



# COLORADO

## Office of the State Controller

Department of Personnel  
& Administration

1525 Sherman St.  
Denver, CO 80203

September 2, 2014

The Honorable John W. Hickenlooper  
Governor  
State of Colorado

The Honorable Morgan Carroll  
President of the Senate  
Colorado General Assembly

The Honorable Mark Ferrandino  
Speaker of the House  
Colorado General Assembly

Barbara Brohl  
Executive Director  
Colorado Department of Revenue

Dear Ladies and Gentlemen:

Pursuant to CRS 24-77-106.5(1)(b), I hereby certify that for Fiscal Year 2013-14, the unaudited State revenues subject to Article X, Section 20 (TABOR) of the State Constitution are \$11,683,129,973. As of the certification date, these revenues are less than the Excess State Revenues Cap (ESRC) by \$169,252,717, and no refund of State revenues is required in Fiscal Year 2014-15 related to Fiscal Year 2013-14 revenues subject to TABOR. Please see the attached Preliminary Schedule of Computations Required Under Article X, Section 20.

Additionally, the Comparison of Nonexempt TABOR Revenues is attached, comparing general and program nonexempt TABOR revenues for Fiscal Year 2013-14 to Fiscal Year 2012-13. Total revenues not exempt from TABOR were more than the previous fiscal year by 5.2 percent. The \$11,683,129,973 nonexempt revenue is adjusted by:

- An increase of \$14,110,760 of newly qualified revenues recorded by Adams State University when it disqualified as a TABOR Enterprise in Fiscal Year 2013-14, and,
- A decrease of \$121,424 of newly disqualified partial-year revenues recorded by the Department of Natural Resources when the Colorado Geological Survey was transferred to the Colorado School of Mines, a TABOR enterprise, on January 31, 2013.

The growth rate of the nonexempt TABOR revenues is 5.2% for Fiscal Year 2013-14, which is more than the allowable TABOR growth rate of 3.3% for this fiscal year. As a result, the Amount Under the Adjusted ESRC limit declined from \$352,900,856 in Fiscal Year 2012-13 to \$169,252,717 in Fiscal Year 2013-14.



The nonexempt TABOR revenues The Fiscal Year Spending (FYS) limit, which, prior to Referendum C, was the trigger used for refunding to the taxpayers, is required to be reported. For Fiscal Year 2013-14, the State revenues subject to TABOR are over the FYS limit by \$2,116,544,248.

The amounts reported in the attached schedules are based on unaudited account balances, and they are therefore subject to change. The State Auditor is required by statute to report on the audit of these amounts by September 15, 2014.

If there are questions concerning the information provided please feel free to contact me.

Sincerely yours,



Robert Jaros, CPA, MBA, JD  
Colorado State Controller

cc: Kathy Nesbitt, Personnel & Administration  
Henry Sobanet, OSPB



**STATE OF COLORADO  
PRELIMINARY SCHEDULE OF COMPUTATIONS REQUIRED  
UNDER ARTICLE X, SECTION 20 -- UNAUDITED  
AS OF JUNE 30, 2014**

Certification Date: September 2, 2014

	FISCAL YEAR 2012-13	FISCAL YEAR 2013-14
<b>COMPUTATION OF NONEXEMPT REVENUES</b>		
Total State Expenditures	\$ 37,259,054,162	\$ 38,550,430,603
Less: Exempt Activity	26,995,082,230	27,542,103,350
Nonexempt District Expenditures	10,263,971,932	11,008,327,253
District Reserve/Fund Balance Increase (Decrease)	843,368,961	674,802,720
<b>Total Nonexempt District Revenues</b>	<b>\$ 11,107,340,893</b>	<b>\$ 11,683,129,973</b>
<b>COMPUTATION OF DISTRICT FUND BALANCE CHANGES</b>		
Beginning District Fund Balance	\$ 5,259,747,850	\$ 6,122,074,058
Qualifications, Disqualifications and Other Adjustments	862,326,208	721,593,195
<b>Ending District Fund Balance</b>	<b>\$ 6,122,074,058</b>	<b>\$ 6,843,667,253</b>

	FISCAL YEAR SPENDING	EXCESS STATE REVENUES CAP
<b>COMPUTATION OF SPENDING LIMITATIONS</b>		
Fiscal Year 2012-13 Limit	\$ 9,247,466,372	\$ 11,460,241,749
Qualification of Enterprises	(121,424)	(121,424)
Other Adjustments	(31,332)	(31,332)
Fiscal Year 2012-13 Adjusted Limit	\$ 9,247,313,616	\$ 11,460,088,993
Allowable TABOR Growth Rate	3.3%	3.3%
Fiscal Year 2013-14 Unadjusted Limit	\$ 9,552,474,965	\$ 11,838,271,930
Disqualification of Enterprises	14,110,760	14,110,760
Fiscal Year 2013-14 Adjusted Limit	\$ 9,566,585,725	\$ 11,852,382,690
Less: Fiscal Year 2013-14 Nonexempt District Revenues	(11,683,129,973)	(11,683,129,973)
<b>Amount (Over)Under Adjusted Limit</b>	<b>\$ (2,116,544,248)</b>	<b>\$ 169,252,717</b>
Under(Over) Statement of Prior Years' Refunds Carried Forward to Next Refund Year		\$ 2,899,667
FY2004-05 Amount in Excess of the Limit - Not Refunded at June 30, 2013		\$ 705,716
FY2013-14 Retention of Revenues in Excess of the Limit (not refundable) CRS 24-77-103.6(1)(b)		\$ 2,116,544,248

**STATE OF COLORADO**  
**OFFICE OF THE STATE CONTROLLER**  
**COMPARISON OF NONEXEMPT TABOR REVENUES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**  
**UNAUDITED**

	Fiscal Year 2013-14	Fiscal Year 2012-13	Increase (Decrease)	Percent Change
<b>GENERAL REVENUES</b>				
Individual Income Tax, Net	\$ 5,224,325,302	\$ 5,114,790,948	\$ 109,534,354	2.1%
Sales and Use Tax, Net	2,657,063,024	2,454,454,528	202,608,496	8.3%
Corporate Income Tax, Net	665,362,734	597,441,383	67,921,351	11.4%
Insurance Taxes	239,059,118	210,415,209	28,643,909	13.6%
Tobacco Products Tax, Net	53,453,368	53,851,429	(398,061)	-0.7%
Alcoholic Beverages Tax, Net	40,335,006	39,211,611	1,123,395	2.9%
Fiduciary Income Tax, Net	48,323,488	34,002,352	14,321,136	42.1%
Interest and Investment Income	12,602,004	17,188,344	(4,586,340)	-26.7%
Court and Other Fines	8,129,137	7,566,620	562,517	7.4%
Business Licenses and Permits	7,036,456	4,893,664	2,142,792	43.8%
Miscellaneous Revenue	2,333,516	2,665,762	(332,246)	-12.5%
Gaming and Other Taxes	617,384	689,627	(72,243)	-10.5%
General Government Service Fees	493,620	550,608	(56,988)	-10.4%
Other General Revenue	569,714	177,546	392,168	220.9%
<b>TOTAL GENERAL REVENUES</b>	<b>8,959,703,871</b>	<b>8,537,899,631</b>	<b>421,804,240</b>	<b>4.9%</b>
<b>PROGRAM REVENUE</b>				
Health Service Fees	633,638,515	718,788,307	(85,149,792)	-11.8%
Fuel and Transportation Taxes, Net	575,456,506	554,403,825	21,052,681	3.8%
Severance Taxes	252,740,948	131,173,685	121,567,263	92.7%
Motor Vehicle Registrations	238,192,200	231,107,330	7,084,870	3.1%
Court and Other Fines	167,329,876	167,077,383	252,493	0.2%
Other Charges For Services	149,712,064	143,590,897	6,121,167	4.3%
Business Licenses and Permits	147,613,626	129,124,669	18,488,957	14.3%
Gaming and Other Taxes	95,824,618	94,897,462	927,156	1.0%
General Government Service Fees	50,906,419	42,415,050	8,491,369	20.0%
Sales and Use Tax, Net	48,420,449	42,825,789	5,594,660	13.1%
Rents and Royalties	47,512,429	45,411,040	2,101,389	4.6%
Interest and Investment Income	45,065,709	45,790,240	(724,531)	-1.6%
Local Governments and Authorities	44,876,434	26,139,529	18,736,905	71.7%
Nonbusiness Licenses and Permits	33,442,359	32,232,217	1,210,142	3.8%
Public Safety Service Fees	33,135,910	21,364,943	11,770,967	55.1%
Miscellaneous Revenue	30,216,857	27,718,343	2,498,514	9.0%
Driver's Licenses	29,484,105	32,134,527	(2,650,422)	-8.2%
Employment Taxes	28,634,556	25,723,693	2,910,863	11.3%
Certifications and Inspections	21,190,611	20,349,904	840,707	4.1%
Insurance Taxes	17,803,877	22,882,646	(5,078,769)	-22.2%
Higher Education Auxiliary Sales and Services	7,500,331	4,512,599	2,987,732	66.2%
Educational Fees	6,825,518	6,129,967	695,551	11.3%
Other Program Revenue	3,791,425	3,525,793	265,632	7.5%
<b>TOTAL PROGRAM REVENUES</b>	<b>2,709,315,342</b>	<b>2,569,319,838</b>	<b>139,995,504</b>	<b>5.4%</b>
Disqualification of TABOR Enterprise: <b>Adams State University</b>	14,110,760		14,110,760	N/A
Qualification of TABOR Enterprise: <b>Colorado Geological Survey</b>	-	121,424	(121,424)	N/A
<b>TOTAL NONEXEMPT REVENUE</b>	<b>\$ 11,683,129,973</b>	<b>\$ 11,107,340,893</b>	<b>\$ 575,789,080</b>	<b>5.2%</b>