

Report Highlights



Schedule of TABOR Revenue

State of Colorado • Office of the State Controller
Performance Audit • October 2026 • 2657P

OFFICE OF THE STATE AUDITOR

C O L O R A D O

Key Concerns

Overall, we were not able to obtain sufficient, appropriate evidence to conclude on the Office of the State Controller's (OSC) compliance with applicable laws, rules, and regulations related to Section 24-77-101 through 109, C.R.S., in preparing the TABOR Financial Report and the certification required by Section 24-77-106.5, C.R.S. Through our audit testwork, we were unable to determine that the TABOR Financial Report, as recertified by the State Controller on September 8, 2026, agreed to the State's underlying accounting records for Fiscal Year 2026 that were contained in the State's accounting system as of September 5, 2026.

Key Findings

- The OSC did not have adequate internal controls—such as an appropriate supervisory review process and training or cross-training of staff—in place for Fiscal Year 2026 to ensure accurate TABOR reporting.
- The OSC experienced turnover in the staff that prepared and reviewed the TABOR Financial Report, which appeared to contribute to the issues we found.
- The OSC did not ensure all State revenue was properly and timely recorded in the State's accounting system prior to the State Controller's September 1 TABOR certification.
- The OSC's procedures are lacking some guidance for staff to follow when preparing the TABOR Financial Report.

Background

- The Taxpayer's Bill of Rights (TABOR) was added to the Colorado Constitution in the November 1992 general election.
- TABOR limits are increased based on the annual inflation rate plus the percentage change in Colorado's population growth rate.
- The State Controller is required to certify TABOR revenue to the Governor, General Assembly, and the Executive Director of the Department of Revenue no later than September 1 of each year.
- The State Controller's certification is used by the Office of the Governor, the General Assembly, and the Department of Revenue for planning and budgeting purposes.

- The Office of the State Auditor is required to audit the TABOR Financial Report by September 15 of each year. As noted in the State Controller’s September 8, 2026 recertification, the amounts in the TABOR Financial Report are based on unaudited account balances and are subject to change. Any adjustments are expected to be reflected in the final audited Schedule of TABOR Revenue and Computations, which will be included in the State’s Fiscal Year 2026 Annual Comprehensive Financial Report.
- The State Controller reported on September 8, 2026 that Fiscal Year 2026 revenue is under the Excess State Revenues Cap by \$275,083,885; therefore, there is no TABOR refund for Fiscal Year 2026.

Audit Recommendations Made	Agency Responses		
	Agree	Partially Agree	Disagree
4	4	0	0