

What is TABOR?

Colorado's Taxpayer's Bill of Rights (TABOR) was approved by Colorado voters in 1992 as a constitutional amendment with the goal of restraining government spending and providing taxpayers with greater control over proposed tax increases.

TABOR outlines limitations for the state's revenue collection and expenditure growth as outlined by a formula based on inflation and population growth as seen below:

$$\begin{aligned} &\text{Total Spending Limit} = \text{Previous Year's Spending} \\ &+ \text{Previous Year's Spending} \times \text{Inflation Factor} \\ &+ \text{Previous Year's Spending} \times \text{Population Growth Factor} \end{aligned}$$

While TABOR has worked to maintain state spending at a rate of population growth plus inflation, both the state legislature and voters have approved revenues sources that grow outside of the TABOR spending limit. The largest source of state spending outside of TABOR has been Enterprise-based fees. Prior CSI research found that in the year 2000, fees amounted to \$222 per Coloradan, while General Fund spending amounted to \$1,174 per resident. By 2018, fees equaled \$3,136 per Coloradan, and General Fund spending equaled \$1,864. This means that for every \$1 increase in general fund revenue per Coloradan, enterprise fees have gone up \$4.22 – more than four times faster.



“**The bottom line**, when comparing the property tax increase to lost TABOR refunds, most taxpayers will pay more over the next 10 years if HH passes than if HH fails.”

— **Lang Sias**, Common Sense Institute 2023 Mike A. Leprino Fellow