



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Memorandum

September 2, 2025

TO: Executive Committee of the Legislative Council
FROM: Legislative Council Staff
SUBJECT: TABOR Fiscal Information for Proposition MM

The Taxpayer's Bill of Rights (TABOR) in the Colorado Constitution requires that certain fiscal information be provided to voters when state bonded debt, a new tax, or a tax increase is proposed in an election. Under state law, fiscal information for statewide tax measures is required to be provided in the Blue Book by the Executive Committee of the Legislative Council.¹

Proposition MM proposes an increase in state income taxes by lowering the thresholds for additions of federal income tax deductions when calculating state taxable income. Attachment A provides the fiscal information recommended for inclusion in the Blue Book to satisfy the constitutional requirements. The tables in Attachment A are labeled "Table 5" and "Table 6" to correspond with the table numbers in the Blue Book.

¹ Section 1-40-124.5 (1.5), C.R.S.



Attachment A

State Spending and Tax Increases

Article X, Section 20, of the Colorado Constitution requires that the following fiscal information be provided when a tax increase question is on the ballot:

- estimates or actual amounts of state fiscal year spending for the current year and each of the past four years with the overall percentage and dollar change; and
- for the first full year of the proposed tax increase, estimates of the maximum dollar amount of the tax increase and of fiscal year spending without the increase.

“Fiscal year spending” is a legal term in the Colorado Constitution. It equals the amount of revenue subject to the constitutional spending limit that the state or a district is permitted to keep and either spend or save for a single year. Table 5 shows state fiscal year spending for the current year and each of the past four years.

Table 5
State Fiscal Year Spending

Fiscal Year	Actual FY 2021-22	Actual FY 2022-23	Actual FY 2023-24	Actual FY 2024-25	Estimated FY 2025-26
Fiscal Year Spending	\$16.01 billion	\$16.66 billion	\$18.07 billion	\$19.15 billion	\$19.16 billion

Four-Year Dollar Change in State Spending: \$3.15 billion

Four-Year Percent Change in State Spending: 19.7 percent

Table 6 shows the revenue expected from the income tax increase in Proposition MM for FY 2026-27, the first full fiscal year for which the tax increase would be in place, and an estimate of state fiscal year spending without the tax increase.

Table 6
Estimated State Fiscal Year Spending and the Proposed Tax Revenue Increase

	FY 2026-27 Estimate
Fiscal Year Spending Without the Tax Increase	\$23.51 billion
Revenue Increase from Increased Income Taxes	\$95.0 million