



Colorado
Department of Personnel
& Administration
Office of the State Controller

John W. Hickenlooper
Governor

Kathy Nesbitt
Executive Director

Robert Jaros
State Controller

September 10, 2013

The Honorable John W. Hickenlooper
Governor
State of Colorado

The Honorable John P. Morse
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 Sirs and Madam:

This letter revises my previous letter dated August 30, 2013; it increases the Excess State Revenues Cap Fiscal Year 2012-13 Adjusted Limit from \$11,458,254,285 to \$11,460,241,749 and increases the amount under this limit from \$348,705,764 to \$350,693,229. Additionally, the Fiscal Year Spending limit changed from \$9,276,369,052 to \$9,247,466,372 to reflect information that became available after the original certification on August 30, 2013. The text from the original letter follows, but has been modified to reflect these changes.

Pursuant to CRS 24-77-106.5(1)(b), I hereby certify that for Fiscal Year 2012-13, the unaudited state revenues subject to Article X, Section 20 (TABOR) of the State Constitution are \$11,109,548,521.

A schedule is attached comparing general and program nonexempt TABOR revenues for Fiscal Year 2012-13 to Fiscal Year 2011-12. Total revenues not exempt from TABOR were more than the previous fiscal year by 8.1 percent. The \$11,109,548,521 nonexempt revenue includes newly qualified revenues recorded by the Department of Public Safety, when it received the State Forest Service wildfire functions from Colorado State University, a TABOR enterprise, in Fiscal Year 2012-13, and excludes newly disqualified 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 Fiscal Year 2012-13 limit was increased by \$1,987,464 of nonexempt revenues recorded by the Department of Public Safety, and the Fiscal Year 2011-12 limit was reduced by \$99,355 of nonexempt revenue recorded by the Department of Natural Resources.

State revenues subject to TABOR for Fiscal Year 2012-13 were over the Fiscal Year Spending limit by \$1,862,082,149 and below the Excess State Revenues Cap by \$350,693,228, after adjustments for qualification and disqualification of enterprises. As of the certification date, no refund of State revenues is required in Fiscal Year 2013-14 related to Fiscal Year 2012-13 revenues subject to TABOR, as shown in the attached Preliminary Schedule of Computations Required Under Article X, Section 20.

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, 2013.

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

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**STATE OF COLORADO
PRELIMINARY SCHEDULE OF COMPUTATIONS REQUIRED
UNDER ARTICLE X, SECTION 20 -- UNAUDITED
AS OF JUNE 30, 2013**

Certification Date: September 10, 2013

	FISCAL YEAR 2011-12	FISCAL YEAR 2012-13
COMPUTATION OF NONEXEMPT REVENUES		
Total State Expenditures	\$ 36,656,629,375	\$ 35,867,060,185
Less: Exempt Activity	26,865,012,926	25,585,165,798
Nonexempt District Expenditures	9,791,616,449	10,281,894,387
District Reserve/Fund Balance Increase (Decrease)	481,567,055	827,654,134
Total Nonexempt District Revenues	\$ 10,273,183,504	\$ 11,109,548,521
COMPUTATION OF DISTRICT FUND BALANCE CHANGES		
Beginning District Fund Balance	\$ 4,800,648,746	\$ 5,259,747,850
Qualifications, Disqualifications and Other Adjustments	459,099,104	834,298,451
Ending District Fund Balance	\$ 5,259,747,850	\$ 6,094,046,301

COMPUTATION OF SPENDING LIMITATIONS	FISCAL YEAR SPENDING	EXCESS STATE REVENUES CAP
Fiscal Year 2011-12 Limit	\$ 8,799,754,139	\$ 10,871,425,021
Qualification of Enterprises	(99,355)	(99,355)
Other Adjustments	(27,853,164)	(116,667)
Fiscal Year 2011-12 Adjusted Limit	\$ 8,771,801,620	\$ 10,871,208,999
Allowable TABOR Growth Rate	5.4%	5.4%
Fiscal Year 2012-13 Unadjusted Limit	\$ 9,245,478,908	\$ 11,458,254,285
Disqualification of Enterprises	1,987,464	1,987,464
Fiscal Year 2012-13 Adjusted Limit	\$ 9,247,466,372	\$ 11,460,241,749
Less: Fiscal Year 2012-13 Nonexempt District Revenues	(11,109,548,521)	(11,109,548,521)
Amount (Over) Under Adjusted Limit	\$ (1,862,082,148)	\$ 350,693,229
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
FY2012-13 Retention of Revenues in Excess of the Limit (not refundable) CRS 24-77-103.6(1)(b)		\$ 1,862,082,148

STATE OF COLORADO
OFFICE OF THE STATE CONTROLLER
COMPARISON OF NONEXEMPT TABOR REVENUES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
UNAUDITED

	Fiscal Year 2012-13	Fiscal Year 2011-12	Increase (Decrease)	Percent Change
GENERAL REVENUES				
Individual Income Tax, Net	\$ 5,114,790,948	\$ 4,612,228,145	\$ 502,562,803	10.9%
Sales and Use Tax, Net	2,454,454,528	2,293,837,287	160,617,241	7.0%
Corporate Income Tax, Net	597,441,383	462,085,334	135,356,049	29.3%
Insurance Taxes	210,415,209	197,201,583	13,213,626	6.7%
Tobacco Products Tax, Net	53,851,429	55,530,516	(1,679,087)	-3.0%
Alcoholic Beverages Tax, Net	39,211,611	38,373,406	838,205	2.2%
Fiduciary Income Tax, Net	34,002,352	23,927,608	10,074,744	42.1%
Interest and Investment Income	17,188,344	13,350,699	3,837,645	28.7%
Court and Other Fines	7,566,620	9,419,468	(1,852,848)	-19.7%
Business Licenses and Permits	4,893,664	6,601,915	(1,708,251)	-25.9%
Miscellaneous Revenue	2,665,762	3,292,432	(626,670)	-19.0%
Gaming and Other Taxes	689,627	594,680	94,947	16.0%
General Government Service Fees	550,608	350,623	199,985	57.0%
Other General Revenue	177,546	410,177	(232,631)	-56.7%
TOTAL GENERAL REVENUES	8,537,899,631	7,717,203,873	820,695,758	10.6%
PROGRAM REVENUE				
Health Service Fees	718,788,307	650,338,502	68,449,805	10.5%
Fuel and Transportation Taxes, Net	554,403,825	559,673,030	(5,269,205)	-0.9%
Motor Vehicle Registrations	231,107,330	229,026,208	2,081,122	0.9%
Court and Other Fines	167,178,935	168,027,680	(848,745)	-0.5%
Other Charges For Services	143,658,875	140,318,679	3,340,196	2.4%
Severance Taxes	131,173,685	199,437,187	(68,263,502)	-34.2%
Business Licenses and Permits	129,124,669	128,205,788	918,881	0.7%
Gaming and Other Taxes	94,897,462	93,404,297	1,493,165	1.6%
Interest and Investment Income	45,740,446	54,324,704	(8,584,258)	-15.8%
Rents and Royalties	45,411,040	36,872,877	8,538,163	23.2%
Sales and Use Tax, Net	42,825,789	42,629,206	196,583	0.5%
General Government Service Fees	42,415,050	39,508,777	2,906,273	7.4%
Nonbusiness Licenses and Permits	32,232,217	31,313,531	918,686	2.9%
Driver's Licenses	32,134,527	31,610,993	523,534	1.7%
Local Governments and Authorities	28,166,087	40,046,106	(11,880,019)	-29.7%
Miscellaneous Revenue	27,784,397	25,074,834	2,709,563	10.8%
Employment Taxes	25,723,693	19,307,097	6,416,596	33.2%
Insurance Taxes	22,882,646	18,010,187	4,872,459	27.1%
Certifications and Inspections	20,349,904	20,636,730	(286,826)	-1.4%
Public Safety Service Fees	19,427,273	10,766,770	8,660,503	80.4%
Educational Fees	6,129,967	6,783,915	(653,948)	-9.6%
Higher Education Auxiliary Sales and Services	4,512,599	6,908,220	(2,395,621)	-34.7%
Other Program Revenue	3,592,703	3,654,958	(62,255)	-1.7%
TOTAL PROGRAM REVENUES	2,569,661,426	2,555,880,276	13,781,150	0.5%
Disqualification of TABOR Enterprise:				
State Forest Service - Wildfire functions	1,987,464	-	1,987,464	N/A
Qualification of TABOR Enterprise:				
Colorado Geological Survey	-	99,355	(99,355)	N/A
TOTAL NONEXEMPT REVENUE	\$ 11,109,548,521	\$ 10,273,183,504	\$ 836,365,017	8.1%