

## CHAPTER 400

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**TAXATION**


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**SENATE BILL 03-030**

BY SENATOR(S) Cairns, Andrews, Entz, Hillman, and Lambom;  
also REPRESENTATIVE(S) Lee, Coleman, Crane, Fairbank, Rhodes, Schultheis, and Williams S.

**AN ACT**

**CONCERNING THE DISCLOSURE TO EACH INDIVIDUAL TAXPAYER OF THE AVERAGE AMOUNT OF CERTAIN TAXES PAID BY THE TAXPAYER IN THE PREVIOUS CALENDAR YEAR.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** Part 1 of article 35 of title 24, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**24-35-108.5. Annual disclosure to individual taxpayers of average taxes paid.**

(1) FOR CALENDAR YEARS COMMENCING ON OR AFTER JANUARY 1, 2003, THE DEPARTMENT OF REVENUE SHALL DETERMINE THE AVERAGE AMOUNT OF CERTAIN FEDERAL, STATE, AND LOCAL TAXES PAID BY INDIVIDUAL TAXPAYERS BASED ON TAXPAYERS' AVERAGE INCOME AS PRESENTED IN THE MOST RECENT PUBLICATION OF THE DATA IN THE DEPARTMENT'S COLORADO TAX PROFILE STUDY, OR ITS SUCCESSOR. THE DEPARTMENT SHALL DISCLOSE SUCH INFORMATION TO TAXPAYERS ON AN ANNUAL BASIS PURSUANT TO THIS SECTION.

(2) (a) IN THE CALCULATION OF THE AVERAGE AMOUNT OF FEDERAL TAXES PAID BY INDIVIDUAL TAXPAYERS, THE DEPARTMENT OF REVENUE SHALL INCLUDE THE AVERAGE FEDERAL INCOME TAX AND THE AVERAGE AMOUNT OF THE JOINT EMPLOYER AND EMPLOYEE CONTRIBUTION TO SOCIAL SECURITY AND MEDICARE PAID ON BEHALF OF EACH EMPLOYEE FOR THE TAX YEAR CORRESPONDING TO THE MOST RECENT PUBLICATION OF THE DEPARTMENT'S COLORADO TAX PROFILE STUDY, OR ITS SUCCESSOR.

(b) IN THE CALCULATION OF THE AVERAGE AMOUNT OF STATE TAXES PAID BY INDIVIDUAL TAXPAYERS, THE DEPARTMENT OF REVENUE SHALL INCLUDE THE AVERAGE STATE INDIVIDUAL INCOME TAX; SALES AND USE TAX; GAS AND GASOHOL TAX; LICENSES AND REGISTRATIONS; TAX ON ALCOHOLIC BEVERAGES; AND TAX ON

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

## CIGARETTES AND TOBACCO.

(c) IN THE CALCULATION OF THE AVERAGE AMOUNT OF LOCAL TAXES PAID BY INDIVIDUAL TAXPAYERS, THE DEPARTMENT OF REVENUE SHALL INCLUDE THE AVERAGE RESIDENTIAL PROPERTY TAX; LOCAL SALES AND USE TAX; SPECIFIC OWNERSHIP TAX; AND OCCUPATIONAL TAX.

(3) FOR EACH OF THE TAXES SPECIFIED IN SUBSECTION (2) OF THIS SECTION, THE DEPARTMENT OF REVENUE SHALL DETERMINE THE AVERAGE AMOUNT OF TAXES PAID BY INCOME CLASSES AS PRESENTED IN THE MOST RECENT PUBLICATION OF SUCH DATA IN THE DEPARTMENT'S COLORADO TAX PROFILE STUDY, OR ITS SUCCESSOR. SUCH INCOME CLASSES SHALL BE STRATIFIED FROM THE LOWEST TO THE HIGHEST INCOME TAX RANGES.

(4) THE DEPARTMENT OF REVENUE SHALL PREPARE A TABLE THAT DISCLOSES THE AVERAGE AMOUNT OF TAXES PAID BY TAXPAYERS AS PRINTED IN THE MOST RECENT PUBLICATION OF THE DEPARTMENT'S COLORADO TAX PROFILE STUDY, OR ITS SUCCESSOR. EACH TAX SPECIFIED IN SUBSECTION (2) OF THIS SECTION SHALL BE LISTED IN A COLUMN ON THE LEFT SIDE OF THE TABLE. THE INCOME RANGES SPECIFIED IN SUBSECTION (3) OF THIS SECTION SHALL APPEAR ACROSS THE TOP OF THE TABLE. THE AVERAGE AMOUNT PAID FOR EACH TAX, THE AVERAGE TOTAL AMOUNT PAID IN FEDERAL, STATE, AND LOCAL TAX, AND THE AVERAGE TOTAL AMOUNT PAID FOR ALL TAXES COMBINED SHALL APPEAR UNDER EACH INCOME RANGE. THE TABLE SHALL BE TITLED "DISCLOSURE OF AVERAGE TAXES PAID", AND THE TITLE LINE OF THE TABLE SHALL BE PRINTED IN EIGHTEEN-POINT TYPE OR LARGER.

(5) THE DEPARTMENT OF REVENUE SHALL PRINT THE TABLE PREPARED PURSUANT TO SUBSECTION (4) OF THIS SECTION IN THE INCOME TAX BOOKLET THAT THE DEPARTMENT MAILS TO TAXPAYERS ON AN ANNUAL BASIS. THE DEPARTMENT SHALL PRINT THE TABLE IN A CLEAR AND NOTICEABLE LOCATION IN THE INCOME TAX BOOKLET AND SHALL INDICATE THE LOCATION OF SUCH TABLE IN THE TABLE OF CONTENTS FOR THE INCOME TAX BOOKLET. THE DEPARTMENT SHALL ALSO MAKE THE TABLE AVAILABLE THROUGH THE "NETFILE" LINK ON THE DEPARTMENT'S WEBSITE AND SHALL ENSURE THAT THE TABLE IS CLEARLY ACCESSIBLE THROUGH A NOTICEABLE LINK ON THE "NETFILE" WEBSITE.

**SECTION 2. Effective date.** This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: June 5, 2003