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Legislative Council Staff  
2/14/2023 12:37 pm

Initiative 2023-2024 # \_\_\_\_\_ : State Income Tax Rate Reduction

PROPOSED INITIATIVE 2023-2024 # \_\_\_\_\_ STATE INCOME TAX RATE REDUCTION

*Be it enacted by the People of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, 39-22-104, **add** (1.7)(d) as follows:

**39-22-104. Income tax imposed on individuals, estates, and trusts - single rate - legislative declaration - definitions - repeal.**

(1.7)(d) EXCEPT AS OTHERWISE PROVIDED IN SECTION 39-22-627, SUBJECT TO SUBSECTION (2) OF THIS SECTION, WITH RESPECT TO TAXABLE YEARS COMMENCING ON OR AFTER JANUARY 1, 2025, A TAX OF FOUR AND TWENTY-FIVE ONE-HUNDREDTHS PERCENT IS IMPOSED ON THE FEDERAL TAXABLE INCOME, AS DETERMINED PURSUANT TO SECTION 63 OF THE INTERNAL REVENUE CODE, OF EVERY INDIVIDUAL, ESTATE, AND TRUST.

**SECTION 2.** In Colorado Revised Statutes, 39-22-301, **add** (1)(d)(I)(L) as follows:

**39-22-301. Corporate tax imposed.** (1)(d)(I) A tax is imposed upon each domestic C corporation and foreign C corporation doing business in Colorado annually in an amount of the net income of such C corporation during the year derived from sources within Colorado as set forth in the following schedule of rates:

(L) EXCEPT AS OTHERWISE PROVIDED IN SECTION 39-22-627, FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2025, FOUR AND TWENTY-FIVE ONE-HUNDREDTHS PERCENT OF THE COLORADO NET INCOME.  
THE COLORADO NET INCOME.

**SECTION 3. Implementation, self-executing, severability, conflicting provisions.** No less than six months from the effective date of this act, the general assembly

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shall enact legislation implementing this act. All provisions of this act shall be self-executing, shall be severable and shall supersede all conflicting state law.

**SECTION 4. Effective date.** This act shall take effect upon proclamation by the governor pursuant to Sec. 1(4) of Article V of the Colorado Constitution.