

State of Colorado



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Bill Owens
Governor

Troy A. Eid
Executive Director

Paul Farley
Deputy Executive Director

Richard Pennington
Division Director

Arthur L. Barnhart
State Controller

Department of Personnel
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Division of Finance & Procurement
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October 4, 2002

The Honorable Bill Owens
Governor
State of Colorado

The Honorable Doug Dean
Speaker of the House
Colorado General Assembly

The Honorable Stan Matsunaka
President of the Senate
Colorado General Assembly

Fred Fisher
Executive Director
Colorado Department of Revenue

Dear Sirs:

Following the September 1, 2002 certification of the state revenues, subject to Article X, Section 20 (TABOR) of the state constitution, the State Auditor and I became aware of certain errors in the accounts of the State for Fiscal Year 2001-02 that affect the certification of TABOR revenues. Pursuant to CRS 24-77-103.5, which grants the controller, subject to review by the auditor, the authority to correct errors regarding TABOR revenues, I now certify that state revenues for fiscal year 2001-02 subject to TABOR were \$7,760,495,034. This includes adjustments of \$8,283,831 for errors from prior fiscal years.

Pursuant to CRS 24-77-103.7, which determines the treatment of the refund of TABOR revenues in excess of the amount required to be refunded, I am also reducing the liability for the refund of the Fiscal Year 2000-01 excess revenues by \$69,568,316 for the over refunding of the TABOR liability from prior years. At June 30, 2002, only \$20,319,636 of the TABOR liability remains to be refunded.

The adjusted TABOR limit for fiscal year 2001-02 is \$8,126,189,326. Because of the U.S. Census Bureau's undercounting of the State's population growth in the 1990s, SB02-179 and HB02-1310, lowered the allowable growth for Fiscal Year 2001-02 over 2000-01 to 4.0 percent from the original 10.0 percent allowable growth rate. This difference is to be retained by the State from future refunds per CRS 24-77-103. Even with this lower limit and prior years' errors, revenues, subject to TABOR, are \$365,694,292 below the Fiscal Year Spending limitation. Thus, I hereby certify that the State did not exceed its constitutional limitation on Fiscal Year Spending for the Fiscal Year ended June 30, 2002.

Attached is a schedule of non-exempt TABOR revenues comparing the current fiscal year to the prior fiscal year. Total revenues not exempt from TABOR for fiscal year 2001-02, before accounting and legal changes, were less than the previous fiscal year by 10.7 percent.

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

Sincerely yours,

Arthur L. Barnhart
State Controller

cc: Troy A. Eid, Personnel and Administration
Nancy J. McCallin, OSPB

STATE OF COLORADO
STATE CONTROLLER'S OFFICE
SOURCE OF THE CHANGE IN NON-EXEMPT TABOR REVENUES

	Fiscal Year 2001-02	Fiscal Year 2000-01	Increase (Decrease)	Percent Change
GENERAL REVENUES				
Individual Income Tax, Net	\$ 3,071,852,841	\$ 3,835,338,129	\$ (763,485,288)	-19.9%
Sales and Use Tax, Net	1,867,638,218	1,906,304,735	(38,666,517)	-2.0%
Corporate Income Tax, Net	164,661,376	319,037,240	(154,375,864)	-48.4%
Insurance Taxes	154,588,623	141,992,774	12,595,849	8.9%
Estate and Inheritance Taxes	72,517,741	82,563,486	(10,045,745)	-12.2%
Tobacco Products Tax	65,550,423	67,987,018	(2,436,595)	-3.6%
Alcoholic Beverages Tax	29,497,434	29,297,194	200,240	0.7%
Court and Other Fines	25,857,347	25,260,230	597,117	2.4%
Interest and Investment Income	25,267,405	44,986,292	(19,718,887)	-43.8%
Fiduciary Income Tax, Net	13,818,708	31,594,182	(17,775,474)	-56.3%
Disproportionate Share Providers	11,171,358	-	11,171,358	0.0%
Business Licenses and Permits	6,230,863	4,407,311	1,823,552	41.4%
Gaming and Other Taxes	6,221,565	6,706,402	(484,837)	-7.2%
Other General Revenues	4,975,885	5,355,966	(380,081)	-7.1%
TOTAL GENERAL REVENUES	5,519,849,787	6,500,830,959	(980,981,172)	-15.1%
PROGRAM REVENUES				
Education Tuition and Fees	646,161,262	579,993,648	66,167,614	11.4%
Fuel and Transportation Taxes, Net	546,484,337	529,229,326	17,255,011	3.3%
Interest and Investment Income	170,587,225	212,504,202	(41,916,977)	-19.7%
Employment Taxes	170,292,023	170,438,241	(146,218)	-0.1%
Motor Vehicle Registrations	151,414,842	148,724,924	2,689,918	1.8%
Gaming and Other Taxes	96,803,744	90,033,599	6,770,145	7.5%
Business Licenses and Permits	64,701,616	69,072,545	(4,370,929)	-6.3%
Court and Other Fines	55,725,587	55,945,931	(220,344)	-0.4%
Insurance Taxes	55,083,246	43,223,254	11,859,992	27.4%
Nonbusiness Licenses and Permits	53,347,068	54,530,534	(1,183,466)	-2.2%
Severance Taxes	50,550,128	68,890,858	(18,340,730)	-26.6%
Local Governments and Authorities	39,216,761	31,707,294	7,509,467	23.7%
Other Charges for Services	34,027,131	44,002,991	(9,975,860)	-22.7%
HE Auxiliary Sales and Services	31,508,030	31,284,545	223,485	0.7%
Rents and Royalties	27,832,795	26,348,947	1,483,848	5.6%
General Government Service Fees	27,680,072	20,800,121	6,879,951	33.1%
Unclaimed Money	12,372,110	16,718,931	(4,346,821)	-26.0%
Health Service Fees	22,241,347	31,046,138	(8,804,791)	-28.4%
Driver's Licenses and ID Cards	21,444,506	20,070,114	1,374,392	6.8%
Certifications and Inspections	17,906,253	16,285,779	1,620,474	10.0%
Sales of Products	14,406,282	17,259,479	(2,853,197)	-16.5%
Sales and Use Tax, Net	9,844,878	11,900,123	(2,055,245)	-17.3%
Other Program Revenues	41,519,906	32,790,503	8,729,403	26.6%
TOTAL PROGRAM REVENUES	2,361,151,149	2,322,802,027	38,349,122	1.7%
ACCOUNTING AND LEGAL CHANGES				
Scholarship Allowances	(128,789,733)	-		
Hunting and Fishing Licenses	-	53,472,420	(53,472,420)	
Prior Year Adjustments	8,283,831	(1,354,443)	9,638,274	
TOTAL CHANGES	(120,505,902)	52,117,977	(43,834,146)	
TOTAL NON-EXEMPT REVENUE	\$ 7,760,495,034	\$ 8,875,750,963	\$ (1,115,255,929)	