



March 21, 2022

House Finance Committee
Colorado General Assembly

RE: HB22-1123 - Standard Deduction Adjustment - OPPOSE

Dear Chair Bird, Vice-Chair Snyder, and Members of the Committee:

HB22-1123 would adjust Colorado's income tax standard deduction for inflation.

The League is a nonpartisan organization encouraging informed and active participation in government and influencing public policy through education and advocacy. Our members span the state of Colorado.

The League position supports a progressive tax system, with a higher overall tax rate for those who have more and a lower overall tax rate for those who have less.

The bill sounds benign, and is a small bit progressive, exempting a slightly larger dollar amount of each taxpayer's income each year. However, the fiscal note says the state will lose \$213.7 million in fiscal year 2023-24, and losses will only grow in the future as some amount of inflation continues each year.

This bill is a very blunt instrument, helping not only those who have little, but everyone who pays income tax, including those who have much. If the state wants to spend over \$200 million a year to aid those who need help most, there are more targeted ways, including increasing the earned income tax credit and child tax credit.

Please vote NO on HB22-1123.

Sincerely,

Maud Naroll, Volunteer Lobbyist
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