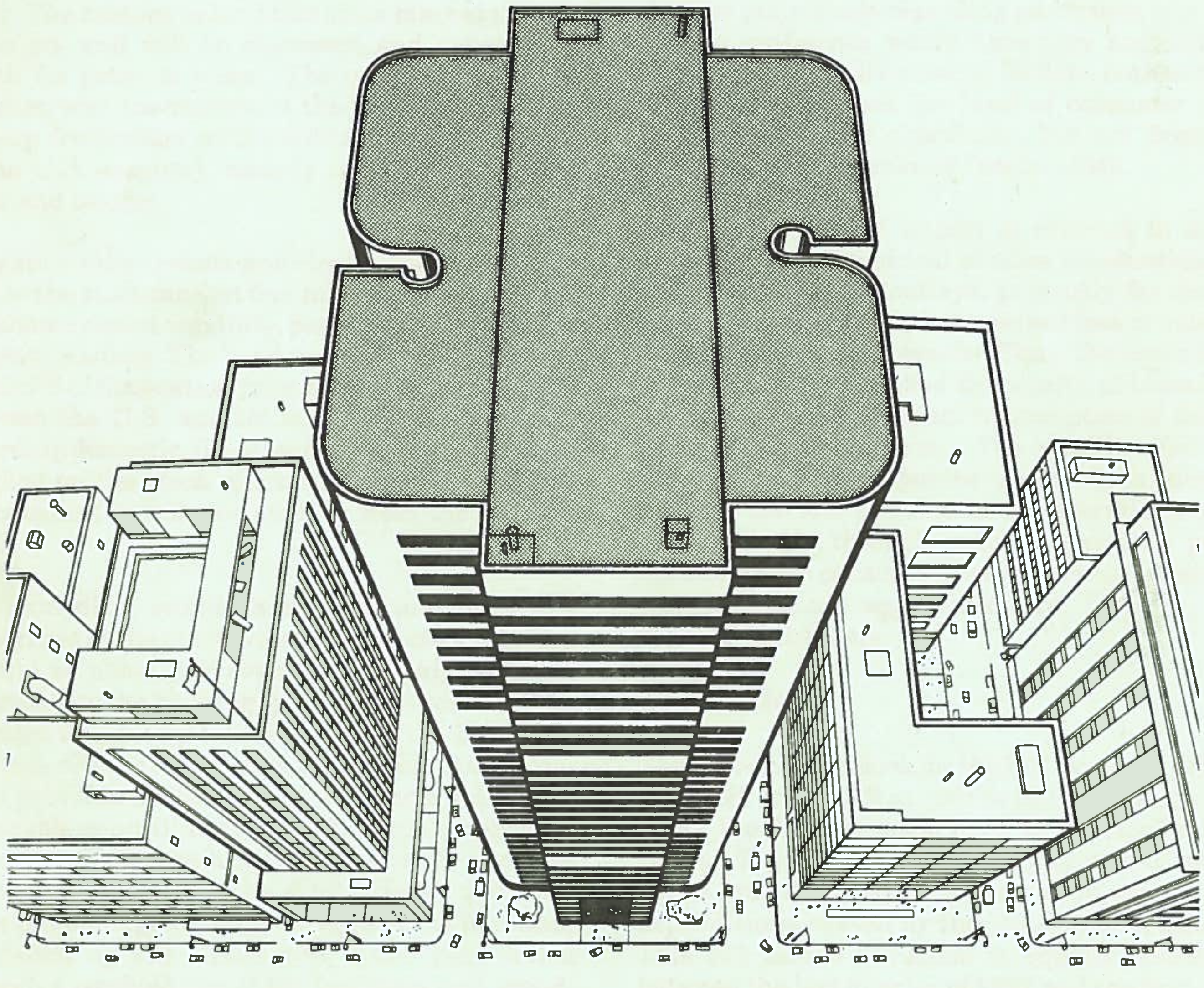
Colorado Department of Revenue Office of Tax Analysis

COLORADO ECONOMIC PERSPECTIVE

4th Quarter, 1987



A quarterly publication reviewing and forecasting the economic and revenue situation for Colorado.

U.S. FORECAST

The October stock market crash is a deflationary shock to not only the U.S., but also to the world economy.

The crash is forecast to shave a full percentage point off of 1988 real GNP growth, lower inflation and prevent interest rates from rising significantly.

While no full scale recession is called for in 1988, the crash has brought pressure to bear on the Federal Government to mend its deficit-laden ways.

Recent Developments

October 19, 1987 is the date in history which clearly signaled the end of what had become "business as usual" in the United States. On that day alone, one-half trillion dollars in stock market wealth evaporated. The reasons behind this stock market plunge are many and will be discussed and debated at length for years to come. The overriding reason, however, was the release of the financial markets pent-up frustration with fundamental imbalances in the U.S. economy, namely the twin deficits of trade and budget.

To be sure, other events and circumstances contributed to the stock market free fall. The market itself had shown recent volatility, partly laid at the feet of program trading. The bond market had exhibited a high level of fluctuation prior to the crash. Disputes between the U.S. and its major trading partners regarding domestic, fiscal, and monetary policy also weighed on the stock market in combination with the constant tension emanating from the Persian Gulf.

The immediate reactions of fiscal and monetary authorities to the crash were in sharp contrast. The Fed did an about face overnight, quickly pumping reserves into the banking system. As a result, interest rates fell, precipitating a rally in the U.S. bond markets. On the other hand, the President and Congress provided a classic example of how politicians are unable or unwilling to quickly reach agreements on budget deficit reductions. After four weeks of tortuous negotiations, the White House and Congress did manage to reach an agreement to reduce the deficit by $76 billion over a two year period through a combination of tax increases and spending cuts. Details of the plan are still hazy, but it appears that most of the increased tax burden will fall on corporations. The final deficit-cutting plan must still wind its way through Congress.

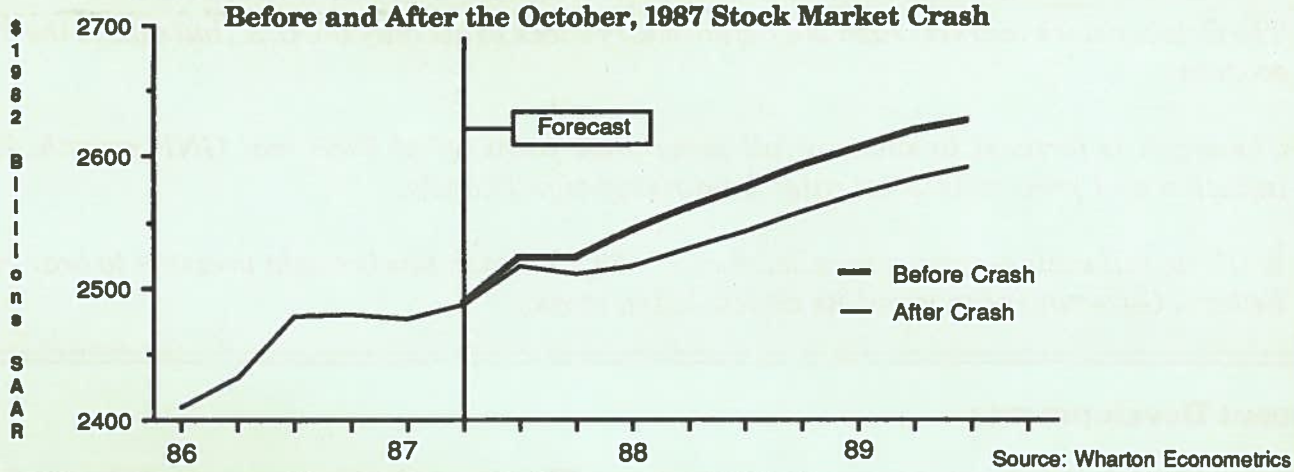
The economic consequences of the stock market crash are focused in two areas. The first is the erosion of consumer confidence caused by the crash. Because of the importance this factor plays in decisions by individuals regarding purchases, any large drop in confidence would have very negative impacts on the overall economy. To date, both national surveys which track the level of consumer confidence have shown significant, but not dramatic, downturns in the wake of October 19th.

The second area of impact is referred to as the wealth effect. Empirical studies substantiate the fact that consumer outlays, primarily for durable goods, are impacted by a perceived loss of value, or wealth, in a person's assets. Thus, the crash in the stock market diminished the wealth of households and will adversely impact consumption of durable goods in the near-term. The wealth effect also extends to the corporate sector both directly, through the loss of value in a corporation's stock, and indirectly through reduced corporate profits resulting from consumption slowdowns. Impacts on corporations are more uncertain, however, than those on consumers.

The Outlook

The post-crash outlook for the U.S. economy calls for real GNP to be 2.2% in 1988, a full percentage point below the forecast made prior to the stock market crash. The slowdown in the 1988 rate of growth stems from a $25 billion dollar fall in consumption expenditures caused by the stock market collapse. This $25 billion reduction is equally distributed between the last quarter of 1987 and the first quarter of 1988. The following chart shows the forecast level of real consumption expenditures before and after the crash.

A COMPARISON OF U.S. CONSUMER EXPENDITURE FORECASTS
Before and After the October, 1987 Stock Market Crash



As a result of the 1988 stock market induced slowdown, its deflationary impact will put less upward pressure on interest rates. The good news is that the economic downturn originally seen in late 1989 is reduced in severity in the after the crash outlook.

The remaining sectors of the U.S. economy reflect the pattern of slower growth in 1988. Pre-tax corporate profits are expected to be diminished but still positive in 1988 because of reductions in domestic consumer expenditures. The CPI-U, driven by higher import prices, will move between four and five percent over the forecast period. Interest rates will rise in 1988 and 1989 before falling in 1990.

Business fixed investments along with growth in U.S. exports will be the main source of strength in 1988. Exports should be strong over the entire forecast period.

Employment growth will average about 1.5% in 1988 and 1989 before falling to under 1.0% in 1990 as the economy slows. As a result, the unemployment rate holds steady for the next two years before rising in 1990. Housing starts fall in 1988 and 1989 in reaction to the stock market and rising interest rates.

Oil prices are assumed to stay in the $18-$20 barrel range. The dollar is expected to fall approximately 7.0% in 1988 and 3.5% in 1989 before rising in 1990. The growth rates in foreign countries should average 2.5% per year. It is assumed that the worldwide stock market crash will reduce world growth, but by far less than in the U.S. because stock ownership is much more concentrated abroad.

In the area of monetary policy, the Fed is assumed to pursue its current expansionary course until mid-1988. By that time, the upward trend in inflation plus a continued fall in the dollar results in a policy of tighter money. Through a continuation of increased federal taxes plus moderate spending restraint, fiscal policy is assumed to be slightly restrictive over the forecast period.

Critical Forecast Risk

The largest risk to the U.S. forecast appears to be on the negative side because of larger than anticipated retrenchment in private domestic consumption from the stock market crash. Any reduction in consumption over the $25 billion already estimated would significantly increase the risk of a 1988 recession. This reduction is predicated on the assumption that the 25% of U.S. households which own stock viewed 40% of their loss as transitory. If the entire loss was viewed as real, the consumption reduction could be much more. Timing of the fall in consumption may also be a problem. Because a large portion of stock wealth in the U.S. is intermediated, i.e. held in pension funds, etc., the drop in consumption because of diminished wealth may take longer to manifest itself than the assumed six month period.

Another factor adding to the uncertain ramifications of the stock market collapse is the course of fiscal and monetary policy. If the Fed should be less than accommodating and/or the Congress and the White House raise taxes or cut spending too much, the U.S. economy could stall in 1988. One important factor arguing against such an occurrence is that 1988 is a national election year. One of the surest paths to the political unemployment line would be allowing the U.S. economy to slip into recession in 1988.

THE COLORADO ECONOMY

Despite scattered signs of improvement the Colorado economy shows little tangible evidence of strength.

At the present time, the stock market crash is not expected to have a significant negative impact on the State's economy.

Overview

At what seems to be a snails pace, the Colorado economy has been showing signs of getting better. And while the state has come off the critical status, it has yet to be given a clean bill of health. Positive indicators have included:

- A decline in the unemployment rate, including both initial and continuing claims;
- An increase in the rocky mountain rotary rig count;
- A steady improvement in the Center for Business and Economic Forecasting's leading economic index indicator;
- A continued low inflation rate and a recent decline in interest rates.

There are several national trends which should help the Colorado economy in the future. The first is improvement in the real trade deficit and signs that the nominal deficit is beginning to turn around. Colorado's high technology and other exporting sectors should show some direct benefit from a falling dollar. A factor which should help Colorado's housing and construction markets is the Federal Reserve Board's flexible monetary policy. In response to very tight credit markets resulting from the recent free-for-all in the stock market, the Fed loosened up the strings on the money supply. The resulting decline in interest rates may give a little more stimulus to the Colorado economy.

The Governor and State Legislature have also taken actions to improve the overall business climate in Colorado. Through a combination of legislation, increased emphasis on economic development programs, and promotional activities, Colorado has moved a step towards greater self sufficiency.

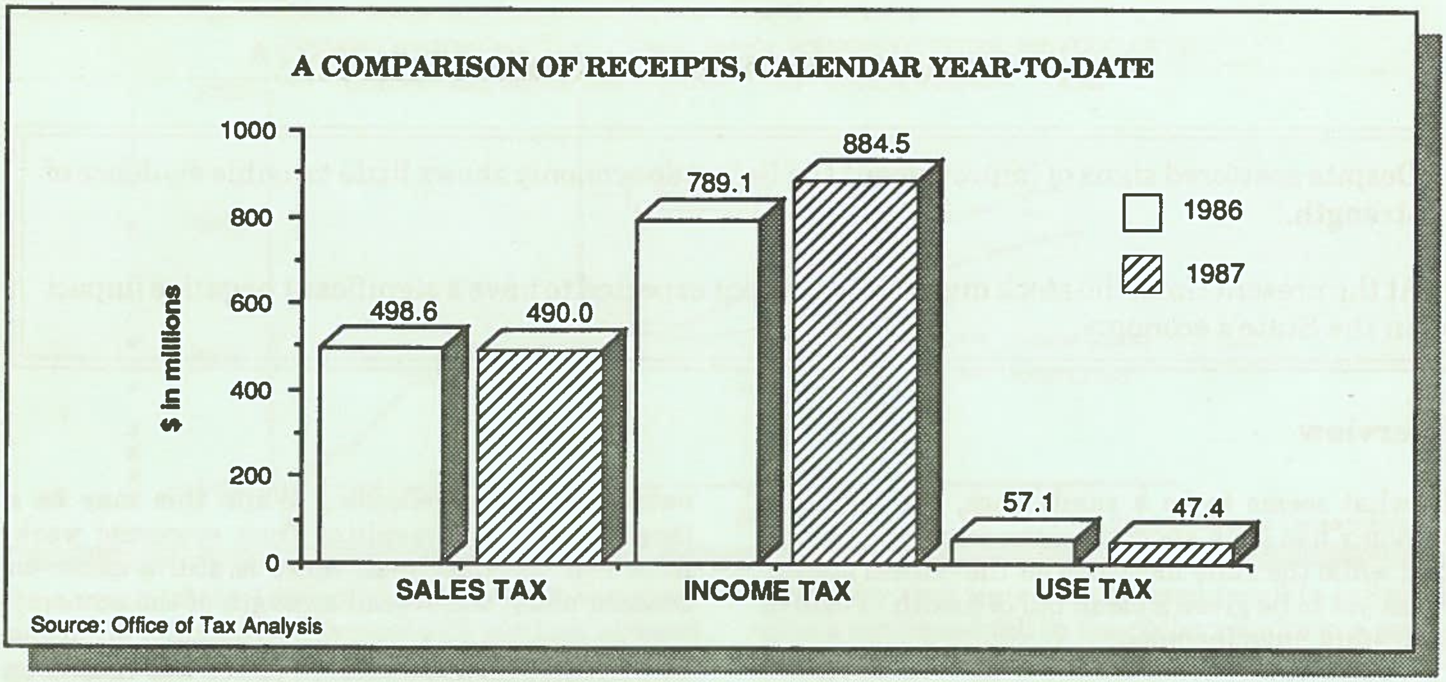
There are several downside factors which may hurt the progress of the Colorado economy. The first is a very high number of business failures and homeowner mortgage defaults. While this may be a lagging indicator, resulting from economic weakness over the past year, there is still a cause for concern about the overall strength of the economy.

The recent rise in petroleum prices has firmed up the oil sector, but prices are likely to fall again in the near future, reflecting an oversupply of oil in world markets.

Recent arms negotiations with the USSR have yielded good news. However, if the Federal government applies the fiscal brakes too quickly, the Colorado economy could be hurt. A recent study by the Center for Economic Analysis has shown that approximately 8.9% of State employment results from DOD expenditures. The estimate includes direct, indirect and induced jobs. Colorado has a high percentage of it's DOD contracts awarded in research and development, and in space related activities.

The crashing stock market is a destabilizing factor on the Colorado economy. There is concern that the wealth effects will cause the already hesitant Colorado consumer to retrench further. Any significant reduction in spending could quickly wipe out the recent improvement in the Colorado economy.

Many economists feel that if the consumer can overcome a psychological hurdle in regards to the stock market crash, they will behave pretty normally. For the most part, the wealth of people is tied up in their homes, and if there is no severe impact on property values, then most consumers should not feel a significant wealth effect from the stock market tumble. Overall, the stock market impact should be blunted in Colorado. But, a note of caution. When oil prices plunged several years ago, few people foresaw a significant impact on the Colorado economy.



General Fund Revenue Collections

The above chart shows year-to-date revenue collections for major components of the General Fund. A comparison is made for the first three quarters of 1986 with the first three quarters of 1987.

Even though sales tax receipts have fallen in 1987, collections in recent months have begun to pick up. Use tax collections have gone sour and remain so. A major factor in their decline has been a weak construction sector.

As a result of Federal tax reform enacted in 1986, the majority of citizens in Colorado faced a sharp state tax increase. In response, the State legislature introduced a flat tax which cut into the tax hike. However, a partial windfall has remained, and this is reflected in the jump in personal and corporate tax receipts received by Colorado in 1987. Although it is a educated guess at this time how much additional income tax has been collected as a windfall component, it is felt that the State would still be collecting more income tax revenues in 1987 than in 1986, even if federal tax reform had not been implemented.

Colorado Economic Forecast

Because of the turbulence in the stock market, many economic indicators were revised down from the September forecast. However, reflecting the overall uncertainty of the wealth and consumer spending impacts, the reduction was mild and mainly reflected a more pessimistic national outlook.

As before, the non-agricultural employment forecast shows no growth in 1987. After a 0.8% gain in 1988, the nation's economic slowdown reduces the 1989 growth rate to 0.6%. With improvements in oil and resource industries, and payoffs from Governor Romer's economic develoment efforts, employment growth is forecast to show a solid 1.3% gain in 1990.

As noted earlier, the unemployment rate peaked earlier in the year and is forecast to show improvement through 1990. Reflecting national conditions, inflation is expected to remain moderate throughout the forecast period. This may be one of the highest risk variables which could shoot up in the next few years. The primary reasons for inflationary pressures at the present time are a falling dollar, a rapidly expanding money supply and wage increases.

Other economic variables such as personal income, payrolls, and retail trade sales, are forecast to show growth which primarily reflects inflationary adjustments. Both residential and non-residential construction show little room for optimism. It will be years before the office glut is reduced to a level where large-scale development of non-residential buildings becomes feasible. Most activity will take place outside downtown Denver, in places like the Tech Center, Ft. Collins and Boulder. As long as there is net out-migration from Colorado, the residential construction sector shows minimal chance of significant improvement. In 1986, more people left Colorado than entered the state; 1987 is also forecast to have negative net migration.

TABLE 1
KEY ECONOMIC VARIABLES
DECEMBER 1987 - FINAL FORECAST

Calendar Year									Forecast		
	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
U.S. Variables											
Real GNP ($Billions - 1982)	3187.0	3248.7	3166.0	3279.1	3501.4	3607.4	3713.3	3810.8	3895.6	3980.6	4041.9
Percent Change	-0.2	1.9	-2.5	3.6	6.8	3.0	2.9	2.6	2.2	2.2	1.5
Con. Price Index (1967=100)	246.8	272.4	289.1	298.4	311.1	322.2	328.4	340.4	354.8	371.9	388.3
Percent Change	13.5	10.4	6.1	3.2	4.3	3.6	1.9	3.7	4.2	4.8	4.4
Prime Rate (Percent)	15.3	18.9	14.9	10.8	12.0	9.9	8.3	8.2	9.2	10.7	10.0
Actual Change	2.6	3.6	-4.0	-4.1	1.2	-2.1	-1.6	-0.1	1.0	1.5	-0.7
Non-Ag. Employment (Millions)	90.4	91.2	89.6	90.2	94.5	97.6	99.6	101.9	103.4	104.8	105.6
Percent Change	0.7	0.9	-1.8	0.7	4.8	3.3	2.0	2.3	1.5	1.4	0.8
Personal Income ($ Billions)	2258.5	2520.9	2670.8	2838.6	3108.8	3327.1	3534.3	3737.1	3956.5	4215.1	4470.9
Percent Change	11.0	11.6	5.9	6.3	9.5	7.0	6.2	5.7	5.9	6.5	6.1
Pre-Tax Corp. Profits ($ Bil.)	237.1	226.5	169.6	205.0	235.7	223.1	237.5	271.0	291.2	308.1	310.7
Percent Change	-7.8	-4.5	-25.1	20.9	15.0	-5.3	6.5	14.1	7.5	5.8	0.8
Housing Starts (Millions)	1.30	1.10	1.06	1.71	1.76	1.74	1.82	1.66	1.58	1.47	1.57
Percent Change	-24.3	-15.7	-3.6	61.3	3.4	-1.2	4.5	-8.8	-4.8	-7.0	6.8
Unemployment Rate (Percent)	7.1	7.6	9.7	9.6	7.5	7.2	7.0	6.2	6.1	6.2	6.8
Actual Change	2.7	0.5	2.1	-0.1	-2.1	-0.3	-0.2	-0.8	-0.1	0.1	0.6
Colorado Variables											
Non-Ag. Employment (Thousands)	1251.2	1295.1	1316.6	1327.2	1402.3	1418.7	1402.1	1401.6	1412.5	1420.5	1438.8
Percent Change	2.8	3.5	1.7	0.8	5.7	1.2	-1.2	0.0	0.8	0.6	1.3
Personal Income ($ Billions)	30.8	35.4	38.9	41.6	45.1	47.9	49.4	50.6	52.6	54.7	57.4
Percent Change	13.8	14.9	9.9	6.9	8.4	6.2	3.2	2.4	4.0	3.9	5.2
Payrolls ($ Billions)	19.1	22.3	24.5	25.7	28.0	29.5	30.4	31.1	32.3	33.7	35.4
Percent Change	14.2	16.8	9.9	4.8	8.8	5.7	2.8	2.4	3.9	4.2	5.5
Unemployment Rate (Percent)	5.9	5.5	7.7	6.7	5.6	5.9	7.4	8.0	7.6	7.7	7.1
Actual Change	2.7	-0.4	2.2	-1.0	-1.1	0.3	1.5	0.6	-0.4	0.1	-0.6
Retail Trade Sales ($ Bil)	16.6	18.9	19.7	21.2	23.3	24.4	24.2	24.8	25.8	26.8	28.0
Percent Change	1.0	13.9	4.2	7.6	9.9	4.7	-0.5	2.5	4.0	4.0	4.3
Housing Permits (Thousands)	25.4	26.5	31.1	50.0	45.9	33.9	31.8	21.3	18.6	19.7	21.2
Percent Change	-30.6	4.3	17.4	60.8	-8.2	-26.1	-6.2	-33.0	-12.7	5.7	7.6
Non-Res. Construction ($ Mil)	966.0	1874.6	1562.1	1566.3	1774.6	1726.1	1201.5	865.1	886.7	917.7	976.5
Percent Change	-2.0	94.1	-16.7	0.3	13.3	-2.7	-30.4	-28.0	2.5	3.5	6.4
Denver CPI-U (1967=100)	261.5	290.8	317.0	335.1	347.9	357.3	359.8	369.8	383.9	399.6	419.6
Percent Change	12.0	11.2	9.0	5.7	3.8	2.7	0.7	2.6	3.8	4.1	5.0

Source: Colorado Department of Revenue: 12/30/87

TABLE 2

COLORADO NONAGRICULTURAL EMPLOYMENT
DECEMBER 1987 - FINAL FORECAST

Calendar Year
(Thousands)

						Forecast			
		1983	1984	1985	1986	1987	1988	1989	1990
TOTAL		1,327.2	1,402.3	1,418.7	1,402.1	1,401.6	1,412.5	1,420.5	1,438.8
Change:	Number	10.6	75.1	16.4	-16.6	0.5	10.9	8.0	18.3
	Percent	0.8%	5.7%	1.2%	-1.2%	0.0%	0.8%	0.6%	1.3%
Mining		36.1	35.9	32.9	27.4	24.3	24.3	24.3	24.5
Change:	Number	-6.2	-0.2	-3.0	-5.5	-3.1	0.0	0.0	0.2
	Percent	-14.7%	-0.6%	-8.4%	-16.7%	-11.3%	0.0%	0.0%	0.8%
Construction		83.0	89.9	86.3	76.3	69.5	68.7	68.8	69.7
Change:,	Number	0.1	6.9	-3.6	-10.0	-6.8	-0.8	0.1	0.9
	Percent	0.1%	8.3%	-4.0%	-11.6%	-8.9%	-1.2%	0.1%	1.3%
Durable Mfg.		116.8	126.2	123.7	118.8	118.5	121.2	123.4	126.1
Change:	Number	-3.0	9.4	-2.5	-4.9	-0.3	2.7	2.2	2.7
	Percent	-2.5%	8.0%	-2.0%	-4.0%	-0.3%	2.3%	1.8%	2.2%
Non-Durable Mfg.		63.9	69.0	68.5	66.6	67.1	68.1	68.6	69.5
Change:	Number	0.3	5.1	-0.5	-1.9	0.5	1.0	0.5	0.9
	Percent	0.5%	8.0%	-0.7%	-2.8%	0.8%	1.5%	0.7%	1.3%
Transportation & P.U.		83.7	87.2	88.5	87.7	89.3	90.2	90.9	92.0
Change:	Number	-1.7	3.5	1.3	-0.8	1.6	0.9	0.7	1.1
	Percent	-2.0%	4.2%	1.5%	-0.9%	1.8%	1.0%	0.8%	1.2%
Wholesale Trade		77.4	80.5	80.9	77.5	77.9	78.3	78.8	79.3
Change:	Number	-1.3	3.1	0.4	-3.4	0.4	0.4	0.5	0.5
	Percent	-1.7%	4.0%	0.5%	-4.2%	0.5%	0.5%	0.6%	0.6%
Retail Trade		248.8	265.4	271.1	271.5	273.7	274.8	275.6	279.1
Change:	Number	7.1	16.6	5.7	0.4	2.2	1.1	0.8	3.5
	Percent	2.9%	6.7%	2.1%	0.1%	0.8%	0.4%	0.3%	1.3%
F.I.R.E		87.0	94.7	95.8	97.6	96.7	96.7	97.2	98.2
Change:	Number	3.5	7.7	1.1	1.8	-0.9	0.0	0.5	1.0
	Percent	4.2%	8.9%	1.2%	1.9%	-0.9%	0.0%	0.5%	1.0%
Services		289.7	309.2	321.9	325.0	328.8	333.6	335.5	341.1
Change:	Number	9.6	19.5	12.7	3.1	3.8	4.8	1.9	5.6
	Percent	3.4%	6.7%	4.1%	1.0%	1.2%	1.5%	0.6%	1.7%
Government		240.7	244.4	248.9	254.0	255.8	256.6	257.4	259.3
Change:	Number	2.1	3.7	4.5	5.1	1.8	0.8	0.8	1.9
	Percent	0.9%	1.5%	1.8%	2.0%	0.7%	0.3%	0.3%	0.7%

Source: Colorado Department of Revenue: 12/30/87

TABLE 3

GENERAL FUND REVENUE COMPONENTS

DECEMBER 1987 FORECAST

($ in Millions)	FY 1986-87 (Actual)	FY 1987-88 (Forecast)	FY 1988-89 (Forecast)
EXCISE TAXES			
Sales	$648.3	$659.4	$675.2
Use	$68.6	$54.1	$56.3
Cigarette	$66.1	$62.0	$60.9
Tobacco Products	$2.7	$3.0	$2.6
Liquor	$23.6	$21.5	$21.0
Other	$1.9	$2.0	$2.0
TOTAL	**$811.2**	**$802.0**	**$818.0**
INCOME TAXES			
Individual (Net)	$1,081.9	$1,160.2	$1,214.7
Corporate (Net)	$136.7	$145.2	$162.3
TOTAL	**$1,218.6**	**$1,305.4**	**$1,377.0**
OTHER REVENUES			
Estate Tax	$18.4	$14.5	$15.0
Insurance Tax	$84.1	$90.9	$92.6
Pari-Mutuel Racing	$9.0	$8.5	$8.5
Interest Income	$10.8	$3.0	$3.5
Court Receipts	$14.1	$14.0	$14.5
Other Income	$11.7	$19.2	$19.5
Severance Tax	—	$6.8	—
TOTAL	**$148.1**	**$156.9**	**$153.6**
GROSS GENERAL FUND	**$2,177.9**	**$2,264.3**	**$2,348.6**
LESS REBATES & EXPENDITURES			
Cigarette Tax Rebate	$15.7	$17.4	$17.1
Old Age Pensions	$48.7	$52.5	$52.5
Property Tax Relief & Heat Credit	$14.6	$14.0	$14.2
Fire & Police Pension	$0.7	$6.2	$20.7
Transfer to HUTF	$40.0	$40.0	—
TOTAL	**$119.7**	**$130.1**	**$104.5**
NET GENERAL FUND REVENUE	**$2,058.2**	**$2,134.2**	**$2,244.1**

General Fund Overview

The revenue stream forecast for Colorado during FY 1988-89 does not give a clear indication of the underlying trend in the economy. Overall, forecasted revenues for FY 1988-89 show a 5.1% net General Fund increase over their projected level in FY 1987-88 (see Tables 3 and 4). This outlook outpaces a Colorado economy which will show less than 1.0% non-agricultural employment growth during the same period.

FY 1988-89 net revenues are forecast to increase by $109.9 over their FY 1987-88 level. $71.6 million will result from increases in income tax collections. Another $40.0 million will result from law changes to the allocation of funds to the State's highway development fund (HUTF). Standard practice will continue to show a $40.0 million HUTF transfer in FY 1987-88. This component falls to zero in the FY 1988-89 forecast. This does not mean that no money will be allocated to the HUTF during FY 1988-89, nor does it indicate that the full $40.0 million will be allocated in FY 1987-88. However, due to the law change, less rebates and expenditures will be paid out in FY 1988-89, thus artificially raising the FY 1988-89 forecast by $40.0 million over its FY 1987-88 level.

The General Fund forecast also loses about $7.0 million in FY 1988-89 because severance tax collections will not be included. Legislation set up a special case for FY 1987-88, which channeled a portion of severance tax receipts into the General Fund revenue stream.

The majority of the increase in revenues during FY 1988-89 results from gains in personal and corporate income. This is primarily a factor of federal tax reform enacted in 1986. The resulting windfall to Colorado was reduced by the implementation of a State flat tax, but a part of the windfall revenue stream was retained to enhance revenues. Without a windfall component, Colorado personal income collections would show very little growth as real personal income is forecast to show negligible increase. Of the $54.5 million forecast increase from FY 1988-89 over FY 1987-88, $23.3 million of personal income collections are estimated to result solely from growth in the windfall component.

Sales tax receipts is the component that most accurately reflects the weakness of the Colorado economy in the forecast. FY 1988-89 sales tax revenues are forecast to increase by 2.0% over their FY 1987-88 level. For the most part this increase will result from inflationary increases in the prices of retail items. In real dollar terms, there will be no increase in sales tax receipts for FY 1988-89 over FY 1987-88. This continues a trend of weak or no growth in collections except for an inflationary component.

Another excise tax which deserves to be highlighted is use taxes. During FY 1988-89, use tax receipts are forecast to rebound slightly from their dismal FY 1987-88 showing. The primary components of use taxes, used automobiles, construction materials and machinery, all are showing little improvement. Beginning in 1988, State legislation has exempted all machinery purchases over $1,000 from taxation, resulting in a reduction in the use tax base.

TABLE 4
COLORADO DEPARTMENT OF REVENUE

GENERAL FUND OVERVIEW
December 1987

($ in Millions)	FY 1986-87 (Actual)	FY 1987-88 (Forecast)	FY 1988-89 (Forecast)
Beginning Balance	$4.4	$50.5	$117.2
Revenues			
Estimated Revenues	$2,098.2 /1	$2,174.2 /1	$2,244.1 /1
TOTAL GF REVENUE	**$2,102.6**	**$2,224.7**	**$2,361.3**
Expenditures			
General Fund & Property Tax Relief	$2,012.1	$2,107.5 /2	$2,178.8 /2
HUTF	$40.0	$0.0 /3	$30.0 /3
Capital Construction	—	—	$15.0 /4
WCBCF/WRPDA	—	—	$5.0 /4
TOTAL OBLIGATIONS	**$2,052.1**	**$2,107.5**	**$2,228.8**
Ending Balances			
Year End Balances	$50.5	$117.2	$132.5
Required Reserve	$100.0	$126.5	$132.5
Balance	$0.0	$0.0	$0.0
Capital Construction(75%)	$0.0	$0.0	$0.0
Remaining Revenue(25%)	$0.0	$0.0	$0.0

/1 Includes revenue changes from HB 1331 (Tax Package), HB 1350(HUTF), SB 238(Severance Tax), SB 196 & SB 243 (Pension Contributions), HB 1371(Secretary of State Fees), HB 1376 (Unclaimed Property), and HB 1377(Reg. Agencies) from 1987 session.

/2 General Fund expenditures for FY87-88 from SB 218 and special bills. Expenditures for FY 88-89 shown at maximum available level.

/3 Amount available for transfer to HUTF per HB 1350 (1987 session). For FY88-89, the $30 appropriation to HUTF per HB 1350 (1987 session).

/4 Represents transfers to the water resources and power development authority (WRPDA) and to the water conservation board construction fund (WCBCF) per HB 1158 (1987 session). The transfer to the capital construction fund is from HB 1340 (1986 session).

12/30/87 - Colorado Department of Revenue

COLORADO ECONOMIC PERSPECTIVE
Colorado Department of Revenue
Office of Tax Analysis
1375 Sherman Street, Room 422
Denver, Colorado 80261