

Be it Enacted by the People of the State of Colorado:



Colorado Revised Statutes 39-22-130. Income tax.

(1) Income tax law is long, complex, vague, and harsh. It should be short, simple, clear, and fair. The people must act. All penalties for income tax violations shall be replaced by one civil audit and one civil fine. This “Fair And Simple Tax” law, severable and effective on passage, shall supersede all conflicting laws, rules, and practices.

(2) New returns with only four lines shall be filed for 2019 and all later tax years. **Line 1** shall list federal taxable income times 4.6%. **Line 2** shall print a flat dollar amount that, times all returns, equals all income tax credits in 2018 and all illegal and excess revenue. Colorado residents may list that amount (doubled for joint returns) or less. **Line 3** shall list, with attachments, all prepaid state income tax, and 4.6% of income subtractions and income not from Colorado sources. **Line 4** shall list net state income tax or refund due (line 1 minus lines 2 and 3).

(3) The state shall start its income tax claims within one year after state and federal returns are filed or due. It shall accept federal findings on federal taxable income. Filers may have civil audits and a local civil jury. The state burden of proof is clear and convincing evidence. Filers shall pay a line 4 tax due, receive three times a state overcharge, plus \$300, and pay three times a proven tax deficit. Income tax refunds shall be paid in 30 days. Late payments bear 0.75% monthly interest and no penalty. All state income tax criminal cases, both prior and pending, shall be dismissed and void. No property shall be seized, levied, or liened for income tax due before final court judgment. The state shall not pursue tax deficits under \$20. Returns may be filed online.

(4) To determine excess revenue for line 2, the state shall adjust its 1993 fiscal year spending each later year only for changes in state population, inflation, legal enterprises, and fixed dollar amounts of voter-approved taxes. That adjustment shall also limit yearly changes after tax year 2019 in net state income tax. The 4.6% tax rate may be lowered any year. Increases shall list a fixed yearly dollar amount in their ballot titles, start the next tax year, and expire in four years. Extension of an expiring tax rate shall have a tax increase ballot title.