***The Revenue Group recommends strongly oppose – the bill violates the League position calling for adequate funding of government programs.***

*Please approve strongly oppose HB23-1063, which, if enacted, would further decimate Colorado’s General Fund revenue from Income Tax.*

*This shortfall would challenge the Joint Budget Committee inordinately.*

*Please approve strong opposition for HB23-1063.*

Geoff Withers, 1/26/2023

 Volunteer Lobbyist

League of Women Voters of Colorado

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House Bill 23-1063

CONCERNING A REDUCTION OF THE STATE INCOME TAX RATE

House: State, Civic and Military Affairs

Summary: For income tax years commencing on and after January 1, 2024,
the bill reduces both the individual and the corporate state income tax
rates from 4.40% to 3.5%. The bill also exempts the rate reductions from
the existing statutory requirements that tax expenditure legislation include
a tax preference performance statement in a statutory legislative
declaration and a repeal after a specified period of tax years.

League Policy: The League supports income as a major tax base in Colorado. This measure would reduce state revenue from individual income taxes and corporate income taxes, for a 20% reduction in revenue from those sources. Without enacting either offsetting sources of revenue or commensurate cuts in spending, this measure is irresponsible on its face.

League of Women Voters stance: Strongly oppose

NOTE: the fiscal note on HD 23-1063 has not yet been released.