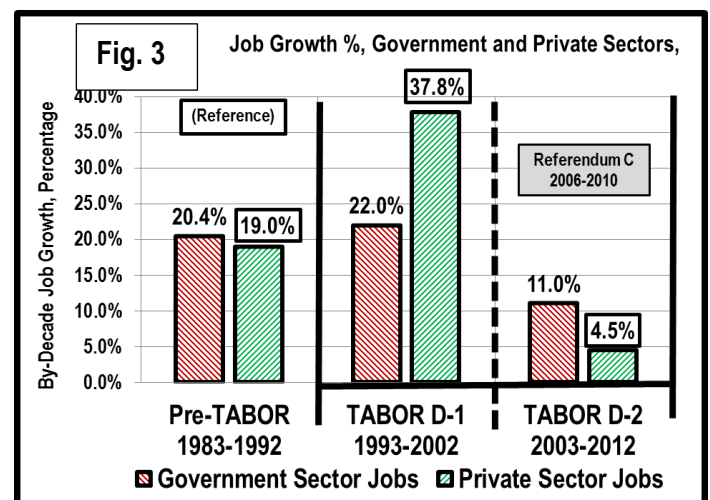
Next, a brief foray into employment effects of the Three Decades. Before continuing Colorado government growth, we a look at jobs-and-TABOR.

Jobs, Jobs, Jobs: What Effect if any, have No-TABOR and Two Decades of TABOR had on Colorado Public (Government)-and-Private Sectors Job Growth?

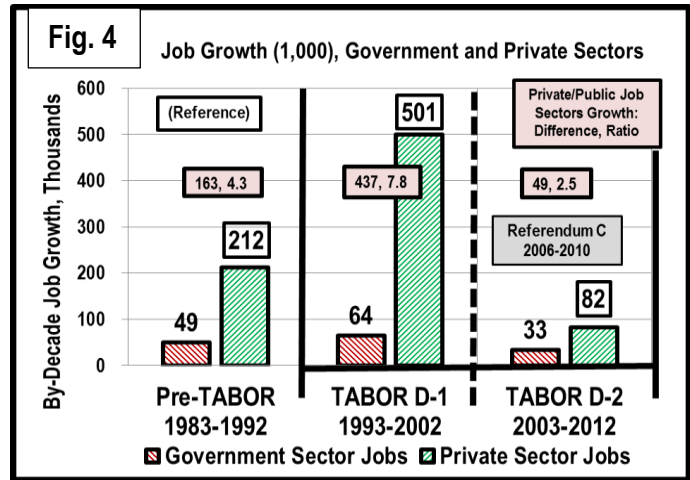
TABOR jobs growth effects are here interjected upfront because of their compelling impact on the performance of Colorado's economy, with more government growth analysis following. **Figure 3** begins to tell an interesting and captivating story.

Contemporary emphasis on job growth before, during and after a recession is of particular interest. These factors are placed here to combine with the big picture of Colorado economic growth. Two aspects of job growth are each year reported in Colorado's Comprehensive Annual Financial Report, CAFR — jobs in government and in

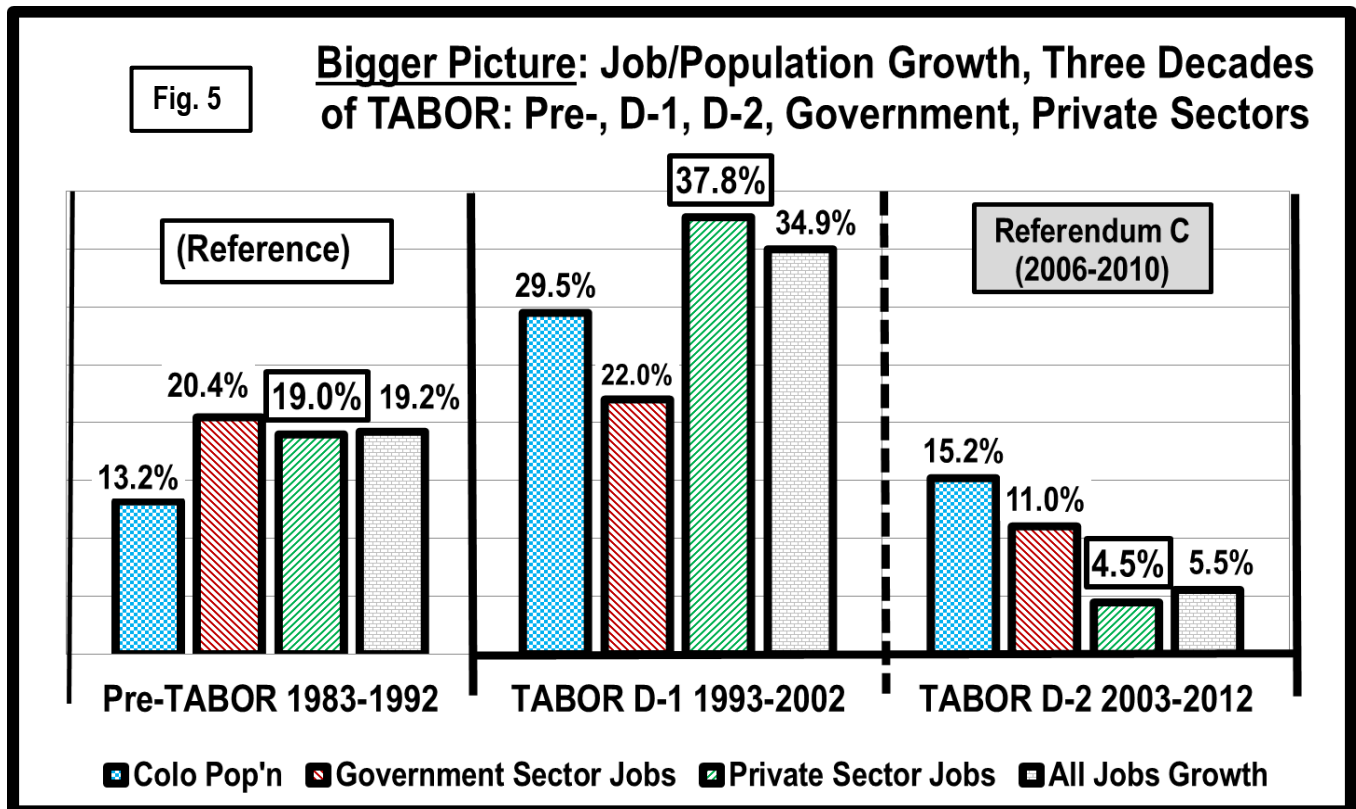
the private sector, that which funds of Colorado government. Knowing that, the obvious preferred result would be minimal public sector growth and maximized private sector growth; both in percentages and numbers-of-jobs created, and related ratios.



Percentages, jobs and ratios of growth of public and private sector jobs are shown in [Figures 3 and 4](#). Historically unfettered Pre-TABOR state job growth resulted in slightly more public sector (government) growth, 20.4%, than private sector, 19.0%. With the new, faithfully interpreted and strictly enforced Taxpayer’s Bill of Rights, True-TABOR Decade1 private sector growth zoomed to a near-double government job growth of 37.8%. Government jobs grew less than two percent. With the gentle pressure relentlessly applied by the BGAs, the Big Government Advocates, a weakened TABOR Decade-2 saw a private sector jobs sharp drop-off to 4.5% compared to a more-than-double, but half drop off government sector to 11.0%. Whether causal or coincidental, the job results are compelling.



It is instructive to study in actual numbers and ratios for another look at No-TABOR and Two Decades of TABOR, shown in [Figure 4](#). By similar comparison, the numbers speak for themselves.

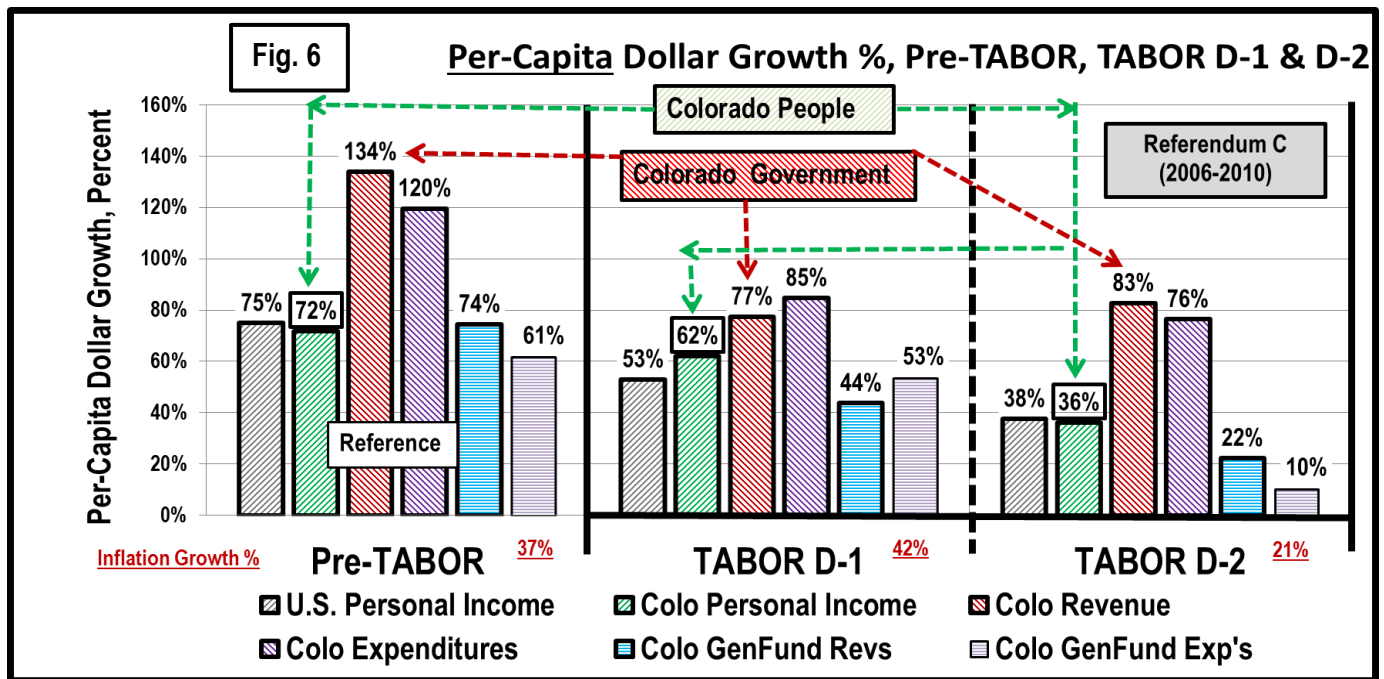


A more complete picture of comparison statistics for job growth, in context, is to include population and all-employment growth, as in [Figure 5](#). Note the two center bars are the same as Figure 3, but with population left and all-employment right.

If one can accept that higher private sector growth should be emphasized and government sector growth minimized it is obvious that more favorable results occurred during the more disciplined and enforced True-TABOR Decade-1 than the No-TABOR Decade before and continually-weakening TABOR Decade-2 after, especially by Referendum C, the “five-year TABOR time-out,” 2006-2010. And focus especially Decade-2 job growth of 5.5% failing to provide jobs for population growth at 15.2%. Same for government jobs growing well over twice private sector jobs. Does it appear in job creation-and-apportionment that the solid True-TABOR-1 Decade is a “rose between two thorns”? “Jobs, Jobs, Jobs” echoes loudly and maintains its continuing appeal and importance.

Six Per-Capita Funding Increases Reveal Colorado Economics in the Magic Scenario of “Compared to What?”

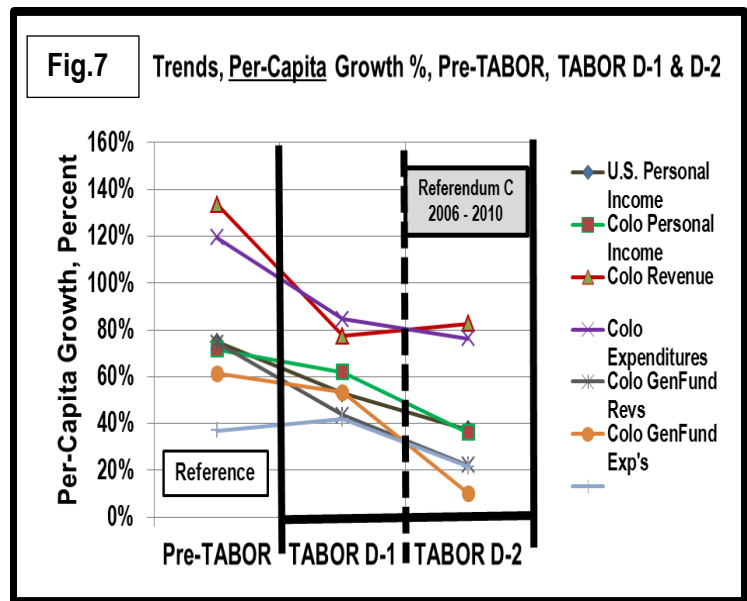
Six important per-capita funding increases reveal vital policy, conditions, trends and useful information, are shown in **Figure 6**. Keep in mind these are expressed in per-capita terms: U.S. and Colorado Personal Income; Colorado Revenues-and-Expenditures; and General Fund Revenues-and-Expenditures. So what is “fair”?



“Equal Pay” has gained current popularity. For starters, in Decades Pre- and D-2 Colorado, Personal Income was 3% and 2% less than U.S.; 9% higher in Decade-1. Colorado Revenue (Income) beat Colorado (People) Income, all three Decades, respectively, by 62% (almost double), 15% and 47% (more than double). Bloated Colorado Revenues-and-Expenditures beat those of the people all three decades, with General Fund at-or below same.

In other words, Colorado government is doing just fine, thank you, way ahead of its people.

Figure 7 gives a different depiction of this per-capita data, mainly a simple line chart showing the trends and direction of six sets of long-term, 30-year Colorado and national economic performance, all down, all disappointing and potentially future-harming. Notice additionally the only slightly upturned data in Decade-2 is Colorado Revenue (taxes), while Colorado personal income dropped sizably. Who is so well making out on continually increasing taxes, and who is being forced to support that habit? How long can the government continue to gain while the people lose? And what long-term good can come from this trend?

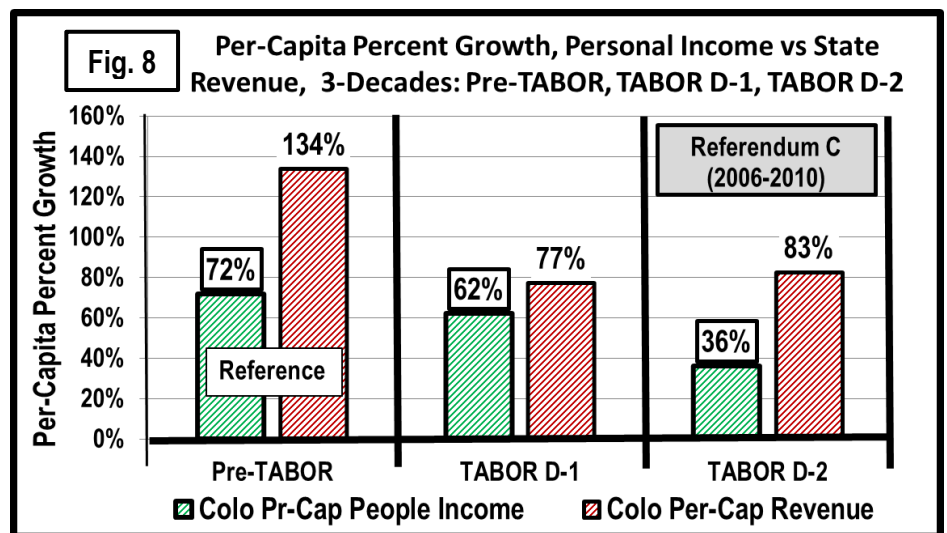


Getting Personal: Three Decades of Per-Capita Percent Income Growth Shows how TABOR Affects Coloradan Pocketbooks

Back to Colorado Tax-and-Spending Growth during Two Decades of TABOR.

Some legitimate concern may be ascribed to the 2005 national recession during TABOR Decade-2. This is addressed with surprisingly positive results in contrasting Colorado and National comparisons of percent growth in Colorado Gross State Output and national Gross Domestic Product; per-capita personal income (as before); and more detailed information on state revenues and spending, including those of the general fund, and these also on a per-capita basis.

Isolating only Per-Capita Personal income and Per-Capita Colorado State income tells its own story of balance and fairness, as shown in Figure 8.



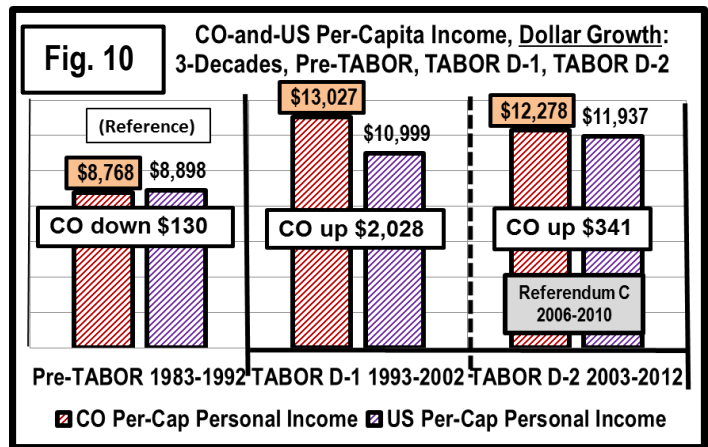
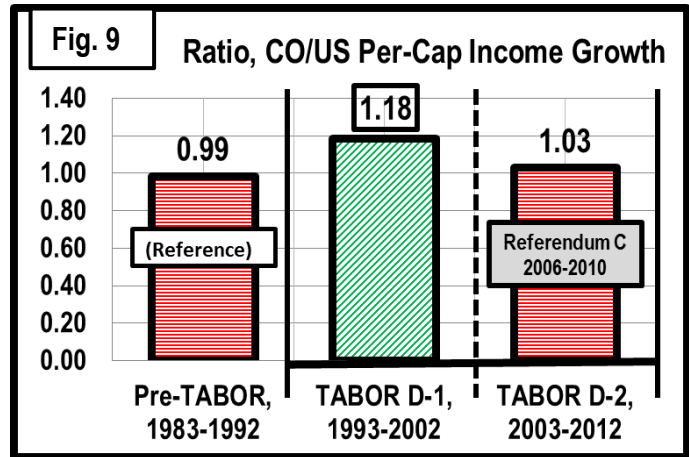
Colorado State vs Individual Per-Capita Income Flips. For easier comparison, Figure 8 shows just two bars, respectively, personal (green) and Colorado (red) per-capita income growth. How are the people doing? Pre-TABOR, government per-capita taxes were almost twice, 62% higher than people personal income. Newly restraining True-TABOR Decade-1

showed government growth slightly higher, but by only 15%. Decade-2 virtually repeated Pre-TABOR at government growth 47% higher, a truly large 62% flip.

Check the “ups-and-downs” dollar differences of all three decades in Figure 10 to evaluate that same apparent True-TABOR “rose between two thorns.”

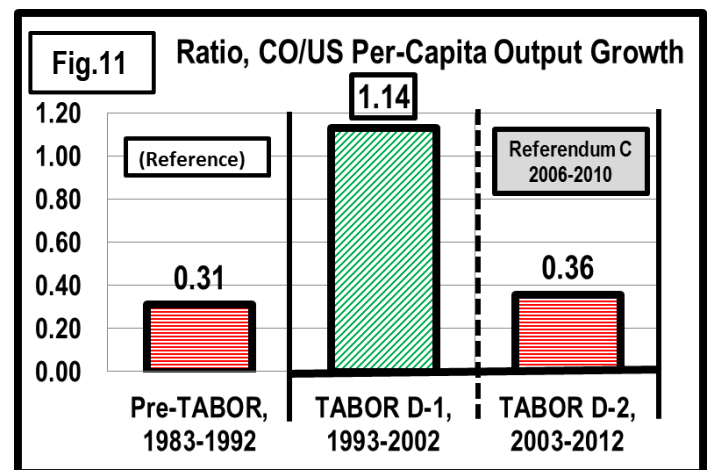
United States vs Colorado Per-Capita Percentage-and-Personal Income. A “quick-look” impact of each ten-years is better illustrated with a simple ratio of Colorado vs national percent per-capita income growth in **Figure 9**. Note True-TABOR Decade 1 is significantly higher than Pre-TABOR or TABOR Decade 2 -- another “rose between two thorns”?

Getting down to dollars tells another interesting story **in Figure 10**. Pre-TABOR Reference per-capita dollar increase for Colorado was \$8,768, \$130 lower than the US \$8,898 for the decade. True-TABOR D-1 at \$13,027 was much higher by \$2,028 than the US \$10,999. TABOR D-2 Colorado’s \$12,278 per-capita income growth was \$341 more than the US \$11,937. Colorado’s solid economy showed through in all three decades.



GSP vs GDP: How do Gross State and Gross Domestic Product Outputs Compare during Two Decades of TABOR?

GDP and GSP can be evaluated only on the basis of percentage growth because of the great difference between their reported actual values. Percentage comparisons are legitimate in what value each entity has increased in each of the three decades. However there is one more means of comparison: CAGR^{iv}, Compound Annual Growth Rate, particularly useful with government financial studies and analysis, where almost always, factors such as annual revenues-and-spending regularly increase, especially over longer periods of time.



United States vs Colorado Per-Capita Percentage-and-Personal Income. As before, **Figure 11** provides the “quick-look” impact of each ten-years being analyzed as shown by a simple ratio of Colorado vs national percent per-capita income growth in **Figure 11**. Note TABOR Decade 1 is demonstrably higher than Pre-TABOR or TABOR Decade 2.

Figure 12 shows in percent, Colorado state output Pre-TABOR reference growth was 29.5%, 66.0% lower than U.S. 95.5%. TABOR D-1 at 78.4% growth was 10.5% higher than the U.S. 67%. **In Figure 12** TABOR D-2 at 17.3% growth was 29.9% less than US 47.2% growth. Note the ratios of Colorado-to-U.S. percentage growth rates, respectively 0.31, 1.13, and 0.36.

Figure 13 shows output rates in Compound Annual Growth Rate that calculate an every-year CAGR constant rate over the ten years. Pre-TABOR Colorado CAGR was 2.62%, 4.31% lower than the U.S. 6.93%. For TABOR D-1 Colorado at 5.96% CAGR was 0.64% higher than the US 5.32%. TABOR D-2’s CAGR 1.61% was 2.33% lower than U.S. 3.94%. Even TABOR’s maiden and seriously “wounded” condition decade impacts become very obvious. Again “a rose between two thorns”?

“Exempt” from TABOR, “Not-Exempt” from TABOR: What does that mean?

This bonus analysis shows the never-before-available published results of exempt-from-TABOR state revenues-and-spending, as published by the Office of the State Auditor, from 1995 to 2012, both in percent and dollars. **Figure 14** is a fiscal year 2012 table sample of exempt information from the 2014 CAFR.

In the course of the six-year-development of the as-submitted Taxpayer’s Bill of Rights, knowing it was

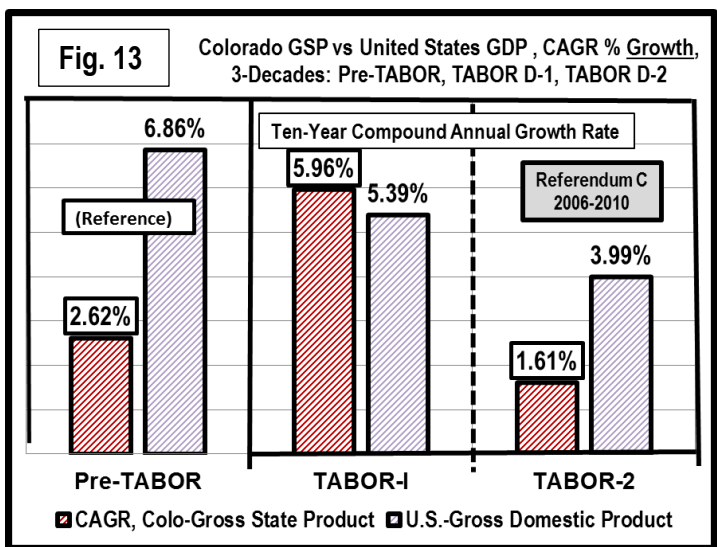
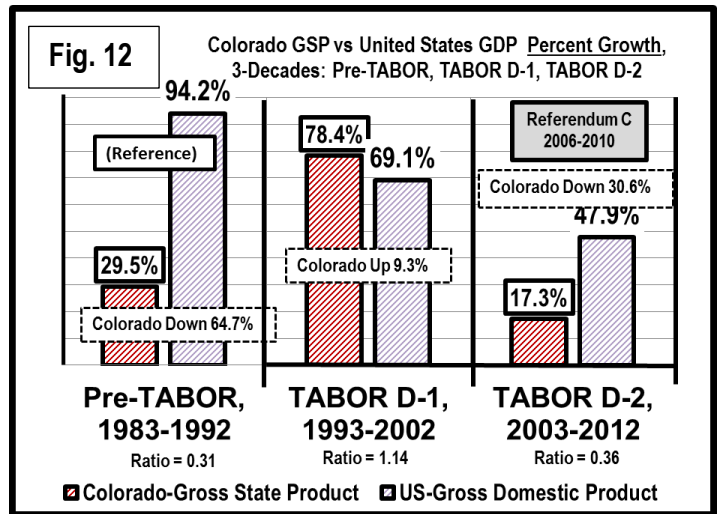
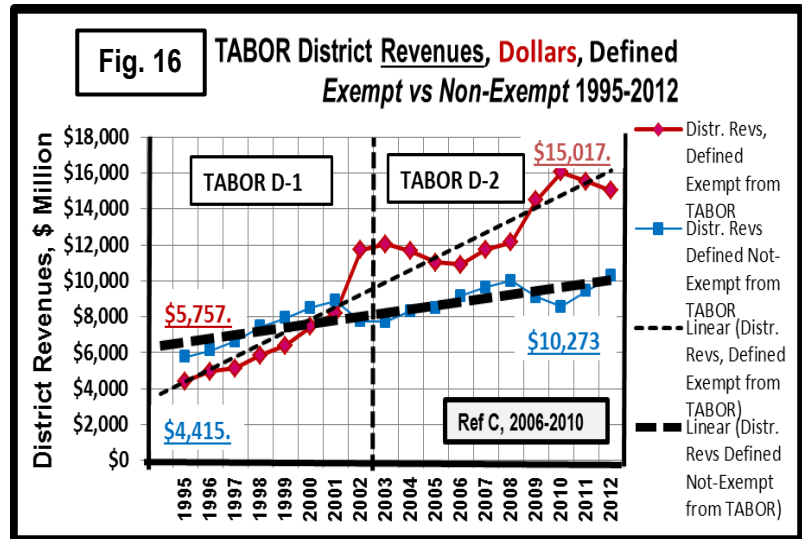
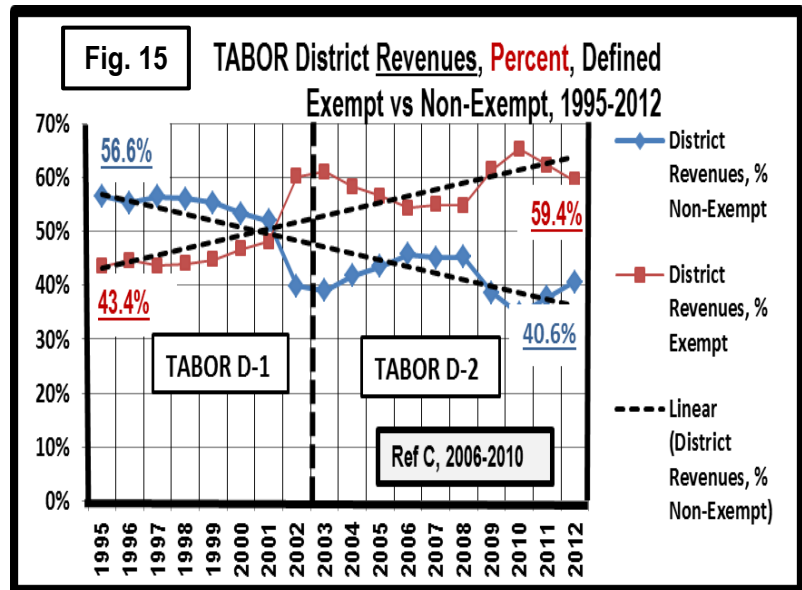


Fig. 14 256 □ COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABOR REVENUES, EXPENDITURES, FISCAL YEAR SPENDING LIMITATIONS, AND REFUNDS
Last Ten Fiscal Years
(DOLLARS IN THOUSANDS, 2011-12)

DISTRICT REVENUES:	
Exempt District Revenues \$	15,017,772
Nonexempt District Revenues	10,273,184
TOTAL DISTRICT REVENUES	25,290,956
DISTRICT EXPENDITURES:	
Exempt District Expenditures \$	15,017,772
Nonexempt District Expenditures	9,791,616
TOTAL DISTRICT EXPENDITURES	24,809,388

intended to give a say to Colorado taxpayers only as to new taxes and tax increases imposed on them, there were some incoming revenues that did not accurately and fairly fit the bill. If incoming Colorado government revenues were not directly from taxpayers but from defined other sources they were beyond the purview of TABOR intent. This was addressed by Constitution Article X, Section 20, paragraph (1) General provisions, (e), “*Fiscal year spending*” means all district expenditures and reserve increases except, as to both, those for refunds made in the current or next fiscal year or those from gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards, or property sales”.

The State’s official interpretation^v is “*The exceptions include revenues from federal funds, gifts, property sales, refunds, damage recoveries, transfers, voter-approved revenue changes, and qualified enterprise fund revenues.*” This prompts the TABOR definition (d), “*Enterprise*” means a government-owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenue in grants from all Colorado state and local governments combined,” a clause increasingly used as a further TABOR weakening tool by the State and the Big Government Advocates. The more revenues or spending that can be interpretively so-defined, the less under the controlling scope of TABOR. And yes, that can be vividly graphically presented by the data, finally. It was a pleasant surprise to find in the CAFR statistical section specifically reporting the exempt and non-exempt, in the 2014 CAFR, page 256 (see sample, **Figure 14**). This data began being reported in 1995 and is herein presented.



Revenues exempt from TABOR are presented in percentage changes then dollar changes over the 18-report years, 1995-to-2012. The expanding growth of those exempt-from-TABOR dollars was no surprise. Incentives are everything in economics, and the get-more-money incentive of the state and the boisterous BGAs place relentless pressure to get more state

moneys out from under control of TABOR. **Figures 15 and 16** ably tell the percentages, then dollar growth of progressions for revenues, 1995-to-2012. Those revenues exempt *from* TABOR (**red**) grew 17.0%, from 43.4% in 1995, to 59.4% in 2012. Expenses (**blue**) in dollars grew from \$5,757 to \$15,017.

State expenditures exempt from TABOR, not shown, are virtually identical.

The surprise of 2014 CAFR, page 256, TABOR REVENUES, EXPENDITURES, FISCAL YEAR SPENDING LIMITATIONS, AND REFUNDS (See **Figure 14** preceding), was that TABOR exemption information was nowhere else referred to in the Colorado CAFRs. That prompted a call to the Colorado Office of the State Auditor, 303.869.2800, referring to Report Number 1401F-A54, 54 pages and 62 pages, respectively, for Februarys 2014 and 2015. Both reports were prepared during the period July-through-December of the preceding year, with an audit committee of four elected state senators, four elected state representatives and four auditors.

State Government Giveth and State Government Taxeth Away

From the 2014 Colorado CAFR^{vi} in the first three years of operations under TABOR, the State did not exceed the revenue limitation. In Fiscal Years 1996-97 through 2000-01, State revenues exceeded the TABOR limitation by \$139.0 million, \$563.2 million, \$679.6 million, \$941.1 million, and \$927.2 million, respectively. The economic downturn in Fiscal Years 2001-02 and 2002-03 and adjustments for inaccurate population estimates applied in Fiscal Year 2003-04 precluded TABOR refunds in those years. The State was required to refund \$41.1 million in Fiscal Year 2004-05. At the end of Fiscal Year 2013-14, these amounts totaled to required refunds of \$3,291.2 million since TABOR's inception.

“In Fiscal Years 1996-97 through 2000-01, state revenues exceeded the TABOR limitation by \$139.0 million, \$563.2 million, \$679.6 million, \$941.1 million and \$927.2 million, respectively.” This totals \$3.25 billion returned to taxpayers, or a rough per-capita estimate of a little over \$800—\$3,200 for a family of four, during those five years.

“Cash Refunds Bring TABOR Up Close

and Personal to Taxpayer Pocketbooks In the heyday of first TABOR D-1 the magic seemed to be happening. Get money back from the state? Unheard of?

For emphasis, the Colorado Fiscal 2014 CAFR^{vi} tells that for the first three years after passage of the TABOR amendment, the state did not exceed the revenue limitation so no surpluses were available, therefore no tax rebates. “In Fiscal Years 1996-97 through 2000-01, state revenues exceeded the TABOR limitation by \$139.0 million, \$563.2 million, \$679.6 million, \$941.1 million and \$927.2 million, respectively.” This totals \$3.25 billion returned to taxpayers, or a rough per capita estimate of a little over \$800—\$3,200 for a family of four, during those five years.”^{vii}

Referendum C takes its Toll. Again from the 2014 Colorado CAFR^{viii} Referendum C, here's the per-capita cost of a “yes-vote”, yes, a yes-vote by the electorate that passed Referendum C: “The State retained

“Taking this information into account allows an estimate of private money given up by Coloradans voting for Ref- C. For the Referendum C five years it amounted to \$735 per capita; for the next two years, \$1,174; total \$1,909. That's \$7,637 per family-of-four given up so far.”

\$3,593.6 million during the five-year refund time-out authorized by Referendum C, and \$6,228.6 million from Fiscal Year 2010-11 through 2013-14 due to the increasing ESRC, Excess State Revenue Cap^{ix} as compared to TABOR limit, for a total of \$9,822.2 million of retained Referendum C revenue.” Taking this information into account allows an estimate of personal money given up by Coloradans voting for Referendum C. For the Ref-C five years it amounted to \$735 per capita; for the next two years, \$1,174; total \$1,909. That’s \$7,637 per family-of-four given up so far, and counting.

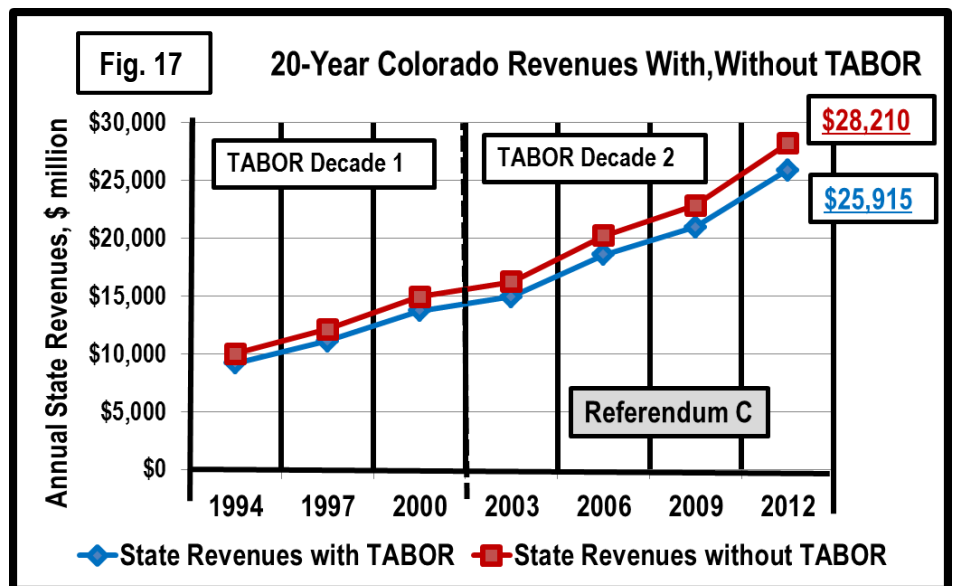
With No TABOR, No Stinkin’ TABOR, What Would Those Two Decades of Colorado State Revenues Have Been?

CAGR? CAGR^{iv} is an acronym for **Compound Annual Growth Rate**. This powerful financial tool greatly simplifies a ten-year wildly varying annual Pre-TABOR data of unrestrained state revenues rate of growth (Note: Three annual values greater than 14%; one less-than-2%; six between 6% and 10%) boiled down to the single CAGR value 8.86 %, or a growth multiplier of 1.0886 for each year of that decade.

The Decade before TABOR, Colorado State Revenues, Taxes, had a calculated 10-year CAGR of 8.86%, meaning applying that growth number 1.0886 to each previous annual state income for “this year” 10-times gets to get the same exact annual 10th year value. Without TABOR it can be surmised that revenues would continue to grow at about the same CAGR, unabated and unconstrained. Question: What will be the annual and cumulative dollar benefits to Per-Capita Coloradans, PCC, applying the No-TABOR CAGR to the next two decades?

To begin to answer that question **Figure 17** shows the big picture, reported (lower, blue) annual revenue dollars in millions actually paid by Colorado taxpayers, with the (above, red) calculated Pre-TABOR revenues growth rate, the difference being moneys retained by Colorado taxpayers. What were those dollars retained by PCC? Over two decades the dollar impacts are quite impressive. (The TABOR Haters like to tell how truly little it is to taxpayers, how huge and important for the continuing and growing good deeds of the state.)

The Taxpayer’s Bill of Rights goes well beyond saved taxes or a really good idea for taxpayers. TABOR has been cleverly and quite subtly generous, allowing Coloradans to keep more of the money they work hard for, earn and truly deserve to keep. The question becomes, “How much did TABOR let me keep over those Two Decades of TABOR?” Fortunately, the answer is available by



applying good economics, finance, mathematics, CAGR^{iv}, and the power of the spreadsheet.

”What’s past is prologue,” or, what we’ve always done, we keep on doing. And we get what we got. With that we can approximate the two decades of state revenues with no TABOR restraint, then compare to the actual Two Decades of TABOR reported under the discipline of TABOR.

Further, **Figure 18** shows not only both decades combined, but in addition, the results of the unlikely investing the annual tax savings at 2% and 3% (smart investors would probably make even more). To interpret the three lines the lower, **blue line** is the projected annual and cumulative \$6,173 savings as though each year they were placed in a suitable container or account. The middle **red line** would be like adding each year’s tax savings to a bank savings account at 2% and accumulating interest on the total, to \$7,460. The top, **green line**, would be a more sophisticated money manager investing the cumulating annual savings in stocks, bonds or mutual funds, to \$8,228. The point is, annual savings of any kind can be saved and cumulated to provide a higher return on investment.

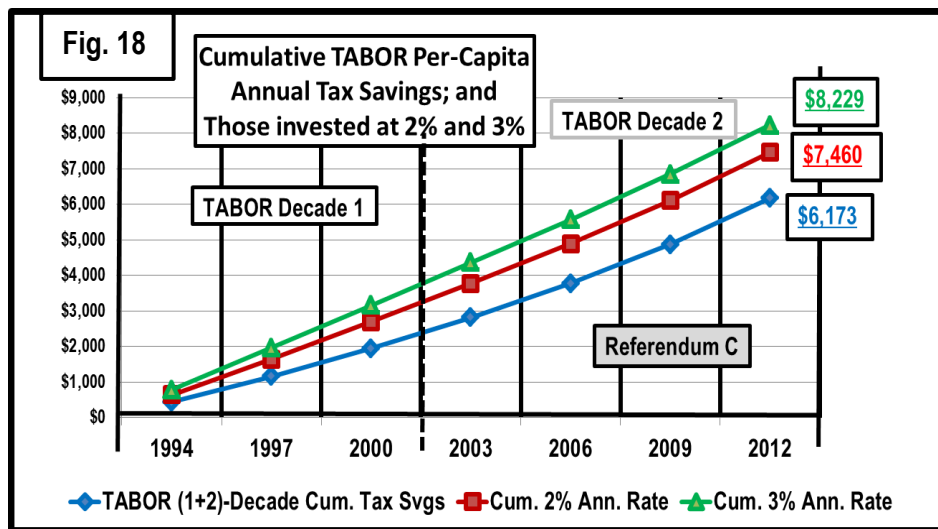
Via TABOR Decade-1 CAGR State revenue growth was 5.90%, Decade-2, 6.21%, seemingly small but very powerful. Instead, applying 8.86% to each annual per-capita tax allows one to estimate each year’s

annual difference for the “Two Decades of TABOR.” The 20-year cumulative total, per-capita is \$6,173, additional dollars kept, Per-Capita Coloradan.

Realize these \$6,173 are saved after-tax dollars. Because regular earnings are taxed, take home pay is significantly less than your actual earnings.

Viewing your own paycheck or income, you know with required tax deductions one must earn an additional 25%-or-so to replace those after-tax dollars taken, to \$7,716. A family of four jumps these numbers to \$24,692 and \$30,865, respectively.

Knowing all this, what did you do, or what could you have done with that money, in your judgment, saving and/or spending it your own way? Think about it. Since you worked for it, earned it, deserved it and through TABOR re-captured it, do you think the government could justly spend (they call it “invest”) it more wisely or fairly?



Just in case you feel queasy about your TABOR-retained 2012 PCC, **Per-Capita Coloradan, \$442 state tax** you didn't have to pay because of the *Taxpayer's Bill of Rights*, don't. Outside this Research Paper it is impossible for you to know **that each PCC, you, that year already paid \$4,995** to provide that year's total \$25, 914,750,000 State Revenues^x that kept your Colorado State Government going.

1997: State Debt Makes the CAFR Scene

Prior to Fiscal Year 1996 no "Outstanding Debt Primary Government" had been recorded in the Colorado CAFR. **Figure 19** shows the Debt as reported followed by **Figure 20** showing the Debt as it was reported 1997-2014. How this came into being may have been prompted by state needs for more funds, especially perhaps, with the use of Certificates of Participation, a way to gain funds without being impeded by TABOR. How would that happen?

From 1990-On CAFR, We Learn How Many State Employees and How Much They Make?

Following my earlier conversations with then-State CAFR Guru Art Barnhart, realizing State employee expense being a major State outlay, employee data began to be published beginning in 1990. The latest available 2014 CAFR, page 268, lists Total Average State Employees of 70,823; Classified Total 31,284 with Average Monthly Salary \$4,391; and Total Non-Classified of 39,539 with Average Monthly Salary \$6,140. For clarity this footnote followed:

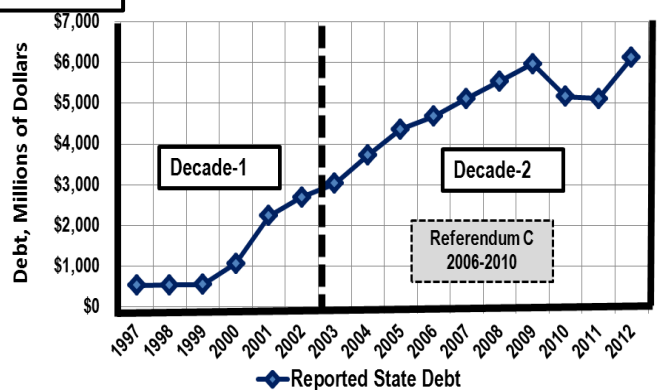
"Classified employees are those holding positions within the State Personnel System. Non-classified employees are excluded from the State Personnel System and are not subject to the rule-making authority of the State Personnel Director. Non-classified positions are found primarily in the Judicial Branch, the Legislative Branch, the Governor's cabinet and office staff, the Department of Law, the Department of Education, and as administrators and faculty in the Department of Higher Education."

Fig. 19 260 □ COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT

TOTAL OUTSTANDING DEBT PRIMARY GOVERNMENT Last Ten Fiscal Years (DOLLARS IN THOUSANDS) Fiscal 2011-12 (Actual 1-Year Example)

Governmental Activities:	
Revenue Backed Debt	739,138
Certificates of Participation	1,018,456
Capital Leases	121,429
Notes and Mortgages	19,369
TOTAL GOVERNMENTAL OUTSTANDING DEBT	1,898,392
Business-Type Activities:	
Revenue Backed Debt	3,753,617
Certificates of Participation	420,951
Capital Leases	39,038
Notes and Mortgages	7,353
TOTAL BUSINESS-TYPE OUTSTANDING DEBT	4,220,959
Total Primary Government:	
Revenue Backed Debt	4,492,755
Certificates of Participation	1,439,407
Capital Leases	160,467
Notes and Mortgages	26,722
TOTAL OUTSTANDING DEBT	6,119,351

Fig. 20 Reported Colorado State Debt, 1997-2012



The Power of Masterful Employee Leadership, Administration, Realization, Cost Control, and Management Discipline

Gosh what can be done with such data? Can we find out?

Doing the math, average annual salary-plus-35% benefits costs for 31,284 Classified and 39,529 Non-Classified State employees are, respectively, \$2,225,362,313 and \$3,932,865,252. That's a total State employee expense of \$6,158,227,565 for

70,823 employees, or average of \$86,952; 11.5 employees per \$1 million. See **Figure 21** for details.

Fig. 21	2014 CAFR Annual State Employee Expense Data				
	Avg Mo Salary	Ann Ann	W/35% b	2014 Employee Expense	
Classified	\$4,391	\$52,692	\$71,134	31,284	\$2,225,362,313
Non-Classified	\$6,140	\$73,680	\$99,468	39,539	\$3,932,865,252
				70,823	\$6,158,227,565
					\$86,952
	Number employees per \$1 million				11.50

How can this interesting, substantial and useful data be used for better State employee administration? It seems the State annually is under future forecast needs for say, \$200 million. If a productivity policy of doing more-and-better-for-less could be instituted and accomplished, substantial savings could result.

Employees not hired, not replaced (attrition) or let go can have a significant effect on state finances, especially on a continuing, long range policy basis. If there were a \$200 million shortfall, that would be equivalent to 200 times 11.5, or 2,300 fewer employees, 3.2% of the State work force, certainly a difficult and demanding but doable feat. In the long run, less state employees would result in more private sector employees resulting in less state expense and higher state income.

With fewer employees what do you get? In the Private Sector they must get smarter and work harder to keep their jobs. They must preserve their service to customers and preserve their bottom line.

The bottom line with government is, there is no bottom line.

Conclusions

Tax-and-Spending Limitation Results

The Taxpayer's Bill of Rights Amendment has worked very well and so much more to achieve its stated intention to "slow government growth." What the Taxpayer's Bill of Rights really did was attenuate excess government growth. It did not cut or reduce reasonable government growth. As shown, not surprisingly, government still continued to grow faster than the rate

of population-plus-inflation, even with Colorado's Taxpayer's Bill of Rights. TABOR is simply undoing earlier spending sprees, not shrinking government to unrealistic levels, not shrinking government at all. TABOR encourages elected officials to better set priorities and resist heavy special interest lobbying pressures. TABOR frees up capital in the private sector to create more wealth-creating jobs that boost productivity and output—and more moneys to governments, for those who understand.

Colorado's Taxpayer's Bill of Rights has shown itself to be an effective, rational and practical means to accomplish its stated mission “to reasonably restrain most the growth of government.” It has done so convincingly and much more, by applying 30-years of Colorado's Comprehensive Annual Financial Report (CAFR) statistics, economics, finances, numbers and interpretations, as well as positively beating national “Compared to what?” percent growth, with respect to Coloradan vs national per-capita income, and Colorado vs national per-capita output.

Three successive decades, 1983-2012, are analyzed, No-TABOR, Enforced-TABOR and Weakened-TABOR, metaphorically turning out to be “a rose between two thorns.” True-TABOR Decade-1 performed admirably while Pre-TABOR was uncontrolled. Decade 3 was particularly weakened by the “five-year TABOR-timeout” of electorate-supported Referendum C which relaxed TABOR constraints years for five years 2006-2010. Colorado state government continues to grow wildly with respect to the TABOR-Target - inflation-plus-population.

The following results may be found in abbreviated detail in Appendix A: “Comprehensive Master Colorado Growth Chart,” a single-page summary of the entire analysis, in 25-numbered lines and 10-alphabetic columns. Chart references are here given as line-and-column numbers. Appendix B offers abbreviated 30-Year CAFR data as “Abbreviated Chart of Thirty Colorado CAFRs, Comprehensive Annual Financial Reports of Data.”

- **Government Growth:** With lower value better, Pre-TABOR Target growth was 50.2% with resulting state revenue-and-expenditure growth a much higher 133.7%-and-119.5%; and respectively, TABOR Decade-1 Target of 71.3%: somewhat higher 77.3%-and-84.6%; TABOR Decade-2: Target 36.7%, much higher 82.6%-and-76.3% (Target 4-A,E,H; Revenues 6-A,E,H; Outlays 7-A,E,H)).
- **Job Growth:** Job creation was a surprising and fanciful serendipity. Upfront it must be realized that the private sector is the source of funds for the public (government) sector. This is easier understood in terms of wealth-creation and wealth consumption. A blossoming, wealth-creating private sector and a restrained net wealth-consuming public sector provide the necessary balance for a prospering and growing economy, all measurable in amount and kind of job growth.
- **Jobs-to-Population Growth:** With higher value better, in the three sectors percent growth of jobs-to-population were respectively 46.5%, 48.5% and 44.4%, (3-C,G,J).
- **Private Sector-to Public Sector Job Growth:** Of related importance was insight into the split of private-to-public sector job growth, higher better, expressed in terms of ratios 4.28, 7.83 and 2.10 (24-C,G,J), again Decade 2 the outstanding and more highly desired “rose.”

- **Per-Capita Income Growth:** Coloradan vs U. S. for the three decades, higher better, were 98.5%, 118.4% and 102.9%, respectively (15-C,G,J).
- **Colorado State Product vs Gross National Output Per-Capita Growth:** For the three decades, higher better, ratios were 0.31, 1.14 and 0.36, respectively (12-C,G,J).
- **Revenues and Expenditures defined “exempt from TABOR”** grew significantly.
- **Initial TABOR refunds** to taxpayers were sizable.
- **Ensuing TABOR refunds** after Referendum C were taxpayer-costly.
- **Without those Two Decades of TABOR** as they were, taxpayers would have forfeited a cumulative \$6,173 per-capita, or \$24,692 for family-of-four; or invested at a modest yearly 3% interest, the amounts respectively would be \$8,228 and \$32,912.
- **Colorado Reported State Debt** began to magically appear in the CAFRs in 1997.
- **State Employee size, growth and expense data** provided possibility and flexibility for more TABOR cost control opportunities.

TABOR has wildly succeeded. It did not cut or freeze government growth, and allowed additional growth by a vote of Colorado’s people. TABOR did not wreck the state business economy or the state government, as its “Six-plus-One Big Opponents” had predicted. Instead, the state government and private-sector job creation were able to grow at a reasonable but lessened pace, even surviving impressively while other Non-TABOR states languished in over-taxing, over-spending and cumulating and destructive debt. Colorado families were able to retain much more of the fruits of their labor.

###

Appendices

The following **Appendix A: Comprehensive Master Colorado Growth Chart** has a world of information about the Two Decades of TABOR and that of Pre-TABOR. Line 4 has the basic TABOR government growth target of population-plus-inflation for each of the ten-year-periods, respectively, 50.2%, 71.3% and 36.7%. These serve as TABOR standards of performance for government growth. All the other lines contain related data that has been similarly recorded and analyzed. Not all are immediately obvious in their relative importance. While a lot of contemplation and curiosity is available in addition to the writings and charts in this Research Paper, an example of the valuable information has to do with “Jobs, Jobs, Jobs.” The percentage growth numbers don’t tell the full person-worker story but the people-numbers are also listed, and provide great meaning. Check them out.

Recent and continuing national media information streams have emphasized repeatedly the importance of “Creating Jobs.” That’s not all there is. Yes, government can “create” jobs out of thin air, and no one can stop them. The Public Sector can establish a position, give it a title, draw up a job description and whoosh, a new job is created, no matter the true need, object, mission, goal or objective, performance, or whether it is justified or needed at all. Contrasting to the Private Sector, any new job must have a legitimate function that directly or indirectly contributes positively to the bottom line profitability of the enterprise.

The bottom line problem with government is there is no bottom line.

Appendix A: Comprehensive Master Colorado Growth Chart

Appendix A: Comprehensive Master Colorado Growth Chart										
Pre-TABOR* (1983-1992), TABOR* Decade 1 (1993-2002) and Post-TABOR*Decade 2 (2003-2012), 10-Year Data Comparisons										
Colorado *Taxpayer's Bill Of Rights, Colorado Constitution, Article X, Revenue, Section 20, 30-Year Analysis										
Line No.	A	B	C	D	E	F	G	H	I	J
1		Pre-TABOR	(Reference)			TABOR D1			TABOR D2	
2	13.2%	406,000	Jobs / Pop'n	Population, % Growth	29.5%	1,026,000	Jobs / Pop'n	15.2%	684,000	Jobs / Pop'n
3	37.0%		46.5%	Colorado Inflation, %Growth	41.8%		48.5%	21.5%		44.4%
4	50.2%			Total, Population-plus-Inflation %	71.3%			36.7%		
5	Total Growth: Revs, Outlays-to-(Popn+Infl) Total Growth: Revs, Outlays-to-(Popn+Infl)									
6	133.7%	2.66		State Revenues (Taxes,Fees,More),%	77.3%	1.08		82.6%	2.25	Note: Referendum C
7	119.5%	2.38		State Outlays (Taxpayer Dollars),%	84.6%	1.19		76.3%	2.08	(2006-2010)
8	97.5%	1.94		Gen'l Fund Rev's (Tpxyr Dollars),%	86.0%	1.21		38.8%	1.06	
9	82.7%	1.65	Annual Output	Gen'l Fund Out's (Tpxyr Dollars),%	96.5%	1.38	Annual Output	26.9%	0.73	Annual Output
10		Ratio	Ratio of %			Ratio	Ratio of %		Ratio	Ratio of %
11	29.5%		Colorado-to-U.S.	Colorado Gross State Product, %	78.4%		Colorado-to-U.S.	17.3%		Colorado-to-U.S.
12	94.2%		0.31	U.S. Gross Domestic Product, %	69.1%		1.14	47.9%		0.36
13										
14	71.7%	\$8,768	\$ %	Colo Per-Cap Pers'l Inc. Growth, %,\$	62.0%	\$13,027	\$ %	36.1%	\$12,278	\$ %
15	74.8%	\$8,898	98.5%	U.S. Per-Cap Pers'l Inc. Growth, %,\$	52.9%	\$10,999	118.4%	37.5%	\$11,937	102.9%
16										
17	106.4%	\$1,186	2.12	Pr-Cap State Revs (Taxes), %,\$, Ratio	36.9%	\$850	0.52	58.5%	\$1,844	1.59
18	93.9%	\$1,063	1.87	Pr-Cap State Outs (Taxes), %,\$, Ratio	42.6%	\$934	0.60	53.1%	\$1,660	1.45
19	74.4%	\$368	1.48	Pr-Cap Gen'l Fund Revs, %,\$, Ratio	43.6%	\$376	0.61	22.2%	\$274	0.60
20	61.4%	\$315	1.22	Pr-Cap Gen'l Fund Outs, %,\$, Ratio	53.3%	\$441	0.75	10.1%	\$129	0.28
21	Jobs, Jobs, Jobs		Jobs Creation	Jobs Growth Data	Jobs, Jobs, Jobs	Jobs, Jobs, Jobs	Jobs Creation	Jobs, Jobs, Jobs	Jobs Creation	Jobs Creation
22	19.2%	261,000	Ratio:	All Job Growth, %, Number of Jobs	34.9%	565,300	Ratio:	5.5%	121,200	Ratio:
23	19.0%	211,600	Private-to-Gov't	Non-Gov't (Private Sector) Empl't	37.8%	501,300	Private-to-Gov't	4.5%	82,100	Private-to-Gov't
24	20.4%	49,400	4.28	Government (Public Sector) Empl't	22.0%	64,000	7.83	11.0%	39,100	2.10
25	4.61	4.56	-1.2%	Ratio: N-Gov/Gov, Decade Strt-to-End	4.56	5.15	13.0%	5.15	4.84	-5.9%
	A	B	C	D	E	F	G	H	I	J

Appendix B: Abbreviated Chart of Thirty Years of Colorado CAFRs, Comprehensive Annual Financial Reports of Data

Colorado State Growth Comparisons, THREE Ten-Year Periods: Pre-TABOR (1983-1992); TABOR (1993-2002); Post-TABOR (2003-2012); In Employment (All, Government, Non-Government); Annual State Revenues and Outlays; Gross State Product; Per-Capita Personal State Taxes and Outlays; Per-Capita Personal Income, Revenues & Outlays; Unemployment, Population-and-Inflation.																				
Growth by Ten-Year Period	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	2000	2001	2002	2003	2010	2011	2012	Year
Color Population (1,000)(1)	3,072	3,148	3,204	3,275	3,348	3,425	3,502	3,579	3,658	3,738	3,818	3,898	4,225	4,418	4,604	4,792	5,048	5,117	5,188	Color Population
All Employment (1,000)(1)	13,580	1,370.3	1,546.5	1,567.7	1,619.0	1,692.1	1,765.2	1,838.3	1,911.4	1,984.5	2,057.6	2,130.7	2,460.5	2,487.4	2,514	2,541	2,222	2,228	2,306	All Employment
Gov Emplmt (1,000)(1)	242.0	240.7	276.8	283.3	291.4	298.7	306.0	313.3	320.6	327.9	335.2	342.5	365	364.9	365	366	394	394	395	Gov Emplmt
N-Gov Emplmt (1,000)(1)	11,166.0	1,129.6	1,269.7	1,284.4	1,327.6	1,393.4	1,461.2	1,525.0	1,590.8	1,656.6	1,722.4	1,788.2	1,900.3	1,916.8	1,828.9	1,796.7	1,828.2	1,833.1	1,911.0	N-Gov Emplmt
Ratio N-Gov/Em (Expressed in \$1,000)	4.61	4.69	4.59	4.53	4.56	4.70	4.70	4.65	4.65	4.65	4.65	4.70	5.01	5.01	5.01	5.04	4.72	4.72	4.72	Ratio N-Gov/Em (Expressed in \$1,000)
COP-Cp Prnt Inc (1)	19,237	19,353	19,469	19,585	19,701	19,817	19,933	20,049	20,165	20,281	20,397	20,513	20,629	20,745	20,861	20,977	21,093	21,209	21,325	COP-Cp Prnt Inc
USP-Cp Prnt Inc (2)	11,901	12,017	12,133	12,249	12,365	12,481	12,597	12,713	12,829	12,945	13,061	13,177	13,293	13,409	13,525	13,641	13,757	13,873	13,989	USP-Cp Prnt Inc
Ratio CO US (Expressed in Dollars)	1.028	1.049	1.028	1.014	1.010	1.034	1.034	1.020	1.020	1.020	1.020	1.034	1.020	1.020	1.020	1.020	1.020	1.020	1.020	Ratio CO US (Expressed in Dollars)
U.S. Gross Dom Prod (3) (Expressed in \$Billions)	33,133.9	34,411.1	35,688.3	36,965.5	38,242.7	39,519.9	40,797.1	42,074.3	43,351.5	44,628.7	45,905.9	47,183.1	48,460.3	49,737.5	51,014.7	52,291.9	53,569.1	54,846.3	56,123.5	U.S. Gross Dom Prod (3) (Expressed in \$Billions)
ColorGross State Prod (1)	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	ColorGross State Prod (1)
CO UnEmplmt % (1)	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	CO UnEmplmt % (1)
U.S. UnEmplmt % (4)	9.7	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	U.S. UnEmplmt % (4)
CPIU Dn-Bld-Cr (5)	95.1	100.5	120.9	125.6	130.3	135.0	139.7	144.4	149.1	153.8	158.5	163.2	167.9	172.6	177.3	182.0	186.7	191.4	196.1	CPIU Dn-Bld-Cr (5)
Infln-Pop % Increase	Annual	8.18%	4.98%	6.04%	6.79%	7.38%	7.88%	8.38%	8.88%	9.38%	9.88%	10.38%	10.88%	11.38%	11.88%	12.38%	12.88%	13.38%	13.88%	Infln-Pop % Increase
Infln-Pop % Increase Cumulative	Cumulative	8.18%	37.82%	44.61%	52.00%	59.22%	66.22%	73.00%	79.52%	85.72%	91.52%	96.92%	101.92%	106.52%	110.92%	115.02%	118.82%	122.32%	125.52%	Infln-Pop % Increase Cumulative
TABOR Inflation+Population	10-Year Colorado Population-Inflation	***	59.2%	66.2%	73.0%	79.5%	85.7%	91.5%	96.9%	101.9%	106.5%	110.9%	115.0%	118.8%	122.3%	125.5%	128.7%	131.7%	134.5%	TABOR Inflation+Population
(Following Sources: CAFRs 1987-2012)																				
State Revenues	\$3,425	\$3,910	\$4,395	\$4,880	\$5,365	\$5,850	\$6,335	\$6,820	\$7,305	\$7,790	\$8,275	\$8,760	\$9,245	\$9,730	\$10,215	\$10,700	\$11,185	\$11,670	\$12,155	State Revenues
State Outlays (\$Billion)	\$3,477	\$4,021	\$4,565	\$5,109	\$5,653	\$6,197	\$6,741	\$7,285	\$7,829	\$8,373	\$8,917	\$9,461	\$10,005	\$10,549	\$11,093	\$11,637	\$12,181	\$12,725	\$13,269	State Outlays (\$Billion)
Rptd Outslng Debt (\$Billion)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Rptd Outslng Debt (\$Billion)
Year	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	2000	2001	2002	2003	2010	2011	2012	Year
Pr-Cap State Revs (\$/Billion)	\$1,115	\$1,242	\$1,369	\$1,496	\$1,623	\$1,750	\$1,877	\$2,004	\$2,131	\$2,258	\$2,385	\$2,512	\$2,639	\$2,766	\$2,893	\$3,020	\$3,147	\$3,274	\$3,401	Pr-Cap State Revs (\$/Billion)
Pr-Cap State Out (\$/Billion)	\$1,132	\$1,277	\$1,412	\$1,547	\$1,682	\$1,817	\$1,952	\$2,087	\$2,222	\$2,357	\$2,492	\$2,627	\$2,762	\$2,897	\$3,032	\$3,167	\$3,302	\$3,437	\$3,572	Pr-Cap State Out (\$/Billion)
Pr-Cap GenFund Revs (\$/Billion)	\$484	\$521	\$558	\$595	\$632	\$669	\$706	\$743	\$780	\$817	\$854	\$891	\$928	\$965	\$1,002	\$1,039	\$1,076	\$1,113	\$1,150	Pr-Cap GenFund Revs (\$/Billion)
Pr-Cap GenFund Out (\$/Billion)	\$513	\$527	\$541	\$555	\$569	\$583	\$597	\$611	\$625	\$639	\$653	\$667	\$681	\$695	\$709	\$723	\$737	\$751	\$765	Pr-Cap GenFund Out (\$/Billion)
Gen Fund Revs (\$/Billion)	\$1,517	\$1,641	\$1,765	\$1,889	\$2,013	\$2,137	\$2,261	\$2,385	\$2,509	\$2,633	\$2,757	\$2,881	\$3,005	\$3,129	\$3,253	\$3,377	\$3,501	\$3,625	\$3,749	Gen Fund Revs (\$/Billion)
Gen Fund Out (\$/Billion)	\$1,576	\$1,660	\$1,744	\$1,828	\$1,912	\$1,996	\$2,080	\$2,164	\$2,248	\$2,332	\$2,416	\$2,500	\$2,584	\$2,668	\$2,752	\$2,836	\$2,920	\$3,004	\$3,088	Gen Fund Out (\$/Billion)
Total Classified	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Total Classified
Avg Monthly Salary	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Avg Monthly Salary
Total NonClassd	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Total NonClassd
Avg Monthly Salary	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Avg Monthly Salary
State Revs Per-Capita	\$1,115	\$1,242	\$1,369	\$1,496	\$1,623	\$1,750	\$1,877	\$2,004	\$2,131	\$2,258	\$2,385	\$2,512	\$2,639	\$2,766	\$2,893	\$3,020	\$3,147	\$3,274	\$3,401	State Revs Per-Capita
State Exps Per-Capita	\$1,132	\$1,277	\$1,412	\$1,547	\$1,682	\$1,817	\$1,952	\$2,087	\$2,222	\$2,357	\$2,492	\$2,627	\$2,762	\$2,897	\$3,032	\$3,167	\$3,302	\$3,437	\$3,572	State Exps Per-Capita

(1) Source: Colorado Annual Financial Reports, CAFRs, 1987-2014; Colorado Employment by Industry, (2014) page 263.
 (2) Source: U.S. and Michigan per capita personal income: 1979-2012. NOTE: 1982-84 dollars. Michigan income deflated by Div of Opt. U.S. income deflated by U.S. CPI. U.S. inflation adjusted figures will differ from those published by Department of Commerce due to the use of different methodologies. Source: U.S. Department of Commerce, Bureau of Economic Analysis.
 (3) Source: Statistical Abstract of the United States: 2013, Table 673, Selected Per-Capita Income and Per-Capita Personal Income and Personal Expenditures in Current and Chained 2005 Dollars: 1980 to 2010, page 443.
 (4) Source: United States Unemployment data, <http://www.bls.gov/charts/unemployment>.
 (5) Source: Data extracted on: September 1, 2014, Consumer Price Index - All Urban Consumers, Series ID: CUUR4133AA03USM3300, Denver-Boulder-Creeley, <http://data.bls.gov/jobs/OutputServlet>.

Appendix C: Government Growth: Why All States Need a TABOR, A Taxpayer's Bill of Rights?

What does Colorado's Taxpayer's Bill of Rights, TABOR, have to do with 1) Capability to "create jobs," and what kind – public sector or private sector? 2) "Slow government growth"? And 3) So much more. TABOR is herein revealed, reveled, and revered.

"Create jobs" is a continuing mantra of our times. How does that happen? Are some jobs more powerful than others, how and why?

Question?: What creates jobs? **Answer:** Freedom to create jobs, wisdom and will to unleash that freedom.

The Formula: Recognize the importance to create and put to work an optimal balance between the two fascinating and powerful parts of the Colorado economy, the Private Sector and the Public Sector.

After two decades, that is, 20 years of TABOR, the elusive answer(s) may be manifest in this extensive and intensive analysis of available data, information and illustration; and possible interpretation and conclusions to be drawn. Item 1) above is accompanied by Figure 1 below, "Job Growth, Three Decades of TABOR, Pre-, D-1, D-2: Gov't, Non-Gov't, All Employment,%" and discussion thereof.

Our not-so-free enterprise system has two important parts that work together: The Private Sector, and The Public Sector. The Private Sector – business, commerce, industry, free enterprise – creates jobs, expands and improves technologies, and produces, manufactures and distributes goods-and-services that please, serve and satisfy customers. These are things that people want and need, are willing to work for, pay for, save, invest and pay taxes. By law, business entities collect and pay taxes that fund the public sector, government; and those taxes too, are paid by individual customers in prices of goods and services. Survival and prosperity in the Private Sector are demanded and ensured by productivity, that is simply: Producing more-and-better-for-less.

**Productivity:
Producing more-
and-better-for-less.**

The Public Sector, government -- also under the mandate of the enormous power of and necessity for productivity, creates jobs, and performs the needed and necessary government functions and services authorized by America's Freedom Documents – Declaration of Independence, Colorado's and United States Constitutions and Bills of Rights. These documents –observed, respected, honored, and enforced by elected officials and their Oaths of Office, spell out government functions, operations, authorities and limitations; and *guaranteed citizen protections from governments: power-of-government and force-of-law.*

If personal freedom and political liberty are important, and they are, we may heed Thomas Jefferson, "The natural progress of things is for liberty to yield, and government to gain ground."; and, per Ronald Reagan, "As government expands, liberty contracts."

These quotes capsulize a profound proposition, that by people giving up essential liberties, they allow government to grow bigger; it's then becoming more consuming, more powerful, more controlling. And yes, there is a way to see how government has so grown over time

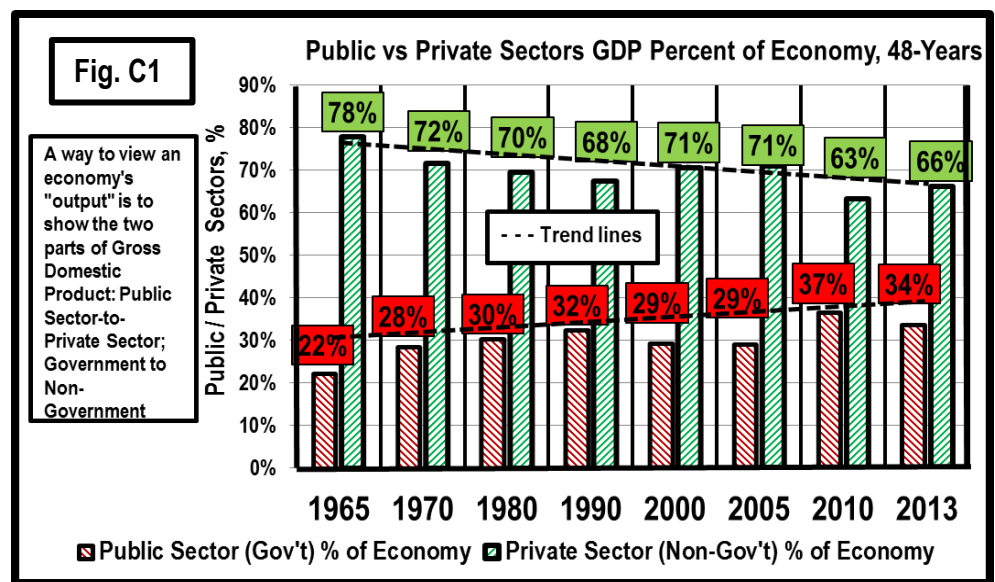
since 1965, using published GDP data. The popularly reported and publicized Gross Domestic Product, national output, sums up three economic outputs: Private Sector net investment, consumer purchases; and surprisingly, growth of government sector spending, as though its total output, spending, has been in-total, creation of wealth which it is not. So how has that manifest?

To better understand, the Private Sector mission is “to create wealth, anything that people are willing to work for and pay for.” The mission of the Public Sector is “to establish a climate for creating wealth,” and yet in so doing, is a net consumer of wealth, through bureaucracy, fraud, waste and abuse.

The bottom line with what’s wrong with government is there is no bottom line.

With available and growing employment so needed and so necessary, we use our understanding and applied knowledge to seek the optimal size and balance of these two sectors. A large-and-growing Private Sector is able to provide generously more for a smaller-and-limited Public Sector. Ideally it results

in more people working, generating more funds for government for new or expanding programs, and possibly less need for them, because people in total are less personally desperate and more moneyed, leading potentially to less crime and its need for costs of law enforcement and incarceration.



Here’s an important question about excessive and continuing government growth: What has happened over time, and what are the ensuing results and consequences?

For the bigger picture see **Figure C1**, the trend of government growth based on data from the *Economic Report of the President*, two tables, B-1 Gross Domestic Product and B-83 “Federal, and State-and-Local government current **receipts** and expenditures. Over those 48-years, 1965-to-2013, there is an obvious slow-but-sure 11% growth (red) of the Public, Government Sector; and equal-and-opposite reduction (green) of the Non-Government, Private Sector. Thus that total take, paid for by all the people, continues to grow higher. More later.

In the process, the people have less of the fruits of their labor; government getting more. Ultimately the people are less able to “make it” economically and financially; and become inevitably and irretrievably more-and-more dependent upon government, not unlike a cancer feeding on its host until they both die.

The expressed foundation and mission of Colorado's Taxpayer's Bill of Rights "shall reasonably restrain most the growth of government"; that is, *to attenuate the inevitable damage that excess government growth does to both public and private sectors, and people within, for both the short run and long run*, consequently diminishing the peoples' "life, liberty and pursuit of happiness." *Two Decades of TABOR* provides a marvelous opportunity to evaluate the effects and value of government tax-and-spending limitation. It is understandable that these two impacts are at work regarding TABOR and its designated purpose to slow government growth, *to yes slow, not stop or reduce government growth*, without diminishing or damaging governments' important roles, functions and operations.

Money-and-Power: People-and-Government:

- > Money is Power.
- > More money-to-government is more government power and control over people.
- > Less money-to-government is more power, control, and freedom-in-life to the people.

Over TABOR's 20+ years of true and lasting benefits, the Big Government Advocates are TABOR's opposing parties. Their relentless, powerful and all-too-effective attempts to kill TABOR with a thousand cuts, make it vastly important for the Small Government Advocates, SGAs, to seriously examine, even cherish, TABOR's benefits, and convince the people and the BGAs (will that ever happen?) of the true and lasting value of Colorado's Taxpayer's Bill of Rights.

BGAs have everlastingly been engaged in weakening, even eviscerating, seeking to destroy TABOR, with not-so-obvious and unintended consequences to take TABOR down, that it cannot provide its benefits and protections to the taxpaying people. This research report documents and reveals the 30-year flow of results.

When in the course of Colorado events it becomes necessary for one people to understand how best a business, economic, governmental, political, legal and constitutional system works, it requires they know and understand the extreme power of the two working parts of that system, the public sector and the private sector.

The public sector is government – federal, state-and-local (sometimes even global, United Nations). These, we know, generally work in three roles: Legislative, making laws; Executive, carrying out laws; and Judicial, interpreting laws, all in concert with America's organic Declaration of Independence, and their respective Constitutions, incredibly important Bills of Rights, and Oath of Office of their public servants. In so doing they require moneys, people, and expertise, to deliver and properly perform defined government functions.

The private sector is business, commerce, industry, capital and entrepreneurship. We must understand that, ideally, the job of the private sector, in a relatively free market, is to obtain and create wealth with the factors of production – land, labor (people), capital, and technology. Wealth is anything that has value, that people are willing work for and pay for, in the form of goods-and-services.

We further acknowledge that governments' job is *to create a climate of creating wealth, but is a net consumer of wealth*. The goal and magic formula is to continually be balancing these two mighty sectors for the improving, longest-lasting, reliable and best results and outputs for all the people.

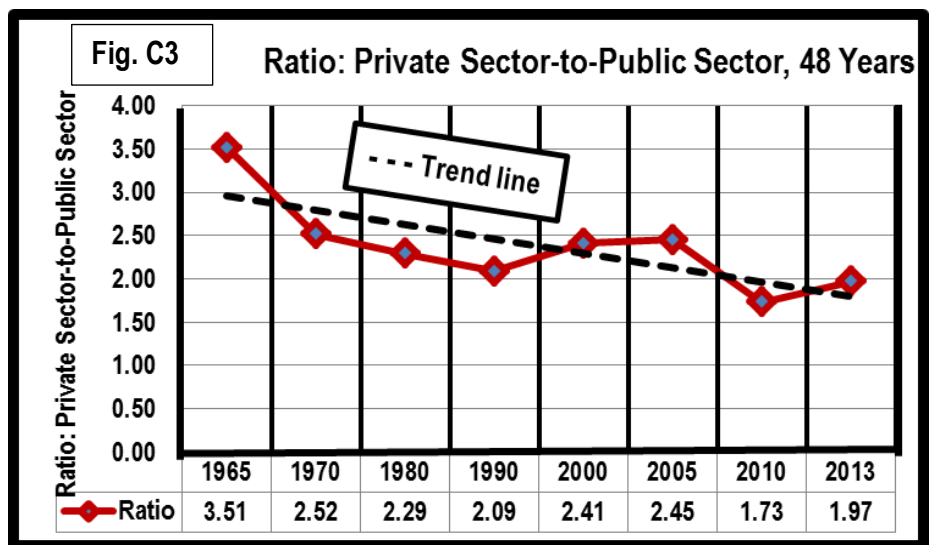
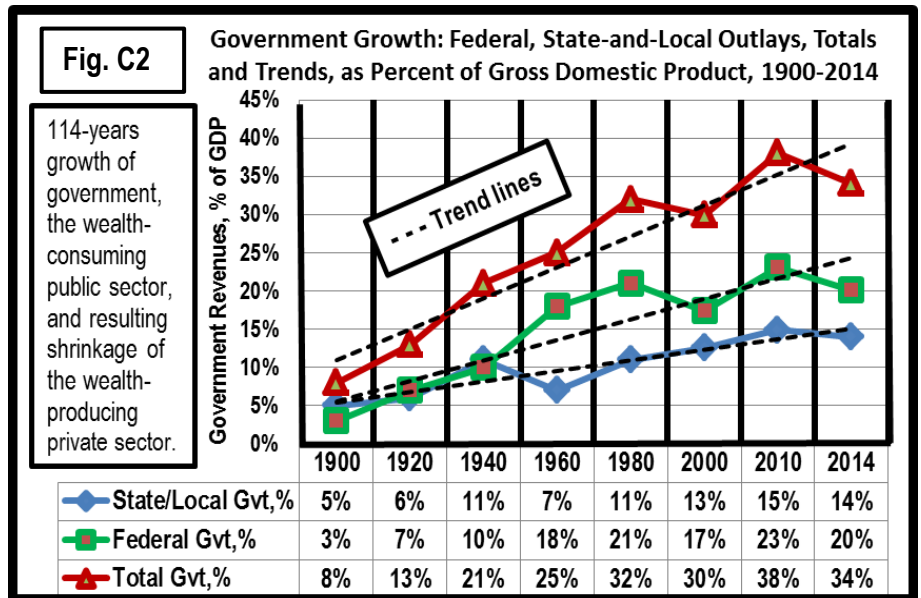
Productivity is doing more-and-better-for-less, applicable to both public and private sectors. We know the public sector needs money and remind ourselves of its being a net consumer of wealth, basically its only source, the private sector. Thus, government is highly dependent upon the success of the private sector, and the need for that magical balance. See **Figure C2** for that regressing "balance" over the preceding 114 years in terms of federal, state-and-local government spending growth, 1900-2014.

Optimum balance generates the most goods-and-services for the least expenditure of money and resources. How? With a large and growing private sector, and a limited and slow growth public sector, to provide the best of all conditions. The main condition is to have good jobs, growing jobs, more-and-higher paying jobs, and having the qualified and motivated people to perform those jobs. The rest falls out of that.

A final and simple illustration of the decline and decreasing potential of the United States economy is found in **Figure C3**, as a ratio of the Private Sector to the Public (Government) Sector.

“Mission Creep”

“Mission Creep” is the expansion of a project or mission beyond its original goals, often after initial successes; or, the gradual broadening of the original objectives of a mission or organization.



“Mission Creep” of the private sector results in more and better goods-and-services with higher quality and lower prices; examples, smart phones, computers, tablets, LED-4K-large screen televisions, digital cameras, refrigerators, microwave ovens and air conditioners.

The massive and irresistible “Mission Creep” of government is to create or re-define a bureau, agency, authority, project, take on more growth, and result in more and bigger agencies, more people and functions, all seeking not only to survive but continue to grow. One example is CHFA, Colorado Housing and Finance Authority, extending well beyond helping people purchase houses.



Other Colorado government examples of “Mission Creep” are initial Colorado Lottery \$1 gambling tickets sold manually in stores, to big dollar tickets sold in impressive, expensive, self-selling machines; “Limited Casino Gambling” (yeah, right), “to preserve the historic character of Colorado mountain towns” (yeah, right again) to valley-dominating, mountain-replacing, spreading, towering behemoths; burgeoning Open-Space expansions; Mass Transit, bus-to-experimental-to-limited light rail-to-expanding front range light rail; a “catch-up,” temporary, 10-year Cultural Arts Tax to launch a new era of metro-Denver arts and culture, passed in 1987g, again submitted and approved in 1997, 2007, and slated once again for 2017. And should be mentioned also, accomplished taxpayer-funded professional baseball and football facilities (keeping in mind the privately-funded Pepsi Center), and their “returns” (or lack thereof) to generous funding by Colorado taxpayers? Yes, mission creep. It happens.

In a time when Leviathan – huge and growing government prevails, to government growth, must attention be paid? Is excessive growth of government good or bad, and Why?

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Appendix D: Related TABOR Historical Information

Previous tax limitations appeared on the Colorado ballot by citizen initiative in 1966. Tax reform initiatives were defeated in 1972, 1976, and 1978. Another string of citizen-taxpayer initiatives began in 1986 with Amendment 4, which would have required only, that all tax increases must be approved by the taxpayers to be taxed. Proponent leaders John and Diane Cox of Palisade were able to garner only 37% in favor.

Colorado Springs property owner Douglas Bruce and supporters successfully organized a 1988 campaign for the first of three TABOR, or Taxpayer’s Bill of Rights petition drives that captured enough signatures to appear on the ballot, and now important, all with volunteer, unpaid signature gatherers! The TABOR initiatives brought together a noteworthy agglomeration of opponents. “The Six Bigs”—Big Government, Big Business, Big Media, Big Labor, Big Education and Big Everything Else—prevailed when Bruce’s 1988 attempt got only 43% of the vote.

Surprisingly, Bruce came back in 1990 with a new, improved version which then-Governor Roy Romer personally fought vigorously with all the power of his office, saying if it passed he

would have to post signs on Colorado borders saying “Colorado is closed for Business.” It was barely defeated with a 49.5% yes vote. Seeing the trend— 37%, 43%, 49.5% —the Legislature sensed that taxpayers wanted some kind of limit on continuing, unfettered tax increases, and passed the Bird-Arveschoug 6% general fund spending limit (ofttimes later called “the Swiss cheese” limit because it was so full of holes). Was the Chief BGA correct?

Like an English bulldog that never lets go, Bruce in 1992 brought out what was to be the third-and-successful Amendment 1, finally passed by 53.7% of Colorado voters.

Colorado: Six Consecutive Years *Numero Uno*, Number 1, TABOR D-1

Following TABOR passage in 1992 Colorado continued Number One in 1994, 1995, 1996, 1997, 1998 and 1999—**six consecutive years!** One local headline proclaimed, “**Top of the Class**” in bold letters; the other, “**Colorado economy earns A’s for 6th straight year.**”

Criteria on which Colorado was judged best on were:

- Performance—employment, earnings and job quality, equity, quality-of-life and resource efficiency,
- Business vitality—business competitiveness, structural diversity and entrepreneurial energy; and
- Development capacity—human, financial and infrastructure resources, capital and innovation assets.

What distinguished Colorado over all the other states?
The Taxpayer’s Bill of Rights.

TABOR has been right for Colorado. How would it be for other states to adopt their own TABOR?

Summarizing how flexible TABOR is to the needs of the times, here are some TABOR talking tips, and why Colorado should keep TABOR exactly as-passed:

As Taxpayer’s Bill of Rights author, Douglas E. Bruce Phrased the tenets of the TABOR creation in a small business card that urged, “**Vote FOR Tax Limitation, Vote Yes!** **Amendment # 1,**” as TABOR was called in its first 1988-of-three Elections:

What We Believe, by Douglas Bruce

We believe in limited taxes, not unlimited government.

We believe in choice, not coercion.

We believe in the supreme power of the People,

Not the special privilege of the Politicians.

We believe in free enterprise, not state socialism.

We believe in democracy, not bureaucracy.

We believe in individual responsibility, not collective guilt.

We believe in personal freedom, not group rights.

We believe in private charity, not public handouts.

We believe in the Founding Fathers, not Big Brother.

We believe in an omnipotent God, not an all-powerful State.

It’s time to declare your beliefs.

It’s time to send the politicians a message they won’t forget

It’s time to stand up for America.



- TABOR provides taxpayer and business protections against uncontrolled increases in taxes and government spending.
- TABOR allows spending increases over TABOR limits by a vote of the people; to keep up with inflation; population growth; government productivity growth; increases resulting from the sale of government assets and taxed revenues from such sales; gifts and federal fund increases; employee pension fund contributions; and such things as reserve transfers and damage awards.
- TABOR gives taxpayers more “remote control” of taxes and government size, growth, power and control. The biggest obstacle to smooth and manageable fiscal and budget policy in Colorado has been the rigid and over-generous mandates of Amendment 23, K-12 required government school funding growth, not TABOR.

Why keep TABOR exactly as-is? Here are a few TABOR talking tips:

1. TABOR provides taxpayer protections.
2. TABOR allows increases in spending by
 - A vote of the people.
 - Inflation growth.
 - Population growth.
 - Government productivity growth via strict and disciplined apportionment of state finances..
 - Sale of government assets, then tax revenues from them.
 - Gifts and federal funds.
 - Employee pension contributions and funds earnings.
 - Reserves transfers or expenditures, and damage awards.
3. TABOR gives taxpayers some control of taxes and government size, growth and power.
 - Why would the people give up the right and power of their vote to control their taxes?
 - Why would the people suffer less control and higher taxes by accepting a much more generous factor such as increase in personal income substitute for the more well-defined and controlling inflation-plus-population?
 - If the people work harder, work overtime, take on another job, spouse, children take on an additional job, boost their productivity or invent something, should government standing by receive a tax bonus?
 - Why?

Loud voices declared, “We have a budget crisis. We need more money,” while they asked Coloradans to support their Referendum C (and D that went down). Now Coloradans are witnessing a command performance to bamboozle the populace into supporting a new BBC, “Building a Better Colorado.”

Coloradans have Three Things in Common, why not:

- 1) We all pay taxes,
- 2) Taxes are a great burden,
- 3) Government continues to be a “growth industry.”

Who is “We”?

There are two “We’s,” “We the Government” (and its BGAs, Big Government Advocates), and “We the People.” The former want to manipulate and fool the people to emasculate Colorado’s Taxpayer’s Bill of Rights, contending that “We” (all) are the government. No, *they* are, and we are not. What are we currently

owed and they are trying to “flim-flam” from us? From the Colorado Legislative Council Economic and Revenue Forecast, September 21, 2015, page 11:

“On September 1, the Office of the State Controller released its preliminary schedule of TABOR computations; numbers in the schedule are unaudited and subject to change. According to the preliminary schedule, in FY 2014-15, state revenue subject to TABOR” prompts “a **TABOR refund of \$153.6 million in FY 2015-16**. Of this amount, \$85.7 million is expected to be refunded via the **Earned Income Tax Credit**, which will be used as a TABOR refund mechanism on returns for tax year 2015 and become permanent beginning tax year 2016. The remaining \$67.9 million will be refunded via a **six-tier sales tax refund** of between \$13 and \$41 per taxpayer for tax year 2015. . . . “For FY 2015-16, state revenue subject to TABOR is expected to total \$12,829.2 million, \$50.3 million less than the Referendum C cap. State revenue subject to TABOR is expected to exceed the Referendum C cap in FY 2016-17 and FY 2017-18, prompting **TABOR refunds of \$252.5 million in FY 2017-18 and \$352.0 million in FY 2018-19.**”

Who will get the money, the people or the government? Because of TABOR, fortunately, they can't have the money unless they ask the people, make their case, and the people vote to let them keep it.

Proponents say, “We’re running a surplus and a deficit at the same time.” True and that makes the point: We the People are running a surplus of overpaid and growing taxes, and the government is running a budget deficit, frankly, of their own doing. And know that budgets are fabrications made up in a near surreal budget process projecting needs, wants, dreams and bureaucratic puffery for ever higher spending. We the people are confronting “The Six Bigs”: Big Government, Big Business, Big Labor, Big Education, Big Media and Big Everything Else. Later we had to add the “Big (Dot.com) Millionaires,” the DCMs and many other BGAs seeking to destroy TABOR and set the stage for bigger and growing, controlling government.

TABOR did not wreck the state economy or the state government, as its detractors and opponents had predicted. Instead, private-sector job creation and the state government were able to grow at a reasonable pace. Colorado families were able to gain more power and control of their government, and retain significantly more of the fruits of their labor.

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"Colorado's Taxpayer's Bill of Rights is the most important citizen initiative in American history. It makes Colorado the only state where politicians are truly accountable to voters, because they have to ask voters before raising taxes or breaking spending caps. The people have the power of the purse."

-- Paul Jacob, president, Liberty Initiative Fund, and Citizens in Charge;
13168 Centerpointe Way, Suite 202, Woodbridge, VA 22193

Appendix E: Fred Holden July 26, 1999 column, published History of TABOR, “Colorado Tax Limitation: The Power of 1 and a Few More”:

Colorado Tax Limitation: The Power of 1 and a Few More

by Fred Holden, Public Policy Specialist, Speaker and author, *TOTAL Power of ONE in America*

In 1986 I worked hard to help organize, debate and get petition signatures for Colorado Constitutional Amendment 4 proponents: John and Diane Cox, Palisade fruit growers. There was an effort to require only that Colorado governments must get a majority vote from the people before their taxes could be increased. Raising all ferment with government and private entities it was handily defeated with only 37% YES votes.

Colorado Union of Taxpayers convened a January, 1987 post-election commiseration to keep the tax limitation dream alive. I was chosen chairman of “The New Amendment Committee” of 12, many of whom soon faded. A new person from Colorado Springs, Douglas Bruce, joined the unlikely crew with a resolute stance on citizen tax control and how to do it. A former assistant prosecutor from Southern California, Bruce had the legal background that would prove crucial to this daunting task.

Our mission was “slow government growth.” Two opposing factions formed and the group self-destructed. I was the first to resign. I could not go their direction(s) but did not want to be the one to stop the movement. Coincidentally and without each other’s knowledge, three others resigned, then came back together a month later to form the fledgling TABOR Committee consisting of myself, Doug Bruce, Arvada’s Clyde Harkins and Katherine Anderson from Littleton.

Bruce was an intensely principled and patriotic person with high-level intelligence and integrity. He would have a brusque, sometimes described as disrespectful and rude side, but an individualist quality that commanded respect and attention. His passion, knowledge and past experience came to the front with the first in a series of tax limitation proposals that he called the Taxpayers Bill Of Rights, TABOR. Bruce was resilient, resourceful and resolute. His first successful draft to be fully supported by the small and growing group became Amendment 6 in the 1988 election.

A large, unlikely organization coalesced to fight the pending amendment—all those who had a big stake in controlling taxpayer dollars and legislative power at all levels. I called them: “The Six Bigs”: Big Government, Big Labor, Big Business, Big Media, Big Education and Big Everything Else (and later, “Big-



Four Zillionaires.,) and they have been everlastingly at it.)

A big “Big” was Governor Roy Romer who told Colorado people if this amendment passed we would have to post signs at the borders, “Colorado is Closed for Business.” This was the power structure that liked to have its way at the public trough, that wanted no one, no thing, no Bruce, no stinking TABOR to get in the way. They won again with only 43% YES, and Douglas Bruce slinked away in embarrassing defeat, they thought, and so did I. We gave it a go and lost. But no. (Not one to give up, 1/6/15, Romer exhorted Governor John Hickenlooper to a continuing “movement” to destroy TABOR.)

A week later Bruce called to say he had just printed the 26th version of the new Amendment 1 and was close to the final version. He once again took it through the considerable state government hoops to get it on the ballot. With only volunteer petition carriers, we worked hard to get signatures to be told by the Secretary of State’s office we didn’t have enough. Again we tried hard once again and failed. But no. Bruce fought it

personally in federal court, signature-by-signature, petition-by-petition, and proved to have enough to meet the statutes. Time had run low and Amendment 1 lost by a so-close, disappointing 49.5% YES vote. Douglas Bruce was defeated once again by a happy Governor Romer and very jubilant “Six Bigs.” Take that, Bruce. But no again.

True to form Bruce produced a new, improved amendment and surmounted even tougher bureaucratic state hoops. The weary and de-funded “Six Bigs” re-funded and fought but LOST to a resulting 53.68% YES vote by the people of Colorado. Colorado voter acceptance

over four elections grew steadily in percent YES: 37% - 43% - 49.5% - 53.7%.

Principle, integrity and intelligence—knowledge, perseverance and courage—resilience, resourcefulness and being resolute won, and so did the people of Colorado and America. Ever since that victory there has been a growing army and government effort to disempower and destroy TABOR, and with it or without it, Douglas Bruce.

When Amendment 1 won in 1992 Doug called me saying, “How does it feel to live in the freest state in America?” It felt good. But it was just the beginning. Six years later not only are Colorado citizens in control of their tax increases and government spending. Colorado is number one or very close in many and most ways to measure—business and tax growth (!), low unemployment and inflation, personal income, population, jobs, housing, business and commercial construction, you name it.

How did this thing come to pass? By the powerful principled persistent leadership of one man, Douglas Bruce.

Is this what we call “The Power of ONE”?

Note: 1/27/2015 edits in red —oo0o—

(As originally published in the *Arvada Community News*, July 26, 1999.) Fred Holden is public policy specialist, speaker and author of *TOTAL Power of ONE in America*, available for \$25 check-or-money order, to “TOTAL Power,” Box 1900, Arvada, CO (303-421-7619). Email, fredholden@aol.com, Copyright©1999, 2016 by Fred Holden. (But yes, okay to copy and share.)

Appendix F: Colorado's Taxpayer's Bill of Rights (Parchment Edition with photo, Douglas E. Bruce, TABOR Author)

Colorado Constitution Article X -- Revenue

Section 20. The Taxpayer's Bill of Rights.

(1) **General provisions.** This section takes effect December 31, 1992 or as stated. Its preferred interpretation shall reasonably restrain the growth of government. All provisions are self-executing and severable and supersede conflicting state constitutional, state statutory, charter, or other state or local provisions. Other limits on district revenue, spending, and debt may be weakened only by future voter approval. Individual or class action enforcement suits may be filed and shall have the highest civil priority of resolution. Successful plaintiffs are allowed costs and reasonable attorney fees. But a district is not under a suit against it by a voter. Revenue collected, sent, or spent illegally since four full fiscal years before a suit is filed shall be refunded with 10% annual simple interest from the initial conduct. Subject to judicial review, districts may use any reasonable method for refunds under this section, including temporary tax credits or rate reductions. Refunds need not be proportional when prior payments are impractical to identify or return. Where annual district revenue is less than annual payments on general obligation bonds, pensions, and final court judgments, (a) and (c) shall be suspended to provide for the deficiency.

(2) **Term definitions.** Within this section: (a) "Ballot issue" means a nonvocal petition or referred measure in an election. (b) "District" means the state or any local government, excluding enterprises.

(c) "Emergency" excludes economic conditions, revenue shortfall, or district salary or wage benefit increases. (d) "Enterprise" means a government-owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenue in grants from all Colorado state and local governments combined.

(e) "Fiscal year spending" means all district expenditures and reserve increases except, in both, those for refunds made in the current or next fiscal year or those from gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards, or property sales.

(f) "Inflation" means the percentage change in the United States Bureau of Labor Statistics Consumer Price Index for Denver-Boulder, all items, all urban consumers, or its successor index.

(g) "Local growth" for a non-school district means a net percentage change in actual value of all real property in a district from construction of taxable real property improvements, minus destruction of similar improvements, and additions to, minus deductions from, taxable real property. For a school district, it means the percentage change in its student enrollment.

(3) Election provisions.

(a) Ballot issues shall be decided in a state general election, biennial local district election, or on the first Tuesday in November of odd-numbered years. Except for petitions, bonded debt, or charter or constitutional provisions, districts may consolidate ballot issues and voters may approve a delay of up to four years in voting on ballot issues. District actions taken during such a delay shall not extend beyond that period.

(b) At least 30 days before a ballot issue election, districts shall mail at the least cost, and as a package where districts with ballot issues overlap, a titled notice or set of notices addressed to "All Registered Voters" at each address of one or more active registered voters. The districts may coordinate the mailing required by this paragraph (b) with the distribution of the ballot information booklet required by section 1 (2.5) of article V of this constitution in order to save mailing costs. Titles shall have this order of preference: "NOTICE OF ELECTION TO INCREASE TAXES/TO INCREASE DEBT/ON A CITIZEN PETITION/ON A REFERRED MEASURE." Except for district voter-approved additions, notices shall include only:

(i) The election date, hours, ballot title, text, and local election office address and telephone number.

(ii) For proposed district tax or bonded debt increases, the estimated or actual total of district fiscal year spending for the current year and each of the past four years, and the overall percentage and dollar change.

(iii) For the first full fiscal year of each proposed district tax increase, district estimates of the maximum dollar amount of each increase and of district fiscal year spending without the increase.

(iv) For proposed district bonded debt, its principal amount and maximum annual and total district repayment costs, and the principal balance of total current district bonded debt and its maximum annual and remaining total district repayment cost.

(v) Two summaries, up to 300 words each, one for and one against the proposal, of written comments filed with the election officer by 45 days before the election. No summary shall mention names of persons or private groups, nor any endorsements of or resolutions against the proposal. Petitioner representatives following these rules shall write the summary for the petition. The election officer shall maintain accurate information on all other voter-written comments. The provisions of this subparagraph (v) do not apply to a statewide ballot issue, which is subject to the provisions of section 1 (2.5) of

TABOR: Taxpayer's Bill of Rights

article V of this constitution.

(c) Except by later voter approval, if a tax increase or fiscal year spending exceeds any estimate in (b) (ii) for the same fiscal year, the tax increase is thereafter reduced up to 100% in proportion to the combined dollar excess, and the combined excess revenue refunded in the next fiscal year. District bonded debt shall not issue on terms that would exceed its share of its maximum repayment costs in (b) (iv). Ballot titles for tax or bonded debt increases shall begin, "SHALL (INSTRUCTION) TAXES BE INCREASED (PRTS or PHASED BY FISCAL YEAR) (SHALL INCREASE) (ANNUAL) (BY) (X)%" or "SHALL (INSTRUCTION) DEBT BE INCREASED (PRINCIPAL AMOUNT) (WITH) A (KEEP) (EMERGENCY COST OF) (maximum total district cost) (%)".

(4) **Required elections.** Starting November 4, 1992, districts must have voter approval in advance for:

(a) Unless (1) or (6) applies, any new tax, tax rate increase, mill levy above that for the prior year, valuation for assessment ratio increase for a property class, or extension of an expiring tax, or a tax policy change directly causing a net tax revenue gain to any district.

(b) Except for refinancing district bonded debt at a lower interest rate or adding new employees to existing district pension plans, creation of any multiple-fiscal year direct or indirect district debt or other financial obligation whatsoever without adequate present cash reserves pledged verifiably and held for payments in all future fiscal years.

(c) **Emergency reserves.** To use for declared emergencies only, each district shall reserve for 1993 or more, for 1994 or more, and for all later years 2% or more of its fiscal year ending existing bonded debt service. Unused reserves apply to the next year's reserves.

(d) **Emergency taxes.** This subsection grants no new taxing power. Emergency property taxes are prohibited. Emergency tax revenue is excluded for purposes of (2) (c) and (7), even if later ratified by voters. Emergency taxes shall also meet all of the following conditions:

(a) A 2/3 majority of the members of each house of the general assembly or of a local district board declares the emergency and imposes the tax by separate recorded roll call votes.

(b) Emergency tax revenue shall be spent only after emergency reserves are depleted, and shall be refunded within 180 days after the emergency ends if not spent on the emergency.

(c) A tax not approved on the next election date 30 days or more after the declaration shall end with that election month.

(5) **Spending limits.** (a) The maximum annual percentage change in state fiscal year spending equals inflation plus the percentage change in state population in the prior calendar year, adjusted for revenue changes approved by voters after 1991. This number shall be determined by annual fiscal census estimates and such number shall be adjusted every decade to match the federal census.

(b) The maximum annual percentage change in each local district's fiscal year spending equals inflation in the prior calendar year plus annual local growth, adjusted for revenue changes approved by voters after 1991 and (b) (c) reductions.

(c) The maximum annual percentage change in each district's property tax revenue equals inflation in the prior calendar year plus annual local growth, adjusted for property tax revenue changes approved by voters after 1991 and (b) (b) and (c) reductions.

(d) If revenue from sources not excluded from fiscal year spending exceeds these limits in dollars for that fiscal year, the excess shall be refunded in the next fiscal year unless voters approve a revenue change as an offset. Initial district bases are current fiscal year spending and 1991 property tax collected in 1990. Qualification or disqualification as an enterprise shall change district bases and future year limits. Future creation of district bonded debt shall increase, and retiring or refinancing district bonded debt shall lower, fiscal year spending and property tax revenue by the amount debt service so funded. Debt service changes, reductions, (1) and (2) (c) refunds, and voter-approved revenue changes are dollar amounts that are exceptions to, and not part of, any district base. Voter-approved revenue changes do not require a tax rate change.

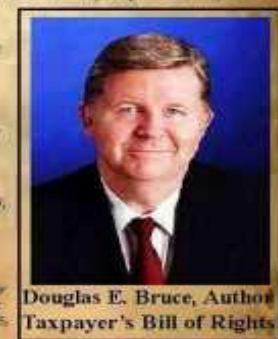
(6) **Revenue limits.** (a) New or increased transfer tax rates on real property taxes are prohibited. No new state real property tax or local district income tax shall be imposed. No other income tax rate increase nor a new state definition of taxable income shall apply before the next tax year. Any income tax law change after July 1, 1992 shall also require all taxes to be taxed at one rate, excluding refund tax credits or voter-approved tax credits, with no added tax or surcharge.

(b) Each district may enact cumulative uniform exemptions and credits to reduce or end business personal property taxes.

(c) Suppression of reassessment frequency, valuation notices shall be mailed annually and may be updated annually, with no presumption in favor of any pending valuation. Past or future sales by a vendor of government shall also be considered as comparable market sales and the sales prices kept as public records. Actual value shall be stated on all property tax bills and valuation notices and, for residential real property, determined solely by the market approach to appraisal.

(7) **State mandates.** Except for public education through grade 12 or as required of a local district by federal law, a local district may refuse or end its liability to any program obligated to it by the general assembly for administration. For current programs, the state may require 90 days notice and that the adjustment occur in a maximum of three equal annual installments.

Enacted by the People November 3, 1992 — Section 1 of article V of this constitution provides that to be stated measures shall have effect upon the Governor's proclamation. Subsection (1) of this section provides that this section shall take effect December 31, 1992, or as stated. (See subsection (4).) The Governor's proclamation was signed January 14, 1993. (For the text of this initiated measure, see L. 93, p. 2195.) Section 20 (3) (b) (v) amended November 9, 1994 — Effective upon proclamation of the Governor, January 10, 1995, 684 L. 94, p. 2851; the introductory portion to section 20 (3) (b) and (3) (b) (v) amended November 5, 1990 — Effective upon proclamation of the Governor, December 26, 1990. (For the text of the amendment and the voter cast thereon, see GOV 1990, p. 1425, and GOV 1990, p. 2393.)



Douglas E. Bruce, Author of Taxpayer's Bill of Rights

TABOR
Colorado's
Taxpayer's
Bill of Rights

Enacted by the People

ENACTED by the People of the State of Colorado, November 3, 1992, via the Colorado Constitution, Article V, Section 1 - Legislative Department

Appendix G: Colorado's, The Taxpayer's Bill of Rights

Colorado Constitution, Article X, Revenue

Section 20. The Taxpayer's Bill of Rights.

(1) **General provisions.** This section takes effect December 31, 1992 or as stated. Its preferred interpretation shall reasonably restrain most the growth of government. All provisions are self-executing and severable and supersede conflicting state constitutional, state statutory, charter, or other state or local provisions. Other limits on district revenue, spending, and debt may be weakened only by future voter approval. Individual or class action enforcement suits may be filed and shall have the highest civil priority of resolution. Successful plaintiffs are allowed costs and reasonable attorney fees, but a district is not unless a suit against it be ruled frivolous. Revenue collected, kept, or spent illegally since four full fiscal years before a suit is filed shall be refunded with 10% annual simple interest from the initial conduct. Subject to judicial review, districts may use any reasonable method for refunds under this section, including temporary tax credits or rate reductions. Refunds need not be proportional when prior payments are impractical to identify or return. When annual district revenue is less than annual payments on general obligation bonds, pensions, and final court judgments, (4) (a) and (7) shall be suspended to provide for the deficiency.

(2) Term definitions. Within this section:

(a) "Ballot issue" means a non-recall petition or referred measure in an election.

(b) "District" means the state or any local government, excluding enterprises.

(c) "Emergency" excludes economic conditions, revenue shortfalls, or district salary or fringe benefit increases.

(d) "Enterprise" means a government-owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenue in grants from all Colorado state and local governments combined.

(e) "Fiscal year spending" means all district expenditures and reserve increases except, as to both, those for refunds made in the current or next fiscal year or those from gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards, or property sales.

(f) "Inflation" means the percentage change in the United States Bureau of Labor Statistics Consumer Price Index for Denver-Boulder, all items, all urban consumers, or its successor index.

(g) "Local growth" for a non-school district means a net percentage change in actual value of all real property in a district from construction of taxable real property improvements, minus destruction of similar improvements, and additions to, minus deletions from, taxable real property. For a school district, it means the percentage change in its student enrollment.

(3) Election provisions.

(a) Ballot issues shall be decided in a state general election, biennial local district election, or on the first Tuesday in November of odd-numbered years. Except for petitions, bonded debt, or charter or constitutional provisions, districts may consolidate ballot issues and voters may approve a delay of up to four years in voting on ballot issues. District actions taken during such a delay shall not extend beyond that period.

(b) At least 30 days before a ballot issue election, districts shall mail at the least cost, and as a package where districts with ballot issues overlap, a titled notice or set of notices addressed to "All Registered Voters" at each address of one or more active registered electors. The districts may coordinate the mailing required by this paragraph (b) with the distribution of the ballot information booklet required by section 1 (7.5) of article V of this constitution in order to save mailing costs. Titles shall have this order of preference: "NOTICE OF ELECTION TO INCREASE TAXES/TO INCREASE DEBT/ON A CITIZEN PETITION/ON A REFERRED MEASURE." Except for district voter-approved additions, notices shall include only:

(i) The election date, hours, ballot title, text, and local election office address and telephone number.

(ii) For proposed district tax or bonded debt increases, the estimated or actual total of district fiscal year spending for the current year and each of the past four years, and the overall percentage and dollar change.

(iii) For the first full fiscal year of each proposed district tax increase, district estimates of the maximum dollar amount of each increase and of district fiscal year spending without the increase.

(iv) For proposed district bonded debt, its principal amount and maximum annual and total district repayment cost, and the principal balance of total current district bonded debt and its maximum annual and remaining total district repayment cost.

(v) Two summaries, up to 500 words each, one for and one against the proposal, of written comments filed with the election officer by 45 days before the election. No summary shall mention names of persons or private groups, nor any endorsements of or resolutions against the proposal. Petition representatives following these rules shall write this summary for their petition. The election officer shall maintain and accurately summarize all other relevant written comments. The provisions of this subparagraph (v) do not apply to a statewide ballot issue, which is subject to the provisions of section 1 (7.5) of article V of this constitution.

(c) Except by later voter approval, if a tax increase or fiscal year spending exceeds any estimate in (b) (iii) for the same fiscal year, the tax increase is thereafter reduced up to 100% in proportion to the combined dollar excess, and the combined excess revenue refunded in the next fiscal year. District bonded debt shall not issue on terms that could exceed its share of its

maximum repayment costs in (b) (iv). Ballot titles for tax or bonded debt increases shall begin, "SHALL (DISTRICT) TAXES BE INCREASED (first, or if phased in, final, full fiscal year dollar increase) ANNUALLY...?" or "SHALL (DISTRICT) DEBT BE INCREASED (principal amount), WITH A REPAYMENT COST OF (maximum total district cost), ...?"

(4) Required elections. Starting November 4, 1992, districts must have voter approval in advance for:

(a) Unless (1) or (6) applies, any new tax, tax rate increase, mill levy above that for the prior year, valuation for assessment ratio increase for a property class, or extension of an expiring tax, or a tax policy change directly causing a net tax revenue gain to any district.

(b) Except for refinancing district bonded debt at a lower interest rate or adding new employees to existing district pension plans, creation of any multiple-fiscal year direct or indirect district debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years.

(5) Emergency reserves. To use for declared emergencies only, each district shall reserve for 1993 1% or more, for 1994 2% or more, and for all later years 3% or more of its fiscal year spending excluding bonded debt service. Unused reserves apply to the next year's reserve.

(6) Emergency taxes. This subsection grants no new taxing power. Emergency property taxes are prohibited. Emergency tax revenue is excluded for purposes of (3) (c) and (7), even if later ratified by voters. Emergency taxes shall also meet all of the following conditions: (a) A 2/3 majority of the members of each house of the general assembly or of a local district board declares the emergency and imposes the tax by separate recorded roll call votes.

(b) Emergency tax revenue shall be spent only after emergency reserves are depleted, and shall be refunded within 180 days after the emergency ends if not spent on the emergency.

(c) A tax not approved on the next election date 60 days or more after the declaration shall end with that election month.

(7) Spending limits. (a) The maximum annual percentage change in state fiscal year spending equals inflation plus the percentage change in state population in the prior calendar year, adjusted for revenue changes approved by voters after 1991. Population shall be determined by annual federal census estimates and such number shall be adjusted every decade to match the federal census.

(b) The maximum annual percentage change in each local district's fiscal year spending equals inflation in the prior calendar year plus annual local growth, adjusted for revenue changes approved by voters after 1991 and (8) (b) and (9) reductions.

(c) The maximum annual percentage change in each district's property tax revenue equals inflation in the prior calendar year plus annual local growth, adjusted for property tax revenue changes approved by voters after 1991 and (8) (b) and (9)

reductions.

(d) If revenue from sources not excluded from fiscal year spending exceeds these limits in dollars for that fiscal year, the excess shall be refunded in the next fiscal year unless voters approve a revenue change as an offset. Initial district bases are current fiscal year spending and 1991 property tax collected in 1992. Qualification or disqualification as an enterprise shall change district bases and future year limits. Future creation of district bonded debt shall increase, and retiring or refinancing district bonded debt shall lower, fiscal year spending and property tax revenue by the annual debt service so funded. Debt service changes, reductions, (1) and (3) (c) refunds, and voter-approved revenue changes are dollar amounts that are exceptions to, and not part of, any district base. Voter-approved revenue changes do not require a tax rate change.

(8) Revenue limits. (a) New or increased transfer tax rates on real property are prohibited. No new state real property tax or local district income tax shall be imposed. Neither an income tax rate increase nor a new state definition of taxable income shall apply before the next tax year. Any income tax law change after July 1, 1992 shall also require all taxable net income to be taxed at one rate, excluding refund tax credits or voter-approved tax credits, with no added tax or surcharge.

(b) Each district may enact cumulative uniform exemptions and credits to reduce or end business personal property taxes.

(c) Regardless of reassessment frequency, valuation notices shall be mailed annually and may be appealed annually, with no presumption in favor of any pending valuation. Past or future sales by a lender or government shall also be considered as comparable market sales and their sales prices kept as public records. Actual value shall be stated on all property tax bills and valuation notices and, for residential real property, determined solely by the market approach to appraisal.

(9) State mandates. Except for public education through grade 12 or as required of a local district by federal law, a local district may reduce or end its subsidy to any program delegated to it by the general assembly for administration. For current programs, the state may require 90 days notice and that the adjustment occur in a maximum of three equal annual installments.

Enacted by the People November 3, 1992 — Section 1 of article V of this constitution provides that initiated measures shall take effect upon the Governor's proclamation. Subsection (1) of this section provides that this section shall take effect December 31, 1992, or as stated. (See subsection (4).) The Governor's proclamation was signed January 14, 1993. (For the text of this initiated measure, see L. 93. p. 2165.); section 20 (3)(b)(v) amended November 8, 1994 — Effective upon proclamation of the Governor, January 19, 1995. (See L. 94, p. 2851.); the introductory portion to section 20 (3)(b) and (3)(b)(v) amended November 5, 1996 — Effective upon proclamation of the Governor, December 26, 1996. (For the text of the amendment and the votes cast thereon, see Laws 1995, p. 1425, and Laws 1997, p. 2393.)

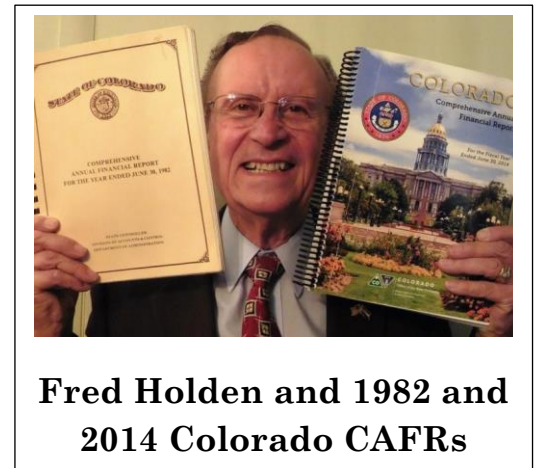
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Endnotes

- ⁱ NCSL, National Conference of State Legislatures, <http://www.ncsl.org/research/elections-and-campaigns/chart-of-the-initiative-states.aspx> .
- ⁱⁱ <http://data.bls.gov/pdq/SurveyOutputServlet>, Data extracted on: September 1, 2015, Consumer Price Index – All Urban Consumers. Series ID: CUURA433SAO, CUUSMA433AO; Area: Denver-Boulder-Greeley.
- ⁱⁱⁱ Appendix C: COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT 31, INDIVIDUAL FUND ANALYSIS, Conditions Expected to Affect Future Operations, p 38.
- CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY, 2014 CAFR< Page 37
- ^{iv} CAGR, Compound Annual Growth Rate, https://en.wikipedia.org/wiki/Compound_annual_growth_rate , <http://www.moneychimp.com/glossary/cagr.htm> , <http://best-excel-tutorial.com/55-advanced/108-cagr>
- ^v Appendix A: 2014 COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT •27: OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS; TABOR Revenue, Debt, and Tax-Increase Limits ; Background and Current Condition
- ^{vi} 2014 COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT, OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS, TABOR Revenue, Debt, and Tax-Increase Limits, Referendum C, page 29.
- ^{vii} “A Decade of TABOR Ten Years After: Analysis of the Taxpayer’s Bill of Rights” by Fred Holden, Independence Institute Issue Paper #8-2003, June, 2003, page 11.
- ^{viii} 2014 COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT, OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS, TABOR Revenue, Debt, and Tax-Increase Limits, Referendum C, page 30.
- ^{ix} 2014 COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT, OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS, TABOR Revenue, Debt, and Tax-Increase Limits, Referendum C, page 31.
- ^x 2012 CAFR, page 26.

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The official as-published Independence Institute Issue Paper, IP-4-2016 | May 2016, “**Two Decades of Colorado’s Taxpayer’s Bill of Rights**” by Fred Holden, may be found starting at:

<https://newsdenver.com/independence-institute-report-eyes-20-plus-years-of-colorados-tabor/>

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June 2003, Holden published the first of these papers, “*A Decade of TABOR, Ten Years After: Analysis of the Taxpayer’s Bill of Rights*,” Issue Paper No. #8-2003. It was very revealing but much less able to communicate the immense importance of this TABOR “Miracle in Colorado.” See [PDF][A Decade of TABOR - Independence Institute](http://www.independenceinstitute.org/articles/tabor2003.PDF) i2i.org/articles/tabor2003.PDF