



COLORADO
Department of Revenue

TAX PROFILE & EXPENDITURE REPORT

Colorado Expenditure Study, For Calendar Years 2011 and 2013

Colorado Tax Profile Study, For State Fiscal Year 2012

Colorado Statistics of Income, For Income
Tax Year 2011

2014

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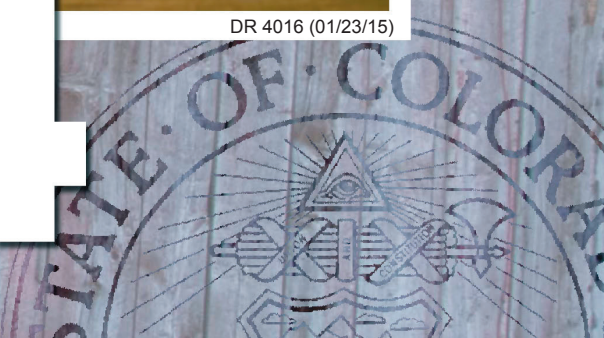


Table of Contents

Colorado Expenditure Study	<u>3</u>
Introduction	<u>4</u>
Chapter 1: Alcohol and Fermented Malt Beverages Taxes.....	<u>7</u>
Chapter 2: Cigarette and Tobacco Products Excise Taxes	<u>9</u>
Chapter 3: Fuel Excise Taxes.....	<u>12</u>
Chapter 4: Income Tax Credits	<u>14</u>
Chapter 5: Income Tax Deductions.....	<u>22</u>
Chapter 6: Sales and Use Taxes	<u>27</u>
Chapter 7: Severance Taxes.....	<u>41</u>
Colorado Tax Profile Study	<u>44</u>
Executive Summary	<u>45</u>
State and Local Tax Collections.....	<u>46</u>
Revenues, Taxes, Incidence, and Equity	<u>52</u>
The Distribution of State and Local Taxes Among Households	<u>55</u>
Colorado Statistics of Income	<u>65</u>
Introduction	<u>66</u>
Individual Income Tax, Income Tax Year 2011.....	<u>67</u>
Corporate Income Tax, Income Tax Year 2011.....	<u>108</u>

Colorado Expenditure Study

For Calendar Years 2011 and 2013



Prepared By
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Introduction

This is the second in the series of Colorado Tax Expenditure studies, published in conformance with Colorado Revised Statutes (C.R.S.) §39-21-303. This statutory provision was enacted in 2011 during the sixty-eighth Colorado General Assembly. The Colorado Department of Revenue is required to prepare, every odd-numbered year, a tax profile and expenditure report for the state. This report is to include information identifying and describing tax expenditures administered by the Department, estimates of the identified tax expenditures, the Colorado Tax Profile Study (CTPS), and the Colorado Statistics of Income (SOI) reports. The CTPS model was developed to assess the burden of state and local taxes on Colorado households. In particular, the study estimates and examines the amount of taxes paid by households at different income levels. To the extent that the Department of Revenue collects the available information by income class for individual and corporate income tax returns, the study will reflect data aggregated from actual returns. Much of the data requested is not and cannot be collected by the Department; for example, vendors do not collect data on the income level of those paying sales tax at a store. In these cases, the Department has used a variety of federal data sources in order to extrapolate information and provide good faith estimates for these values. In all cases, data that does not come directly from the Department will be noted throughout this study. The study does not attempt to examine how Colorado's state and local tax structure affects households' economic situation, nor does it attempt to assess the impact of taxes or tax credits on work incentives, economic growth, or their effects on particular industries in the state. The SOI reports document Colorado income data by income tax year for individuals and corporations. The tables categorize households and corporations by income class and report on a variety of income information available from state and federal income tax returns.

In Colorado it is the responsibility of the Joint Budget Committee of the General Assembly to write the annual appropriations bill - called the Long Bill. This bill sets the budget for the following fiscal year for the state. The expenditures in the Long Bill are considered direct expenditures and these budgetary decisions fund the policy goals of the General Assembly. Tax expenditures are considered another form of spending. In statute the General Assembly has defined a tax expenditure as a "tax provision that provides a gross or taxable income definition, deduction, exemption, credit, or rate for certain persons, types of income, transactions, or property that results in reduced tax revenue". Similar to direct expenditures, tax expenditures also promote the policy goals of the General Assembly by providing favorable tax conditions for certain activities considered beneficial to the state and its residents.

The analysis and data presented in this study cover the most recently completed tax or calendar year for which such information is available. In particular, this study includes income tax data from tax year 2011, as it is the most current income data available for analysis. The time period for which the latest data is available for all other tax expenditure estimates is calendar year 2013. Although this study will present the latest data available, 2011 data will be used for purposes of tabulating a grand total of annual tax expenditures. Additionally, because this study only provides tax expenditure data for individual and corporate income tax year 2011 and calendar year 2013 for other tax types, the list of expenditures included, described, and estimated throughout this study only represent those expenditures that were codified in the Colorado Revised Statutes during the aforementioned time-frames, not any that have may have since been eliminated or added. For a historical archive of prior studies, you may visit the Department of Revenue website at the following link: <https://www.colorado.gov/pacific/revenue/colorado-tax-profile-and-expenditure-reports>

The total value of expenditures includes a mixture of actual data and estimates, and does not include amounts for some provisions. Actual data from Colorado returns were used to determine the revenue impact of fuel, cigarette and tobacco, income and severance tax deductions and credits, and sales tax exemptions, to the extent the information was available from the forms. However, in most cases, retailers are not required to provide the level of information on sales tax returns necessary to report the impact of the numerous exemptions and deductions. Therefore, estimates for most sales tax exemptions used various sources of data at the state and national level, including census and other industry-related reports.

Even though an attempt has been made to develop the best estimates of the tax expenditures specified in this report, the applicability of the source data used to develop each estimate can result in a wide range of certainty for the various estimates. In some cases not enough data is available to determine the impact of an exemption, taxable definition, or deduction.

It should also be noted that the elimination of certain tax expenditures may not result in an increase in revenues equal to the reported amounts because the resulting collection of revenues is dependent on several factors including enforcement, compliance, the ability of taxpayers to change their behavior, vendor discounts, and the specific statutory language used to eliminate the expenditure. These factors, potentially along with other methodologies to develop an estimate of the expenditure, would be considered by Legislative Council staff in determining the fiscal impact of bill proposals to modify or eliminate a provision that results in a tax expenditure.

The information presented in this report describing the various tax expenditures is only meant to help the reader understand the nature of the tax expenditure. Actual taxability is determined by statutory language and regulations. The reader is advised to use the Department's online tax library to answer questions regarding taxability. Each chapter of this expenditure study groups tax expenditures by the type of tax against which the expenditure is made. Additionally, individual expenditures in each section are assigned an identification number so that the expenditure can be cross referenced between the narrative and the table which provides estimates or values of the expenditure. The expenditures in each section are listed in the order in which they appear in the Colorado Revised Statutes to aid in statutory research.

In December 2012, the Department of Revenue completed the migration of accounting functions from its legacy mainframe-based system to the server-based Colorado Integrated Tax Architecture (CITA). This new system and the widespread adoption of electronic filing has allowed for the data capture of more detailed information from tax returns. The increase in the amount of information available, specifically with regard to income tax credits and deductions and alcohol excise tax exemptions, is reflected in this second report of the Colorado Tax Expenditure series.

For the most recent year of data reported, data from Colorado returns was collected between September and October 2014. The current report does not reflect any activity that occurred after the data collection--including amended or late returns, audit adjustments, or other changes--and may differ substantially from reports run at a later date. Because CITA provides much more dynamic and updated data, activity belonging to prior periods can be accrued back to those periods for analysis purposes. The enhancements provided by the CITA system will allow the Department to provide updates to estimates for back-year data beginning with calendar year 2013 in the next Tax Profile and Expenditure report in the series, due to be released in 2017.

Total Estimated Tax Expenditure Impact		
Expenditure Numbers	Tax Expenditure Chapter	2011 Revenue Impact
1.01 through 1.06	Alcohol and Fermented Malt Beverages Excise Taxes	1/
2.01 through 2.06	Cigarette and Tobacco Products Excise Taxes	\$4,452,000
3.01 through 3.06	Fuel Excise Taxes	\$74,481,000
4.01 through 4.38	Income Tax Credits	\$210,811,000
5.01 through 5.28	Income Tax Deductions	\$589,041,000
6.01 through 6.86	Sales and Use Tax Exemptions	\$3,697,442,000
7.01 through 7.15	Severance Tax Exemptions, Credits, and Deductions	\$115,432,000
	Total	\$4,691,659,000
1/ Not available due to data limitations		

Chapter 1: – Alcohol and Fermented Malt Beverages Excise Taxes

Collections and History

In fiscal year 2014, alcohol beverages tax collections were \$40.9 million. “Intoxicating liquors” were first taxed in 1935 at 3¢ per gallon on fermented malt beverages and malt liquor; 3¢ per quart on wine less than 14 percent alcohol by volume; 6¢ per quart on wine more than 14 percent alcohol by volume; and 20¢ per pint on spirits. Tax rates were increased in 1959 and again in 1976 for all types of alcohol beverages. The 1976 increase on beer was to the current rate of 8¢ per gallon. In 1981, the tax rate was increased for all strengths of wine to the current level of 7.33¢ per liter. At the same time, the tax rate for spirits was increased to the current rate of 60.26¢ per liter. In 1997, hard cider was added to the liquor code and is taxed like beer at 8¢ per gallon.

Tax Base

An excise tax is due on the liters or gallons of alcohol beverages that are first sold, used or consumed in Colorado. The types of alcohol beverages that are taxed include fermented malt beverages (commonly known as 3.2 beer), malt liquors (typically beer with an alcohol content greater than 3.2 percent by weight), hard cider, vinous liquors, and spirituous liquors. The tax is imposed upon manufacturers or wholesalers/distributors.

Computation of the Tax Calendar Year 2011 and 2013

Colorado liquor excise tax rates are as follows:

- 8¢ per gallon for fermented malt beverages
- 8¢ per gallon for malt liquors
- 8¢ per gallon for hard cider (apple and pear only)
- 7.33¢ per liter for vinous liquors 1/
- 60.26¢ per liter for spirituous liquors

1/ Surcharges: 1¢ for all wine. In addition, a graduated annual rate of 5¢, 3¢, and 1¢ is collected on all Colorado wine based on the amount produced.

Exemptions

1.01 – Sales of sacramental wines

§12-47-106(1), C.R.S.
Enacted: 1935

No tax is imposed on the sale of sacramental wines used for religious purposes.

1.02 – Alcohol beverages produced by individuals for personal use

§12-47-106(2), C.R.S.
Enacted: 1971

Fermented malt beverage, malt, or vinous liquors produced for family use is exempt from excise tax. Family producers are not required to obtain a liquor license. Personal use alcohol is not to be sold or consumed by the general public although it can be consumed at home brew contests, tastings, or judgments.

1.03 – Sales at public auction under certain circumstances

§12-47-106(3), C.R.S.
Enacted: 1935

The occasional sale of alcohol beverage at public auction is exempt from state liquor excise tax. The alcohol sold must originate from sources such as foreclosure, salvage, or donation.

1.04 – Limited amounts brought in by air from a foreign country

§12-47-106(4), C.R.S.
Enacted: 1977

Colorado law allows any passenger age 21 or older arriving at any airport in this state on an air flight originating in a foreign country to lawfully bring up to four liters of wine, beer or spirituous liquor without liability for Colorado liquor excise tax. The alcoholic beverages brought into the United States must be for personal consumption only and not for resale or other commercial purposes.

1.05 – Products used in enology research by a state institution of higher education

§12-47-106(5), C.R.S.
Enacted: 2008

No tax is imposed on vinous liquor when institutions of higher education are engaged in the manufacture of vinous liquor used for the purpose of enology research and education.

1.06 – Sales exempt by federal law

§12-47-503(9)(b), C.R.S.
Enacted: 1981

Sales of wine and spirituous liquor to federally ceded property are exempt from state liquor excise tax.

Alcohol and Fermented Malt Beverages Excise Taxes

Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
1.01	§12-47-106(1)	1935	Sales of sacramental wines	1/	1/	
1.02	§12-47-106(2)	1971	Alcohol beverages produced by individuals for personal use		\$0	
1.03	§12-47-106(3)	1935	Sales at public auction under certain circumstances		\$0	
1.04	§12-47-106(4)	1977	Limited amounts brought in by air from a foreign country	1/	1/	
1.05	§12-47-106(5)	2008	Products used in enology research by a state institution of higher education	1/	1/	
1.06	§12-47-503(9)(b)	1981	Sales exempt by federal law	2/	\$66,000	
			Total		\$66,000	

1/ Not available but likely minimal

2/ Not available

Chapter 2: – Cigarette and Tobacco Products Excise Taxes

Collections and History

In fiscal year 2014, cigarette tax revenues were \$160.8 million and tobacco products tax revenues were \$33.7 million. Cigarettes were subject to the state sales and use tax prior to their exemption in 1959. The cigarette excise tax was enacted in 1964 at a rate of 3¢ per pack. The tax rate was increased several times by the General Assembly. In 2004 voters passed a referendum enacting the largest increase (64¢) to the excise tax bringing the rate to 84¢ per pack. Cigarettes were temporarily subject to the state sales and use tax for the period beginning July 2009 through June 2013, and then permanently subject to them effective July 2013.

Since 1973, 27 percent of the gross proceeds from the excise tax on cigarettes have been distributed to cities and counties in the state. The remainder goes to the State General Fund. The funds are distributed to cities and towns in proportion to the amount of state sales tax collected in a jurisdiction relative to all state sales taxes collected. Funds are distributed to counties based on the percentage that state sales tax collections in the unincorporated area of the county bear to sales tax revenues statewide. The constitutional referendum increasing the excise tax on cigarettes earmarked the revenues from the tax increase; therefore, the share of cigarette excise tax distributed to cities and counties in the state is only based on the gross proceeds of 20¢ (per pack) of the cigarette excise tax.

The voter-imposed constitutional levy of an additional 64¢ per pack of cigarettes is distributed to designated health-related programs administered by the state. The objectives of these targeted programs include the following: 1) increasing the number of children and pregnant women enrolled in the children's basic health plan, adding parents of enrolled children, and expanding eligibility of low income adults and children who receive medical care through the "Children's Basic Health Plan Act"; 2) funding comprehensive primary care through any Colorado qualified provider that meets certain criteria, based on the proportion of uninsured or medically indigent patients served; 3) funding school and community-based and statewide tobacco education programs designed to reduce initiation of tobacco use by children and youth, promote cessation of tobacco use among youth and adults, and reduce exposure to second-hand smoke; 4) funding the prevention, early detection, and treatment of cancer and cardiovascular and pulmonary diseases; and 5) providing revenue for health related purposes to the state's general fund, old age pension fund, and municipal and county governments in compensation for tax revenue reductions attributable to lower cigarette and tobacco sales resulting from implementation of the additional excise tax. The revenue from the additional 20 percent tax on tobacco products described below is also distributed to these programs.

The tobacco products tax was enacted in 1986 at a rate of 20 percent of the manufacturer's list price, which is the invoice price paid by the distributor to a manufacturer or supplier. The rate was increased by voters an additional 20 percent in 2004 and the increase became effective in 2005. Tobacco products are subject to the general sales and use tax.

Tax Base

The cigarette tax is based on volume (42 mills per cigarette or \$0.84 per 20-pack of cigarettes), and the tobacco tax is based on wholesale price. Examples of tobacco products include chewing tobaccos, cigars, pipe tobaccos, cheroots, stogies, snuff, and plug or twist tobacco.

Computation of the Tax Calendar Year 2011 and 2013

The total cigarette excise tax rate is \$0.84 per 20-pack of cigarettes. The tax is paid by the distributor by purchasing stamps that are affixed to the packages.

The total of the tobacco products tax is 40 percent of the manufacturer's list price. The tax is paid by the distributor.

Exemptions

2.01 – Vendor discount on cigarette sales

§39-28-104(1)(a), C.R.S.
Enacted: 1973

If payment for the stamps is made on or before the 10th day of the month following the month in which the stamp purchase is made, the .9524 percent discount of the stamps' face value is allowed. The vendor fee discount is provided to cover the licensed wholesaler's expense in the collection and remittance of the cigarette tax.

2.02 – Bad debt allowance on cigarettes

§39-28-104(4), C.R.S.
Enacted: 2004

Credit shall be given by the department to a wholesaler for all taxes paid on cigarettes that are bad debts. The credit is prohibited unless the bad debt has been charged off as uncollectible on the books of the wholesaler.

2.03 – Export sales and sales to the United States government

§39-28-111, C.R.S.
Enacted: 1964

The sale of cigarettes to the United States government or any of its agencies, or sales within interstate commerce are exempt from Colorado's cigarette tax.

2.04 – Sales exempt under United States law

§39-28.5-103, C.R.S.

Enacted: 1986

No tax is imposed on tobacco products that are exempt under the constitution and laws of the United States.

2.05 – Vendor discount on tobacco products sales

§39-28.5-106(2), C.R.S.

Enacted: 1986

The amount of tobacco products excise tax paid to the department may be reduced by 1.665 percent of the tax due to cover the distributor's expense in the collection and remittance of the tax, if the EFT payment and return are filed by the due date.

2.06 – Bad debt allowance on tobacco products sales

§39-28.5-107(2), C.R.S.

Enacted: 2004

Credit shall be given by the department to a wholesaler for all taxes paid on tobacco products that are bad debts. The credit is prohibited unless the bad debt has been charged off as uncollectible on the books of the wholesaler.

Cigarette and Tobacco Products Excise Taxes						
Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
2.01	§39-28-104(1)(a)	1973	Vendor discount on cigarette sales	\$1,650,000	\$158,000	
2.02	§39-28-104(4)	2004	Bad debt allowance on cigarettes	\$0	ND	
2.03	§39-28-111	1964	Export sales and sales to the United States government	\$2,113,000	\$1,705,000	
2.04	§39-28.5-103	1986	Sales exempt under United States law	\$334,000	\$830,000	
2.05	§39-28.5-106(2)	1986	Vendor discount on tobacco products sales	\$355,000	\$386,000	
2.06	§39-28.5-107(2)	2004	Bad debt allowance on tobacco products sales	\$0	ND	
			Total	\$4,452,000	\$3,079,000	
ND = Non-disclosable						

Chapter 3: – Fuel Excise Taxes

Collections and History

The net revenues from the taxes on highway gasoline and special fuels were \$575.7 million in fiscal year 2014. All revenues from these taxes go into the Highway User Tax Fund. Colorado first imposed an excise tax on gasoline in 1919 at a rate of 1¢ per gallon. The rate has been increased over ten times (often in 1¢ increments) since its inception. The rate of 22¢ per gallon has been in effect since 1991. The tax on diesel fuel is somewhat lower than that of gasoline: it is 20.5¢ per gallon.

Tax Base

The tax base for the highway fuels excise taxes is motor fuel used in vehicles on Colorado highways. Off-road or out-of-state usage is therefore not considered a tax expenditure.

Computation of the Tax Calendar Year 2011 and 2013

The gasoline excise tax rate is 22¢ per gallon and is imposed on gasoline and gasohol used on Colorado highways. A rate of 20.5¢ applies to special fuels (diesel and biodiesel). Motor carriers based in states other than Colorado pay the excise tax which is 20.5¢ per gallon for special fuel purchased in another state and used on Colorado highways.

Exemptions

3.01 – Two percent allowance

§39-27-102(1)(b), C.R.S.

Enacted: 1933

The two percent allowance covers any losses in transit and in unloading the fuel and costs of collection. Out of this allowance, the licensed distributor shall make to each retailer an allowance of one percent of the amount of gasoline or special fuel delivered during each calendar month as shown by delivery invoices signed by the retailer.

3.02 – Dyed diesel fuel

§39-27-102.5, C.R.S.

Enacted: 1979

Dyed diesel fuel can be sold without excise tax when the fuel will be used for exempt purposes off road such as agricultural, home heating, or commercial manufacturing.

3.03 – Government agencies fuel tax exemption

§39-27-103(2), C.R.S.

Enacted: 1933

Gasoline can only be sold without excise tax to government entities. The gasoline must be requisitioned and used by the government entity and paid for with funds drawn from the government entity. Special fuel can be sold without excise tax to government entities, and the same guidelines as gasoline apply.

3.04 – Gasoline and special fuel tax exemptions

§39-27-103(3)(a), C.R.S.

Enacted: 1933

A refund may be claimed for fuel tax paid on gasoline or special fuel purchased in Colorado and used for the following purposes: operating stationary engines, motor boats or motor vehicles on or over fixed rails for commercial purposes; operating tractors, trucks, or other farm implements or machinery off-road when used for agricultural purposes on farms or ranches; cleaning and dyeing; any other use of equipment or machinery; any other use of equipment or machinery for commercial purposes off public roads.

3.05 – Aviation fuel exemptions

§39-27-103(3)(a)(I)(D),(F),(H), C.R.S.

Enacted: 2002

A refund may be claimed for fuel tax paid on aviation fuels purchased in Colorado and used for the following purposes: operating a state licensed agricultural applicator aircraft from a private landing facility used solely and exclusively for agricultural applications; aircraft operated by scheduled air carriers or commuter airlines operating flights on a regular schedule.

3.06 – Bad debt allowance/expense of collection

§39-27-105(2) C.R.S.

Enacted: 1969

When reporting the acquisition of gasoline and special fuel and determining the amount of excise tax due, Colorado law provides for a one-half percent allowance of the total amount of fuel to be deducted by the licensed distributor.

Fuel Excise Taxes						
Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
3.01	§39-27-102(1)(b)	1933	Two percent allowance	\$11,521,000	\$11,808,000	
3.02	§39-27-102.5	1979	Dyed diesel fuel	\$42,233,000	\$43,712,000	
3.03	§39-27-103(2)	1933	Government agencies fuel tax exemption	\$6,821,000	\$6,699,000	
3.04	§39-27-103(3)(a)	1933	Gasoline and special fuel tax exemptions	\$10,948,000	\$8,131,000	
3.05	§39-27-103(3)(a)(I)(D),(F),(H)	2002	Aviation fuel exemptions	\$114,000	\$90,000	
3.06	§39-27-105(2)	1969	Bad debt allowance/expense of collection	\$2,844,000	\$2,892,000	
			Total	\$74,481,000	\$73,332,000	

Chapter 4: – Income Tax Credits

Individual Income Taxes

Collections and History

Fiscal year 2014 net collections from the individual income tax were \$5.6 billion. The State of Colorado enacted an income tax for both individuals and corporations in 1937. Thirteen states enacted an income tax before 1929; nineteen states began taxing income between 1929 and 1937 and twelve states between 1949 and 1976. One state (Alaska) has since repealed the tax and seven states do not have an income tax. Originally, the Colorado income tax was used entirely for support of public schools in order to reduce dependence on the property tax. Two years after enactment of the tax, the General Assembly diverted 65 percent of the revenues to the State General Fund. Since 1947, all revenue from the state individual income tax goes into the State General Fund. Of course, a substantial portion of the general fund continues to be appropriated for public schools.

At enactment, a graduated rate schedule was applied to state-defined taxable income—1 percent on the first \$1,000 up to a rate of 6 percent for income over \$10,000. Although many changes were made to the individual income tax over the years, the structure of the tax remained basically the same from 1937 through 1964. In 1964, the General Assembly passed the Colorado Income Tax Act of 1964 wherein federal adjusted gross income became the automatic starting point for determination of Colorado taxable income. Specific modifications to federal adjusted gross income as well as specific Colorado exemptions were part of the new tax structure. This tax structure remained in effect until 1987 when the Colorado Income Tax Act of 1987 was enacted. Determination of state income taxes is now tied to federal taxable income with specific modifications that add back or reduce taxable income and credits that reduce income tax liabilities. In 1987, a flat rate of 5 percent was imposed. In 1999 the General Assembly reduced the tax rate to 4.75 percent and decreased it again to the current rate of 4.63 percent in 2000. All revenues accrue to the State General Fund.

Tax Base

The computation of the Colorado individual income tax starts with federal taxable income. The definition of federal taxable income in Colorado tax law references the Internal Revenue Code as of a specified date. The computation of Colorado taxable income is statutorily tied to the definition of federal taxable income. If federal legislation is enacted that affects the computation of federal taxable income, the change is automatically adopted for purposes of defining Colorado taxable income. At the time of this report, Colorado law references the Internal Revenue Code of 1986, as amended. The use of federal taxable income as a starting point in computing Colorado taxable income is an implicit acceptance of the federal personal exemptions, the federal

standard deduction, and federal itemized deductions. Certain components of income are added back to, and subtracted from, the federal definition of income to derive Colorado taxable income. The following formula can be used to derive Colorado taxable income:

Federal Taxable Income

PLUS (+) Any state income tax included in federal itemized deductions

PLUS (+) Non-Colorado state and municipal bond interest

PLUS (+) Lump sum distributions from pension or profit-sharing plan not included in federal taxable income

MINUS (-) State income tax refunds included in federal taxable income

MINUS (-) Interest on obligations of the United States

MINUS (-) Pension exclusion of up to \$20,000 if age 55-64, \$24,000 if age 65 or older

MINUS (-) Colorado source capital gain

MINUS (-) Contributions to qualified Colorado tuition savings plans

MINUS (-) Qualifying charitable contributions

MINUS (-) Other subtractions from federal taxable income such as; PERA/DPSRS benefits, tier I or II railroad retirement benefits, qualified reservation income, and wildfire mitigation measures

EQUALS (=) Colorado taxable income

Computation of the Tax Calendar Year 2011

A flat rate of 4.63 percent is levied against individuals' Colorado taxable income to derive their Colorado gross income tax liability. Non-refundable credits may be used against an individual's gross income tax liability only to the extent the liability is exhausted. Refundable credits may be claimed regardless of the incidence of a positive gross income tax liability.

Corporate Income Tax

Collections and History

Fiscal year 2014 net collections from the corporate income tax were \$717 million. The State of Colorado enacted an income tax for both individuals and corporations in 1937. During the first 20 years of its existence, the corporate income tax base, rate, and allocation factors for interstate firms were modified several times. At enactment, the General Assembly assessed a flat rate of 4 percent against Colorado taxable income. By 1947, the rate was increased to 5 percent; through 1980 a flat rate was in effect. In 1981, the General Assembly enacted a graduated tax rate. A graduated rate remained in effect until July 1993, wherein the General Assembly re-enacted a flat tax rate of 5 percent. The flat rate was lowered by the General Assembly to 4.75 percent in 1999 and the rate was lowered again to its current rate of 4.63 percent in 2000. All revenues accrue to the State General Fund.

Tax Base

The tax base is designed in conformance with the federal tax code, which defines net earnings as gross income minus allowable costs and deductions. In determining Colorado taxable income, the following items are added to federal taxable income: the federal net operating loss deduction, the state income tax deduction granted at the federal level, and assorted other deductions (including federally excluded bond interest income). Income components subtracted from federal taxable income include U.S. government bond interest, deducted Colorado income tax refunds, and other deductions such as excludable foreign source income and Colorado source capital gain. A corporation doing business only in Colorado will compute its tax on 100 percent of Colorado taxable income. However, a corporation doing business in more than one state must determine the amount of federal taxable income that is apportioned to Colorado. Apportionment of income to Colorado is determined by comparing certain Colorado revenue, expenses, and assets to the total revenue, expenses, and assets of the corporation. Generally, apportionment of income is computed using a single factor, sales. Under this method, business income is apportioned to Colorado by multiplying business income by a fraction, the numerator of which is the total sales of the corporation in Colorado during the tax period and the denominator of which is the total sales of the corporation during the tax period.

Computation of the Tax Calendar Year 2011

A flat rate of 4.63 percent is levied against corporations' Colorado taxable income to derive their Colorado gross tax liability. Non-refundable credits may be used against a corporation's gross tax liability only to the extent the liability is exhausted.

Credits

4.01 – Colorado minimum tax credit

§39-22-105, C.R.S.

Enacted: 1987

Taxpayers may claim a credit of 12 percent of the federal prior year minimum tax credit actually claimed on their current year federal income tax return. The credit is limited to the tax due (Colorado normal tax plus alternative minimum tax). Any excess credit cannot be carried forward to another tax year.

4.02 – Credit for income tax paid to another state

§39-22-108, C.R.S.

Enacted: 1937

If a taxpayer has income that was earned and is taxable in another state, but was received while a resident of Colorado, the income is taxed in both states, which results in the income being taxed twice. To alleviate this double taxation, Colorado residents can claim a credit for taxes paid to another state.

4.03 – Dual resident trust credit

§39-22-108.5, C.R.S.

Enacted: 2006

An income tax credit is available to any qualifying trust that is a resident of both Colorado and another state. The dual resident trust credit and the credit for tax paid to another state may not be claimed in the same tax year, and the credit is not available to a trust that became a Colorado resident trust prior to May 26, 2006.

4.04 – Plastic recycling investment credit

§39-22-114.5, C.R.S.

Enacted: 1989

The plastic recycling investment tax credit is equal to 20 percent of the first \$10,000 of net expenditures to third parties for rent, wages, supplies, consumable tools, equipment, test inventory and utilities made for new plastic recycling technology in Colorado. The credit is available to Colorado resident individuals only.

4.05 – Colorado child care credit

§39-22-119, C.R.S.

Enacted: 1996

The Colorado child care credit is a percentage of the child care credit claimed for federal income tax purposes. The federal credit is a child and dependent care credit. It is allowed for expenses incurred in the care of children under the age of 13 and for expenses incurred in the care of disabled dependents over the age of 12. However, the Colorado child care credit is allowed only with respect to the federal credit allowed for the care of children under the age of 13.

4.06 – Child care contribution credit

§39-22-121, C.R.S.

Enacted: 1998

Taxpayers who make a monetary contribution to promote child care in Colorado may claim an income tax credit of 50 percent of the total contribution. The credit is limited for tax years 2011 – 2014.

4.07 – Long term care insurance credit

§39-22-122, C.R.S.

Enacted: 1999

An income tax credit is available for Colorado residents who purchase or pay premiums on a long-term care insurance policy. The credit is equal to 25 percent of the amount paid for the insurance during the year limited to \$150 per policy.

4.08 – Crop and livestock contribution credit

§39-22-301(3)(b), C.R.S.

Enacted: 1982

The crop and livestock contribution credit is available to C corporations that donate crops or livestock to certain charitable organizations for use in Colorado. The credit is equal to 25 percent of the contribution valued at wholesale market price or the most recent sale price. The contribution must be made to a charitable organization that has been granted income tax exempt status for federal income tax purposes.

4.09 – Old investment tax credit

§39-22-507.5, C.R.S.

Enacted: 1979

The old investment tax credit is 10 percent of the current year federal investment credit, which includes the rehabilitation, energy and reforestation investment credits on assets located in Colorado. The current year credit is the sum of the old investment tax credit carryforward, the current year old investment tax credit and the old investment tax credit carryback. The credit is limited to the first \$5,000 of tax liability plus 25 percent of the tax in excess of \$5,000. The credits must be utilized in the order they were created. Excess credit may be carried back three years and forward seven. The credit is available only to C corporations.

4.10 – New investment tax credit

§39-22-507.6, C.R.S.

Enacted: 1987

The new Colorado investment tax credit is allowed in an amount equal to 1 percent of the total qualified investment as determined under section 46(c) of the internal revenue code in qualified property as defined in section 48 of the internal revenue code as such sections existed prior to the Revenue Reconciliation Act of 1990. The new ITC is basically 10 percent of what the federal regular percentage ITC would be if it were still in effect. This credit was implemented in 1988 to provide an ITC on equipment that no longer qualified for the old ITC that was reduced by federal law changes in 1986.

4.11 – Historic property preservation credit

§39-22-514, C.R.S.

Enacted: 1990

Colorado offers an income tax credit to Colorado resident individuals and C corporations for the preservation and rehabilitation of a qualified historic property. The structure must be at least 50 years old, and must be: a) designated individually or as a contributing property in the State Register of Historic Places; b) designated as a landmark by a certified local government; or c) designated as a contributing property in a designated historic district of a certified local government. The credit is limited for tax years 2011 and later.

4.12 – Alternative fuel vehicle credit

§39-22-516(2.5), C.R.S.

Enacted: 1992

Colorado income tax credits were available to taxpayers who purchased an alternative fuel vehicle, converted a motor vehicle to use alternative fuel, or replaced a vehicle's power source with an alternative fuel power source. To qualify, the vehicle must be titled and registered in Colorado. This credit was available for tax years beginning prior to January 1, 2010.

4.13 – Refundable alternative fuel vehicle credit

§39-22-516(2.6), C.R.S.

Enacted: 2009

Colorado income tax credits were available to taxpayers who purchased an alternative fuel vehicle, converted a motor vehicle to use an alternative fuel, or replaced a vehicle's power source with an alternative fuel power source. To qualify, the vehicle must be titled and registered in Colorado. This credit was available for tax years commencing on or after January 1, 2010 but prior to January 1, 2012.

4.14 – Alternative fuel refueling facility credit

§39-22-516 (2.7), C.R.S.

Enacted: 1992

Colorado income tax credits were available for the construction, reconstruction, or acquisition of an alternative fuel refueling facility that was directly attributable to the storage, compression, charging or dispensing of alternative fuels to motor vehicles. This credit was available for tax years beginning prior to January 1, 2011.

4.15 – Child care investment credit

§39-22-517(1), C.R.S.

Enacted: 1992

Taxpayers who operate a child care center, family child care home, or foster care home and who invest in qualified tangible personal property to be used in the operation of such facility may claim an investment tax credit equal to 20 percent of the investment. The facility must be licensed pursuant to the provisions of §26-6-104, C.R.S.

4.16 – Employer child care facility investment credit

§39-22-517(2), C.R.S.

Enacted: 1992

Employers who provide child care facilities for the benefit of their employees can claim an investment tax credit. The tax credit is equal to 10 percent of the employer's investment during the tax year in qualified tangible personal property to be used in the operation of the child care facility. The facility must be incidental to the employer's business and must be licensed pursuant to §26-6-104, C.R.S.

4.17 – School-to-career investment credit

§39-22-520(2), C.R.S.

Enacted: 1997

Colorado taxpayers are allowed to claim a credit of 10 percent of their current year investment in a qualified school-to-career program.

4.18 – Colorado works program credit

§39-22-521(1), C.R.S.

Enacted: 1997

Colorado employers are allowed to claim a credit of 20 percent of their annual expenditures made to provide eligible services for their employees who receive public assistance pursuant to the Colorado Works Program. The credit may not be claimed for more than two years with respect to each individual employee.

4.19 – Gross conservation easement credit

§39-22-522, C.R.S.

Enacted: 1999

An income tax credit is available for tax years beginning on or after January 1, 2000, for the donation of a perpetual conservation easement in gross on real property located in Colorado. The credit is based on the fair market value of the easement. The donation must be made to a governmental entity or a charitable organization that is exempt under section 501(c) (3) of the Internal Revenue Code of 1954, as amended and created at least two years prior to receipt of the easement. The donation must also qualify as a charitable contribution for federal income tax purposes.

4.20 – Contaminated land redevelopment credit

§39-22-526, C.R.S.

Enacted: 2000

For any tax year beginning on or after January 1, 2000, but prior to December 31, 2010, an income tax credit is available for taxpayers who redevelop contaminated land in Colorado.

4.21 – Developmental disability employee credit

§39-22-530, C.R.S.

Enacted: 2008

For tax years beginning on or after January 1, 2009, but prior to January 2, 2011, employers in Adams, Arapahoe, El Paso, Jefferson, Logan, Montrose and Morgan counties who hire a qualified person with a developmental disability will qualify for a tax credit. The credit is equal to 50 percent of the qualified employee's gross wages paid during the employee's first three months of continuous employment plus 30 percent of the employee's gross wages paid during the subsequent nine months of continuous employment. The availability of the credit is contingent upon sufficient revenue growth for the tax year. This is determined by the December legislative council revenue forecast issued prior to the tax year and that the general fund appropriation must grow 6 percent over the previous year. Note: this credit was not available for tax years 2009, 2010, 2011.

4.22 – Job growth incentive tax credit

§39-22-531, C.R.S.

Enacted: 2009

For tax years beginning on or after January 1, 2009, but prior to January 1, 2020, an income tax credit is available to any taxpayer doing business in Colorado who receives certification from the Colorado Economic Development Commission (EDC) for a project that creates qualified job growth over a credit period not to exceed 60 months. The job growth must occur as a result of this credit and meet certain requirements established by the EDC.

4.23 – Innovation investment tax credit

§39-22-532, C.R.S.

Enacted: 2009

For tax years beginning on or after January 1, 2010, but prior to January 1, 2011, this credit is available to qualified taxpayers other than C corporations who invest in a small qualified business involved primarily in research and development or manufacturing of new technologies, products or processes as designated by the Colorado Office of Economic Development and International Trade (OEDIT). The tax credit is 15 percent of the qualified investment made during calendar year 2010, but may not exceed \$20,000 per investor per qualified business.

4.24 – Instream flow incentive tax credit

§39-22-533, C.R.S.

Enacted: 2009

For tax years beginning on or after January 1, 2009, but prior to January 1, 2015, a taxpayer who donates a permanent water right to the Colorado Water Conservation Board may be granted a refundable tax credit by the Board of up to one-half the value of the donated water right. The availability of the credit is contingent upon sufficient revenue growth for the tax year. This is determined by the December legislative council revenue forecast issued prior to the tax year and that the general fund appropriation must grow 6 percent over the previous year. Note: this credit was not available for tax years 2009, 2010, 2011.

4.25 – Low-income housing credit

§39-22-2102, C.R.S.

Enacted: 2000

For tax years beginning on or after January 1, 2001, an income tax credit is available for owners of qualified low-income housing developments that receive a credit allocation from Colorado Housing and Finance Authority (CHFA) before December 31, 2002. This credit is allocated by CHFA.

4.26 – Contribution to enterprise zone administrator credit

§39-30-103.5 (1), C.R.S.

Enacted: 1989

For income tax years beginning on or after January 1, 1996, any taxpayer who makes monetary or in-kind contributions to an enterprise zone administrator or to an agent designated by the enterprise zone administrator for the purpose of implementing the economic development plan of the enterprise zone may claim an income tax credit of 25 percent of the value of the contribution up to a maximum credit of \$100,000.

4.27 – Enterprise zone investment tax credit

§39-30-104(1)(a), C.R.S.

Enacted: 1986

The enterprise zone investment tax credit is 3 percent of any qualified investment in section 38 property, acquired and placed in service or constructed during the tax year, and used exclusively (100%) in a Colorado enterprise zone for the first year of its ownership by the taxpayer.

4.28 – Commercial vehicle enterprise zone investment tax credit

§39-30-104(1)(b), C.R.S.

Enacted: 2010

For tax years beginning on or after January 1, 2011, a commercial truck, truck tractor, tractor, or semitrailer and any parts for such vehicle purchased at the same time may qualify for a limited enterprise zone investment tax credit if it meets certain conditions. The vehicle must be predominantly housed and based at the taxpayer's business trucking facility located within an enterprise zone for at least the first year of its ownership by the taxpayer. The credit is limited to 1.5 percent of the qualified investment and is subject to allocated funding.

4.29 – Enterprise zone job training credit

§39-30-104(4), C.R.S.

Enacted: 1996

Colorado taxpayers are allowed to claim a credit of 10 percent of their total current year investment in a qualified job training program.

4.30 – Enterprise zone new business facility employee credit

§39-30-105(1)(a)(I), C.R.S.

Enacted: 1986

Any taxpayer who establishes a new business facility in an enterprise zone can claim an income tax credit of \$500 for each new business facility employee who is working within the zone, prorated according to the number of months of employment during the tax year. For subsequent tax years, a credit of \$500 shall be allowed for any increase in the average number of new business facility employees working in the zone in excess of the maximum number employed in any prior tax year.

4.31 – Enhanced rural enterprise zone new business facility employee credit

§39-30-105(1)(a)(III), C.R.S.
Enacted: 2002

For tax years beginning on or after January 1, 2003, an additional \$2,000 credit for each new business facility employee is available to businesses located in an enhanced rural enterprise zone. The enhanced portion of the new business facility employee credit not used to offset tax can be carried forward for a period of up to seven years. This tax credit is in addition to the \$500 tax credit available to employers in enterprise zones for employees that meet the requirements for the new business facility employee credit.

4.32 – Enterprise zone employee health insurance credit

§39-30-105(1)(b), C.R.S.
Enacted: 1987

For the first two full income tax years while located in an enterprise zone, taxpayers are allowed a credit of \$200 for each new business facility employee insured under a health insurance plan or program. At least 50 percent of the cost must be paid by the employer. Such plan or program may be any health insurance, health maintenance organization or pre-paid health plan that is approved by the State Insurance Commissioner for sale in Colorado or it may be a self- insurance program. The program must be reduced to writing, and it must be legally enforceable against the taxpayer.

4.33 – Enterprise zone agricultural employee processing credit

§39-30-105(3)(a), C.R.S.
Enacted: 1987

If a new business facility established by a taxpayer in an enterprise zone on or after January 1, 1989 is engaged in a business that adds value through manufacturing or processing to agricultural commodities, an additional credit of \$500 per new business facility employee is allowed. The enterprise zone new business facility agricultural processing employee credit is computed the same as the enterprise zone basic new business facility employee credit and is allowed in addition thereto.

4.34 – Enhanced rural enterprise zone agricultural employee processing credit

§39-30-105(3)(b), C.R.S.
Enacted: 2002

For tax years beginning on or after January 1, 2003, an additional \$500 credit for each new business facility agricultural processing employee is available to businesses located in an enhanced rural enterprise zone. The enhanced portion of the new business facility employee credit not used to offset tax can be carried forward for a period of up to seven years. This tax credit is in addition to the \$500 tax credit available to employers in enterprise zones for

employees that meet the requirements for the enterprise zone agricultural employee processing credit.

4.35 – Enterprise zone research and experimental credit

§39-30-105.5, C.R.S.
Enacted: 1988

Taxpayers who make expenditures on research and experimental activities in an enterprise zone qualify for an income tax credit. The 3 percent credit is based on the increase of a company’s research and experimental expenditures within an enterprise zone over the average of such expenditures conducted in the same enterprise zone during the previous two income tax years. The expenditures must meet the research and experimental activities as defined in section 174 of the federal Internal Revenue Code of 1986, as amended.

4.36 – Enterprise zone vacant commercial building rehabilitation credit

§39-30-105.6, C.R.S.
Enacted: 1989

The owner or tenant of a building in an enterprise zone that is at least 20 years old and that has been completely vacant for at least two years can claim a tax credit of 25 percent of the cost of rehabilitating such building for commercial use. The credit is limited to \$50,000 per building. Any taxpayer who claims the historic preservation credit or is allowed a credit for costs incurred in the rehabilitation of property through the provisions of section 38 of the Internal Revenue Code of 1986, as amended, shall not be allowed to claim the tax credit for rehabilitation of vacant buildings in an enterprise zone. The taxpayer is allowed to claim the enterprise zone investment tax credit for such rehabilitation.

4.37 – Rural technology enterprise zone credit

§39-32-105, C.R.S.
Enacted: 1998

This credit is available as a carryforward only to those who have claimed the credit during income tax years ending on or after March 30, 2001 and beginning prior to January 1, 2005. Any taxpayer that makes a qualified capital investment in technology infrastructure in Rural Technology Enterprise Zones may claim an income tax credit of 10 percent of the total investment made during the year.

4.38 – Aircraft manufacturer new employee credit

§39-35-104, C.R.S.
Enacted: 2005

For tax years beginning on or after January 1, 2006, but prior to January 1, 2017, an income tax credit of \$1,200 per employee is available for hiring qualified new aviation zone employees to aircraft manufacturers located in a Colorado aviation development zone.

Income Tax Credits						
Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
4.01	§39-22-105	1987	Colorado minimum tax credit	\$179,962,000		
4.02	§39-22-108	1937	Credit for income tax paid to another state	1/		
4.03	§39-22-108.5	2006	Dual resident trust credit	1/		
4.04	§39-22-114.5	1989	Plastic recycling investment credit	1/		
4.05	§39-22-119	1996	Colorado child care credit	\$3,111,000		Includes credit taken by part-year and nonresidents.
4.06	§39-22-121	1998	Child care contribution credit	\$3,664,000		
4.07	§39-22-122	1999	Long term care insurance	\$3,503,000		
4.08	§39-22-301(3)(b)	1982	Crop and livestock contribution credit	\$0		
4.09	§39-22-507.5	1979	Old investment tax credit	1/		
4.10	§39-22-507.6	1987	New investment tax credit	1/		
4.11	§39-22-514	1990	Historic property preservation credit	\$418,000		
4.12	§39-22-516(2.5)	1992	Alternative fuel vehicle credit	1/		
4.13	§39-22-516(2.6)	2009	Refundable alternative fuel vehicle credit	\$4,866,000		
4.14	§39-22-516(2.7)	1992	Alternative fuel refueling facility credit	1/		
4.15	§39-22-517(1)	1992	Child care investment credit	1/		
4.16	§39-22-517(2)	1992	Employer child care facility investment credit	1/		
4.17	§39-22-520(2)	1997	School-to-career investment credit	1/		
4.18	§39-22-521(1)	1997	Colorado works program credit	1/		
4.19	§39-22-522	1999	Gross conservation easement credit	\$15,234,000		
4.20	§39-22-526	2000	Contaminated land redevelopment credit	1/		
4.21	§39-22-530	2008	Developmental disability employee credit	2/		
4.22	§39-22-531	2009	Job growth incentive tax credit	1/		
4.23	§39-22-532	2009	Innovation investment tax credit	1/		
4.24	§39-22-533	2009	Instream flow incentive tax credit	2/		
4.25	§39-22-2102	2000	Low-income housing credit	1/		
4.26	§39-30-103.5(1)	1989	Contribution to enterprise zone administrator credit	1/		
4.27	§39-30-104(1)(a)	1986	Enterprise zone investment tax credit	1/		
4.28	§39-30-104(1)(b)	2010	Commercial vehicle enterprise zone investment tax credit	\$54,000		
4.29	§39-30-104(4)	1996	Enterprise zone job training credit	1/		

1/ Combined with credit 4.01 and includes part-year and nonresident credits

2/ Not Applicable

Income Tax Credits (Cont'd)						
Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
4.30	§39-30-105(1)(a)(I)	1986	Enterprise zone new business facility employee credit	1/		
4.31	§39-30-105(1)(a)(III)	2002	Enhanced rural enterprise zone new business facility employee credit	1/		
4.32	§39-30-105(1)(b)	1987	Enterprise zone employee health insurance credit	1/		
4.33	§39-30-105(3)(a)	1987	Enterprise zone agricultural employee processing credit	1/		
4.34	§39-30-105(3)(b)	2002	Enhanced rural enterprise zone agricultural employee processing credit	1/		
4.35	§39-30-105.5	1988	Enterprise zone research and experimental credit	1/		
4.36	§39-30-105.6	1989	Enterprise zone vacant commercial building rehabilitation credit	1/		
4.37	§39-32-105	1998	Rural technology enterprise zone credit	1/		
4.38	§39-35-104	2005	Aircraft manufacturer new employee credit	1/		
			Total	\$210,812,000		
1/ Combined with credit 4.01 and includes part-year and nonresident credits 2/ Not Applicable						

Chapter 5: – Income Tax Deductions

5.01 – United States government interest

§39-22-104(4)(a), C.R.S.
Enacted: 1964

Interest income from United States government obligations is taxable by the federal government. Interest from U.S. government obligations is generally exempt from Colorado income tax.

5.02 – PERA contribution made in 1984-1986/DPSRS contributions made in 1986

§39-22-104(4)(c), C.R.S.
Enacted: 1982

These contributions were subject to state income tax in the years they were paid, but were tax-deferred for federal income tax purposes. This means the taxpayer must pay federal income tax when they receive benefit payments upon retirement or termination. The subtraction on their Colorado return enables taxpayers to subtract from taxable income the amount of pension benefits on which state income tax was already paid.

5.03 – Repayment subtraction

§39-22-104(4)(c), C.R.S.
Enacted: 1982

A subtraction is allowed to prevent the taxation of any annuity or income or gain that was properly included as income and taxed in a prior tax year.

5.04 – State income tax refund

§39-22-104(4)(e), C.R.S.
Enacted: 1964

Colorado individual, estate and trust taxpayers are not allowed to claim a deduction on the Colorado income tax return for state income tax paid during the taxable year (via withholding or otherwise). Therefore, any Colorado or other state income tax refund is not subject to tax by Colorado and, to the extent included in federal taxable income, such refunds may be subtracted from federal taxable income in determining Colorado taxable income.

5.05 – Pension or annuity subtraction, taxpayer and spouse

§39-22-104(4)(f), C.R.S.
Enacted: 1982

This subtraction allows all or a portion of pension or annuity income taxable on the federal return to be exempt from Colorado tax.

5.06 – Medical savings employer contribution

§39-22-104(4)(h), C.R.S.
Enacted: 1994

To the extent not otherwise claimed as a deduction in arriving at federal taxable

income, amounts contributed to an employee's medical savings account created under the provisions of 39-22-507.4, C.R.S. may be claimed by the employee as a subtraction in determining Colorado taxable income.

5.07 – Tuition program contribution

§39-22-104(4)(i), C.R.S.
Enacted: 1997

Taxpayers can deduct on the Colorado income tax return the payments or contributions made to certain qualified state tuition programs.

5.08 – Qualifying charitable contribution

§39-22-104(4)(m), C.R.S.
Enacted: 2000

Individuals who claim the federal standard deduction instead of itemizing their deductions on their federal return may be able to subtract a portion of their charitable contributions from their Colorado taxable income.

5.09 – Wildfire mitigation measures

§39-22-104(4)(n), C.R.S.
Enacted: 2008

For income tax years 2009 through 2013 individuals, estates and trusts may subtract from federal taxable income 50 percent of the costs incurred in performing wildfire mitigation measures.

5.10 – Catastrophic health insurance

§39-22-104.5, C.R.S.
Enacted: 1994

Any employer who does not offer other health insurance may offer catastrophic health insurance to its employees. Any Catastrophic Health Insurance Premiums withheld by an employer can be subtracted from the employees' taxable income on the "Other Subtractions" line of the Colorado Individual Income Tax return. Self-employed persons cannot claim this subtraction.

5.11 – Insurance companies subject to a gross premiums levy

§39-22-112(1), C.R.S.
Enacted: 1937

Insurance companies are exempt from Colorado income tax if they are subject to a gross premiums levy by the State of Colorado Division of Insurance. An insurance agency is not an insurance company.

5.12 – Non-profit corporations that file federal form 990

§39-22-112(1), C.R.S.

Enacted: 1937

Nonprofit corporations that file federal form 990 and are therefore exempt from filing a federal income tax return are also exempt from filing a Colorado income tax return.

5.13 – Partnership modification

§39-22-202, C.R.S.

Enacted: 1937

This provision allows qualified adjustments relating to partnership income made in determining the income subject to tax by Colorado to be apportioned among the partners based on a determination of the partners' distributive share.

5.14 – Foreign source income of export taxpayers

§39-22-206, C.R.S.

Enacted: 1993

Certain foreign income of partners in an export partnership is exempt from Colorado income tax.

5.15 – Excludable foreign source income

§39-22-303(10), C.R.S.

Enacted: 1985

If, for federal income tax purposes, the corporation has elected to claim foreign taxes paid or accrued as a deduction, an amount of foreign source income equal to such deduction shall be subtracted from federal taxable income.

5.16 – Exempt federal interest

§39-22-304(3)(a) & (b), C.R.S.

Enacted: 1964

Interest income from United States government obligations is taxable by the federal government. Federal law requires that this interest be generally exempt from state income tax. Therefore, any federal interest income reported on the federal income tax return as taxable, but exempt from state taxation, can be deducted from federal taxable income when computing the Colorado taxable income.

5.17 – Income from the disposition of assets acquired prior to January 1, 1978, that has a higher Colorado basis than federal basis

§39-22-304(3)(c), C.R.S.

Enacted: 1964

Qualified income from the sale of assets that had a higher Colorado basis than federal basis is exempt from Colorado income tax.

5.18 – Gain from a qualified sale under threat of condemnation

§39-22-304(3)(d), C.R.S.

Enacted: 1977

To the extent included in federal taxable income, any gain received from a qualified sale is exempt from Colorado income tax. A qualified sale is a sale made in good faith, but not between persons defined in §267(b) of the Internal Revenue Code, where the buyer had, or could have obtained, the power to condemn the property, but where such gain did not qualify for the deferral of gain under §1033 of the Internal Revenue Code.

5.19 – Previously taxed income or gain

§39-22-304(3)(e), C.R.S.

Enacted: 1964

To the extent included in federal taxable income, any income or gain previously taxed by Colorado prior to 1965 either to the corporation, a decedent, an estate, or trust, from which the corporation acquired the income or gain is exempt from Colorado income tax.

5.20 – Colorado income tax refund

§39-22-304(3)(f), C.R.S.

Enacted: 1964

Any refund of Colorado income tax to the extent included in federal taxable income is exempt from Colorado income tax. Income tax refunds from other states may not be subtracted.

5.21 – Colorado net operating loss

§39-22-304(3)(g), §39-22-504, C.R.S.

Enacted: 1964

The Colorado net operating loss for any given tax year is the portion of the federal net operating loss allocated and/or apportioned to Colorado.

5.22 – Excess oil shale depletion

§39-22-304(3)(h), C.R.S.

Enacted: 1964

The difference between the depletion allowed on oil produced from oil shale and the depletion that would have been permitted if the allowable depletion rate were 27 ½ percent is exempt from Colorado income tax.

5.23 – Wages and salaries not deducted on federal return due to IRC Section 280C

§39-22-304(3)(i), C.R.S.
Enacted: 1979

A deduction for certain types of wage and salary income that cannot be deducted on the federal return is exempt from Colorado income tax. Wages and salaries that qualify for this subtraction include those for which the following federal credit(s) was taken on the federal return: Indian Employment, Work Opportunity, Empowerment Zone Employment, Orphan Drug, Research Expense, Employee Retention, Welfare-To-Work, Mine Rescue Team Training, and the Employer Social Security credit.

5.24 – Gross-up provisions of section 78 of the Internal Revenue Code

§39-22-304(3)(j), C.R.S.
Enacted: 1978

Any amounts included in federal taxable income as dividend income due to the provisions of IRC §78 are exempt from Colorado income tax.

5.25 – Fiduciary subtraction/ Fiduciary or partnership modification

§39-22-402, C.R.S.
Enacted: 1964

This provision allows qualified adjustments made in determining the income subject to tax by Colorado to be apportioned between an estate or trust and its beneficiaries.

5.26 – Medical savings account contributions

§39-22-504.7(2)(e), C.R.S.
Enacted: 1994

To the extent not claimed as a deduction on the taxpayer's federal tax return, the amount contributed to a medical savings account is exempt from Colorado income tax.

5.27 – Ride-sharing or mass transit expenses

§39-22-509, C.R.S.
Enacted: 1979

To the extent not claimed as a deduction on the taxpayer's federal tax return, a deduction is allowed for the amount of the corporation's contribution as an employer to: a) free or partially subsidized ridesharing arrangements for employees, cash incentives for participation in ridesharing arrangements, and the payment of all or part of the administrative cost incurred in organizing, establishing or administering a ridesharing program; b) free or partially subsidized mass transit fares for use by employees in going to and returning from their places of employment.

5.28 – Colorado source capital gain

§39-22-518, C.R.S.
Enacted: 1994

Qualified Colorado taxpayers may subtract certain net capital gain income to the extent the gains are included in their federal taxable income. Qualification to claim this subtraction is dependent upon the tax year in which the subtraction is claimed.

Income Tax Deductions *						
Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
5.01	§39-22-104(4)(a)	1964	United States government interest	\$26,063,000		
5.02	§39-22-104(4)(c)	1982	PERA contribution made in 1984-1986/DPSRS contributions made in 1986	\$7,638,000		
5.03	§39-22-104(4)(c)	1982	Repayment subtraction	1/		
5.04	§39-22-104(4)(e)	1964	State income tax refund (individual income)	\$38,533,000		
5.05	§39-22-104(4)(f)	1982	Pension or annuity subtraction, taxpayer and spouse	\$359,666,000		
5.06	§39-22-104(4)(h)	1994	Medical savings employer contribution	1/		
5.07	§39-22-104(4)(i)	1997	Tuition program contribution	\$11,657,000		
5.08	§39-22-104(4)(m)	2000	Qualifying charitable contribution	\$8,193,000		
5.09	§39-22-104(4)(n)	2008	Wildfire mitigation measures	1/		
5.10	§39-22-104.5	1994	Catastrophic health insurance	1/		
5.11	§39-22-112(1)	1937	Insurance companies subject to a gross premiums levy	4/		
5.12	§39-22-112(1)	1937	Non-profit corporations that file federal form 990	4/		
5.13	§39-22-202	1937	Partnership modification	2/		
5.14	§39-22-206	1993	Foreign source income of export taxpayers	2/		
5.15	§39-22-303(10)	1985	Excludable foreign source income	\$318,000		
5.16	§39-22-304(3)(a) & (b)	1964	Exempt federal interest	\$445,000		
5.17	§39-22-304(3)(c)	1964	Income from the disposition of assets acquired prior to January 1, 1978, that has a higher Colorado basis than federal basis	3/		
5.18	§39-22-304(3)(d)	1977	Gain from a qualified sale under threat of condemnation	3/		
5.19	§39-22-304(3)(e)	1964	Previously taxed income or gain	3/		
5.20	§39-22-304(3)(f)	1964	State income tax refund (corporate income)	\$14,222,000		
5.21	§39-22-304(3)(g), §39-22-504	1964	Colorado net operating loss	\$9,707,000		
5.22	§39-22-304(3)(h)	1964	Excess oil shale depletion	3/		
5.23	§39-22-304(3)(i)	1979	Wages and salaries not deducted on federal return due to IRC Section 280C	3/		
5.24	§39-22-304(3)(j)	1978	Gross-up provisions of section 78 of the Internal Revenue Code	3/		
1/ Combined with deduction 5.02 2/ Not available 3/ Combined with deduction 5.15 4/ If this deduction were taken, it would be combined with 5.02 or 5.15 * Due to data availability and consistency, estimates for corporate income tax deductions are only calculated for companies which do not apportion income. This understates the estimates overall.						

Income Tax Deductions 5/ (Cont'd)						
Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
5.26	§39-22-504.7(2)(e)	1994	Medical savings account contributions	3/		
5.27	§39-22-509	1979	Ride-sharing or mass transit expenses	3/		
5.28	§39-22-518	1994	Colorado source capital gain	\$2,651,000		
			Total	\$589,041,000		
1/ Combined with deduction 5.02 2/ Not available 3/ Combined with deduction 5.15 4/ If this deduction were taken, it would be combined with 5.02 or 5.15 * Due to data availability and consistency, estimates for corporate income tax deductions are only calculated for companies which do not apportion income. This understates the estimates overall.						

Chapter 6: – Sales And Use Tax Exemptions

Collections and History

Revenues from the general sales and use tax totaled \$2.6 billion in fiscal year 2014. All revenues from the 2.9 percent general sales and use tax went into the State General Fund during calendar years 2011 and 2013, including those from medical marijuana sales before the enabling legislation for Amendment 64 became effective on January 1, 2014. The Colorado general sales and use tax was enacted in 1935 at a rate of 2 percent. The rate was increased to 3 percent in July 1965, 3.5 percent in 1983, and back down to 3 percent in August of 1984. In 2001, the General Assembly decreased the rate to its current level.

Tax Base

Colorado lists six broad categories of taxable goods in statutes and then lists the various exclusions to the broad list. A tax is levied: 1) on the purchase price charged or paid for all sales and purchases of tangible personal property, 2) on the net value of exchanged property, 3) upon telephone and telegraph services, 4) for commercial consumption of gas and electric services, 5) upon the amount paid for food or beverages served or furnished by restaurants, cafes, and similar places of business, and 6) on the amount charged for the rental of lodging.

Specific exemptions to Colorado sales tax have gradually been added over time. Other than wholesale sales, the largest state sales tax exemption adopted by the General Assembly was the exemption of food for off-premises consumption, which was enacted in 1979. That same year, the General Assembly also removed the sales tax from residential utilities for heat, light, and power.

Computation of the Tax Calendar Year 2011 and 2013

The state rate is 2.9 percent on taxable sales. Businesses that pay the tax on time receive a vendor's discount from the amount of tax due as a payment for the costs of collecting the tax.

Exemptions

6.01 – Transfer of Assets

§39-26-102(10)(f), C.R.S.
Enacted: 1977

Transfers of assets in certain types of business formation or dissolution are exempt from sales and use tax.

6.02 – Newspapers

§39-26-102(15), C.R.S.
Enacted: 1943

The sale of newspapers as defined in §24-70-102, C.R.S., is exempt from sales and use tax.

6.03 – Preprinted newspaper supplements

§39-26-102(15), C.R.S.
Enacted: 1985

Preprinted newspaper supplements that become attached to or inserted in and distributed with newspapers are exempt from sales and use tax.

6.04 – Direct mail advertising materials

§39-26-102(15), C.R.S.
Enacted: 1990

Direct mail advertising materials distributed by persons engaged solely and exclusively in providing cooperative direct mail advertising are exempt from sales and use tax. Repealed, effective March 1, 2010

6.05 – Downloadable software

§39-26-102(15)(c), C.R.S.
Enacted: 2011

Sales and purchases of computer software which are provided through an application service provider, delivered by electronic computer software delivery, or transferred by load and leave computer software delivery.

6.06 – Materials used in the printing process

§39-26-102(19), C.R.S.
Enacted: 1992

Exempt purchases of tangible personal property for resale by printers are included in the following categories: paper, ink, chemicals, materials, and pre-press preparation materials.

6.07 – Wholesale sales

§39-26-102(19)(a)
Enacted: 1935

Sales by wholesalers to retailers or other wholesalers for resale are exempt from sales and use tax.

6.08 – Adjuvants, bull semen, and agricultural compounds

§39-26-102(19)(c)
Enacted: 2012

All sales and purchases of spray adjuvants, semen for agricultural or ranching purposes, and agricultural compounds that are consumed by, administered to, or otherwise used in caring for livestock are considered wholesale sales and are therefore exempt from Colorado state sales and use tax. "Agricultural compounds" means: Insecticides, fungicides, growth-regulating chemicals, enhancing compounds, vaccines, and hormones; drugs, that are used for the prevention or treatment of disease or injury in livestock; and animal pharmaceuticals that have been approved by the Food and Drug Administration. This exemption was previously a stand-alone exemption and was recodified into wholesale sales effective July 1, 2012 (see expenditure number 6.55).

6.09 – Pesticides

§39-26-102(19)(d)
Enacted: 2012

All sales and purchases of pesticides or other substances registered by the Colorado Commissioner of Agriculture as agricultural use pesticides are considered wholesale sales and are therefore exempt from state sales and use tax and any special district sales and use tax when purchased from a dealer licensed and registered under §35-9-115, C.R.S. of the act. This exemption was previously a stand-alone exemption and was recodified into wholesale sales effective July 1, 2012 (see expenditure number 6.56).

6.10 – Ingredients and component parts

§39-26-102(20)(a), C.R.S.
Enacted: 1935

Tangible property becoming an ingredient or component part of the product or service manufactured for resale is exempt from sales and use tax.

6.11 – Ingredients and components parts, food manufacturing

§39-26-102(20)(b), C.R.S.
Enacted: 1982

Property for use in food manufacturing when such property becomes part of the product for resale or is left unfit for further use is exempt from sales and use tax.

6.12 – Energy used for industrial, manufacturing, and similar purposes

§39-26-102(21), C.R.S.
Enacted: 1937

Sales and purchases of electricity, coal, gas, fuel oil, steam, coke, or nuclear fuel used in processing, manufacturing, mining, refining, irrigation, construction, telegraph, telephone, radio communication, street transportation services, and all industrial uses are exempt from the 2.9% state sales and use tax. Repealed, effective March 1, 2010 - June 30, 2012

6.13 – Gas and electric services when deemed a wholesale sale

§39-26-102(21), C.R.S.
Enacted: 1982

Gas and electric services, whether furnished by municipal, public or private corporations, or enterprises, are taxable when furnished for commercial consumption, but are not taxable when sold for resale or for any of the uses set out in §39-26-102(21) C.R.S.

6.14 – Printers ink and newsprint

§39-26-102(21), C.R.S.
Enacted: 1943

Printers ink and newsprint are exempt from the state sales and use tax.

6.15 – Interstate telephone services

§39-26-104(1)(c)(I), C.R.S.
Enacted: 2002

Telephone service to customers whose primary use is outside Colorado is considered interstate and is exempt from the sales and use tax.

6.16 – Vendor fee

§39-26-105, C.R.S.
Enacted: 1935

From June 1, 2009 through June 30, 2011 the amount of sales tax collected by a vendor and paid to the department was not reduced by any vendor fee. From July 1, 2011 through June 30, 2014 the amount of sales tax collected could be reduced by 2.22 percent of the tax due to cover the vendor's expense in the collection and remittance of the tax, if the EFT payment and return are filed by the due date. Effective July 1, 2014, the vendor fee rate was restored to 3.33 percent of the amount of sales tax collected.

6.17 – Sales of motor vehicles for use by nonresidents outside Colorado

§39-26-113(5)(a), C.R.S.
Enacted: 1977

Vehicles delivered to a nonresident of Colorado to be licensed outside the state of Colorado are exempt from Colorado sales tax. The vehicle cannot to be licensed or registered in Colorado and must be removed from the state of Colorado within 30 days of purchase.

6.18 – Sales tax refund for commercial vehicles used in interstate commerce

§39-26-113.5, C.R.S.
Enacted: 2009

Effective July 1, 2011, a refund of state sales or use tax may be available for commercial vehicles used in interstate commerce. The refund availability is dependent on allocated funds collected from certain fines. The refund is calculated based on the specific ownership tax on the vehicle and issued over 3 years. Annual funds are limited by §42-1-255, C.R.S.

6.19 – Wireless telecommunications equipment

§39-26-202(1)(c), C.R.S.
Enacted: 1996

Sales of wireless telecommunications equipment are exempt from sales and use tax.

6.20 – Biotechnology equipment

§39-26-402(1), C.R.S.
Enacted: 1999

Qualified biotechnology taxpayers are allowed to claim a refund for the sales taxes paid for property used in Colorado directly and predominately in research and development in biotechnology.

6.21 – Clean technology and medical devices

§39-26-403, C.R.S.
Enacted: 2009

Qualified clean technology or medical device taxpayers are allowed to claim a refund for the sales taxes paid for property used in Colorado directly and predominately in research and development in clean technology or medical devices. Beginning with calendar year 2009, the availability of the clean technology and medical devices research and development sales tax exemption is contingent upon sufficient revenue growth for the tax year. This is determined by the December legislative council revenue forecast issued prior to the fiscal year that the general fund appropriation must grow 6 percent over the previous year.

6.22 – Sales to governmental entities

§39-26-704(1), C.R.S.
Enacted: 1937

Colorado statute exempts from state and state-collected sales tax all sales to the United States government and the state of Colorado, its departments and institutions, and its political subdivisions (county and local governments, school districts and special districts) in their governmental capacities only.

6.23 – Sales to residents of bordering states that do not impose sales tax

§39-26-704(2), C.R.S.
Enacted: 1963

Sales to residents of a bordering state are exempt if the sale occurs within 20 miles of the Colorado border and the bordering state does not have a sales tax.

6.24 – Lodging for permanent residents

§39-26-704(3), C.R.S.
Enacted: 1959

Colorado statute exempts the rental of a short-term lodging unit for 30 consecutive days or more. Short term lodging includes hotels, motels, bed-and-breakfast inns, condominiums, campsites, and time shares of any lodging unit.

6.25 – Sales to public schools

§39-26-704(4), C.R.S.
Enacted: 1969

Sales to public schools, as defined in statute, are exempt from sales tax. If a school is conducted for private or corporate profit, sales thereto are subject to the sales tax.

6.26 – Internet access services

§39-26-706(2)(a), C.R.S.
Enacted: 1998

Internet access, e-mail services, Web site hosting and domain name registration are non-taxable services in Colorado.

6.27 – Certain materials used in the manufacturing or processing of iron, steel, and uranium-vanadium ores

§39-26-706(3), C.R.S.
Enacted: 1982

Refractory materials and carbon electrodes used in manufacturing iron and steel, and inorganic chemicals used in processing uranium-vanadium ores are exempt from sales tax.

6.28 – Coins and precious metal bullion

§39-26-706(4), C.R.S.

Enacted: 1999

Retail sales of coins and precious metal bullion are exempt from sales tax. Not all numismatic pieces are exempt. Only precious metal bullion and coins that are or were at one time used as currency or as a medium of exchange in the United States or a foreign country are exempt.

6.29 – Waste tire fee

§39-26-706(5)

Enacted: 2010

The waste tire fee of one dollar and fifty cents for each new tire purchased, is exempt from sales tax.

6.30 – Food purchased with food stamps

§39-26-707(1)(a), C.R.S.

Enacted: 1987

Colorado's principal sales tax exemption guideline is based upon what can be purchased for home consumption with food stamps and WIC vouchers. Exempt items eligible for purchase with food stamps or WIC vouchers include: food purchased for human consumption at home; seeds and plants which produce food for human consumption; and food purchased with food stamps or WIC vouchers.

6.31 – Food purchased with funds from the supplemental food program for women, infants, and children (WIC)

§39-26-707(1)(b), C.R.S.

Enacted: 1987

See description above on food purchased with food stamps.

6.32 – Sales of certain items provided with food and beverage items

§39-26-707(1)(c) & (d), C.R.S.

Enacted: 1978

Sales and purchases of essential food items and packaging provided with purchased food and beverage items are exempt from the state sales and use tax. Examples of essential articles or containers include, but are not limited to non-reusable: plates, cups, or bowls (and lids for such items) on, or in which, unwrapped or unpackaged hot or prepared food and beverages are served to the consumer; cups used in vending machines dispensing beverages; and disposable containers or packaging material on, or in which, food is transferred to the consumer, including pizza delivery boxes, sleeves for French fries, buckets, clamshells or other containers.

6.33 – Food for home consumption

§39-26-707(1)(e), C.R.S.

Enacted: 1979

Sales of food for home consumption as defined by the federal food stamps program in 7 U.S.C. sec. 2012(g) is exempt from sales and use tax. Beginning May 1, 2010, sales of candy and soft drinks are taxable.

6.34 – Food service employer-provided meals

§39-26-707(2)(a), C.R.S.

Enacted: 1978

Meals provided by restaurants or similar businesses to employees free of charge or at a discount are not subject to state sales tax.

6.35 – Construction and building materials for use by contractors on public works projects, tax-exempt organizations, and public schools

§39-26-708(1), C.R.S.

Enacted: 1979

Building materials for construction work on property owned and used by tax-exempt organizations—religious, charitable and governmental—may be purchased tax free. The sales and use tax exemption applies to materials that become part of the structure, highway, road, street or other public works owned and used by the tax-exempt organization. Also, electricity and most fuels consumed in performing real property construction are exempt.

6.36 – Machinery or machine tools used in the manufacturing process

§39-26-709(1)(a)(II), C.R.S.

Enacted: 1979

Purchases of machinery or machine tools and parts thereof are exempt from state sales and use tax when the machinery will be used in manufacturing. For businesses in an enterprise zone, the statewide sales and use tax manufacturing exemption is expanded to include the purchase of machinery and machine tools used in certain mining or oil and gas operations.

6.37 – Construction materials for use by a common carrier by rail

§39-26-710(1)(a), C.R.S.

Enacted: 1977

Sales of construction materials to a common carrier by rail are exempt from sales and use tax.

6.38 – Railroad capital equipment

§39-26-710(1)(b) & (c), C.R.S.

Enacted: 1992

Sales of certain railroad capital equipment are exempt from sales and use tax. Examples of exempt equipment include locomotives, freight cars, railroad work equipment and property that are attached or are a component part of such equipment.

6.39 – Aircraft used in interstate commerce by commercial airlines

§39-26-711(1)(a), C.R.S.

Enacted: 1984

Aircraft used in interstate commerce by a commercial airline are exempt from state sales and use tax.

6.40 – Aircraft component parts used in interstate commerce by commercial airlines

§39-26-711(1)(b), C.R.S.

Enacted: 1991

Aircraft component parts permanently affixed to aircraft used in interstate commerce by a commercial airline are exempt from state sales and use tax.

6.41 – New or used aircraft to a non-resident

§39-26-711.5 (1), C.R.S.

Enacted: 2008

Effective August 5, 2008, sales of aircraft to non-residents are exempt from sales tax if the aircraft will be removed from the state within 120 days of the sale and the aircraft will not be in the state more than 73 days in any of the three calendar years following the calendar year the aircraft is removed from the state.

6.42 – Commercial trucks and trailers licensed out-of-state

§39-26-712(1)(a) & (b), C.R.S.

Enacted: 1976

New and used commercial trucks and trailers purchased in Colorado for use outside Colorado or in interstate commerce and permanently licensed and registered outside this state are exempt from sales and use tax.

6.43 – Leases of personal property

§39-26-713(1)(a), C.R.S.

Enacted: 1977

Any leases on tangible personal property for three years or less are exempt from sales tax if the tax is paid upon original acquisition.

6.44 – Complimentary marketing property to out-of-state vendors

§39-26-713(1)(b), C.R.S.

Enacted: 1978

Property that is provided free-of-charge by a supplier to out-of-state vendors for use in selling the supplier's products is exempt from sales and use tax.

6.45 – Testing property used for short-term out-of-state testing

§39-26-713(1)(c), C.R.S.

Enacted: 1977

The sale of tangible personal property for testing, modification, or inspection in the state is exempt from sales and use tax if the ultimate use of the property in manufacturing or similar type of activities occurs outside of this state and if the test, modification, or inspection period does not exceed ninety days.

6.46 – Donations of component parts to tax-exempt organizations

§39-26-713(1)(d), C.R.S.

Enacted: 1998

Sales and purchases of personal property used as a component part of manufactured goods donated to tax-exempt organizations to the extent that the aggregate value of the goods included in a single donation exceeds \$1,000.

6.47 – Certain personal property sold through vending machines

§39-26-714(1), C.R.S.

Enacted: 1986

Taxable items selling for 15 cents or less are exempt from sales tax.

6.48 – Food sold through vending machines

§39-26-714(2), C.R.S.

Enacted: 1999

Sales and purchases of food sold through vending machines are exempt from Colorado sales tax. Sales of hot and cold beverages in unsealed containers sold by vending machine are not exempt.

6.49 – Gasoline and special fuel

§39-26-715(1)(a)(I), C.R.S.

Enacted: 1935

Gasoline is exempt from state sales and use tax. Special fuel is exempt from state sales and use tax when the product is used for propelling a motor vehicle on Colorado highways.

6.50—Fuel for residential heat, light, and power

§39-26-715(1)(a)(II), C.R.S.

Enacted: 1979

Gas, electricity, coal, fuel oil and other energy sources sold to occupants of residences for residential use are exempt from sales and use tax.

6.51—Special fuel for farm vehicles

§39-26-716(2)(a), C.R.S.

Enacted: 1977

Special fuel is exempt from the state sales and use tax when it is used to operate tractors, trucks, or other farm implements or machinery off-highway and when being used for agricultural purposes on farms or ranches.

6.52—Farm equipment

§39-26-716(2)(b) & (3)(b), C.R.S.

Enacted: 1999

Colorado statute exempts many non-registered farm vehicles, towed equipment, trailers, and the attachments to these vehicles, irrigation equipment, dairy equipment, aircraft used in crop dusting, and repair and maintenance parts for these exempt items. The statute also exempts farm use of bailing wire, binders twine, surface wrap, pallets and crates. Shipping pallets, aids and crates are exempt when used in the transfer or shipping of agricultural products.

6.53—Farm parts used in the repair or maintenance of farm equipment

§39-26-716(2)(b) & (3)(b), C.R.S.

Enacted: 2000

Qualified parts used for the maintenance and repair of farm equipment are exempt from sales tax.

6.54—Dairy equipment

§39-26-716(2)(b) & (3)(b), C.R.S.

Enacted: 2001

Dairy equipment used at a dairy farm (and not in commercial milk production) qualifies for state sales tax exemption.

6.55—Agricultural compounds and bull semen

§39-26-716(2)(d), C.R.S.

Enacted: 1999

All sales and purchases of agricultural compounds that are consumed by, administered to, or otherwise used in caring for livestock are exempt from Colorado state sales and use tax. This exemption also applies to all sales and purchases of semen for agricultural or ranching purposes. "Agricultural compounds" means: Insecticides, fungicides, growth-regulating chemicals, enhancing compounds, vaccines, and hormones; drugs, that are used for the prevention or treatment of disease or injury in livestock; and animal pharmaceuticals that have been approved by the Food and Drug Administration. Repealed effective March 1, 2010 - June 30, 2011, reinstated July 1, 2011, then recodified into wholesale sales effective July 1, 2012 (see expenditure number 6.08).

6.56—Pesticides

§39-26-716(2)(e), C.R.S.

Enacted: 1999

Effective July 1, 1999, purchases of pesticides or other substances registered by the Colorado Commissioner of Agriculture as agricultural use pesticides are exempt from state sales and use tax and any special district sales and use tax when purchased from a dealer licensed and registered under §35-9-115, C.R.S. of the act. Repealed March 1, 2010 - June 30, 2011, reinstated July 1, 2011, then recodified into wholesale sales effective July 1, 2012 (see expenditure number 6.09).

6.57—Certain livestock

§39-26-716(3)(a) & (4)(a), C.R.S.

Enacted: 1943

The sale, storage and use of neat cattle, sheep, lambs, poultry, swine, goats, and horse breeding stock and the sales and purchases of livestock and poultry are exempt from sales tax.

6.58—Farm auction close-out sales

§39-26-716(4)(a), C.R.S.

Enacted: 1945

To be eligible for the exemption, a farm close-out sale must be for the sale of all tangible personal property used in the farming or ranching operation. The farmer or rancher must be abandoning operations of the farm or ranch. If these conditions are not met, the sales are subject to state sales tax.

6.59 – Fish for stocking

§39-26-716(4)(a), C.R.S.
Enacted: 1970

All sales of live fish for stocking purposes are exempt from sales tax.

6.60 – Feed for livestock, seeds, and orchard trees

§39-26-716(4)(b), C.R.S.
Enacted: 1943

All seeds purchased for a farm operation, whether they are food-producing or not, are exempt from state and local sales taxes. All orchard trees are exempt from state and local sales taxes.

6.61 – Straw for livestock and poultry bedding

§39-26-716(4)(c), C.R.S.
Enacted: 1961

All sales and purchases of straw and other bedding for use in the care of livestock or poultry are exempt from sales tax.

6.62 – Prescription drugs

§39-26-717(1)(a), C.R.S.
Enacted: 1965

Colorado exempts prescription drugs dispensed by a licensed provider or furnished by a licensed provider as part of professional services.

6.63 – Insulin

§39-26-717(1)(b), C.R.S.
Enacted: 1977

Colorado exempts insulin from state and state-administered sales and use taxes.

6.64 – Glucose for treatment of insulin reactions and insulin measuring and injecting devices

§39-26-717(1)(c), C.R.S.
Enacted: 1979

Colorado exempts glucose for treatment of insulin reactions and insulin measuring and injecting devices from state-administered sales and use taxes.

6.65 – Urine and blood testing kits and materials

§39-26-717(1)(d), C.R.S.
Enacted: 1979

Colorado exempts urine and blood testing kits and materials from state and state-administered sales and use taxes.

6.66 – Insulin measuring and injecting devices

§39-26-717(1)(e), C.R.S.
Enacted: 1979

Colorado exempts insulin measuring and injecting devices from state and state-administered sales and use taxes.

6.67 – Prosthetic devices

§39-26-717(1)(f), C.R.S.
Enacted: 1965

Colorado exempts prosthetic devices from state and state-administered sales and use taxes.

6.68 – Oxygen delivery equipment and related supplies

§39-26-717(1)(g), C.R.S.
Enacted: 1979

Colorado exempts oxygen delivery equipment and related supplies from state and state-administered sales and use taxes.

6.69 – Supplies related to incontinence, infusion, enteral nutrition, ostomy, urology, diabetic care, and wound care

§39-26-717(1)(h), C.R.S.
Enacted: 1979

Colorado exempts supplies related to incontinence, infusion, enteral nutrition, ostomy, urology, diabetic care, and wound care from state and state-administered sales and use taxes.

6.70 – Equipment and accessories for sleep therapy, inhalation therapy, and electrotherapy

§39-26-717(1)(i), C.R.S.
Enacted: 1979

Colorado exempts equipment and accessories for sleep therapy, inhalation therapy, and electrotherapy from state and state-administered sales and use taxes.

6.71 – Durable medical equipment and mobility enhancing equipment

§39-26-717(1)(j), C.R.S.
Enacted: 1979

Colorado exempts durable medical equipment and mobility enhancing equipment from state and state-administered sales and use taxes.

6.72 – Nonprescription drugs or materials when furnished by a licensed provider as part of professional services

§39-26-717(1)(k), C.R.S.
Enacted: 1980

Colorado exempts qualifying nonprescription drugs or materials from state and state-administered sales and use taxes.

6.73 – Corrective eyeglasses, contact lenses, or hearing aids

§39-26-717(1)(l), C.R.S.
Enacted: 1980

Colorado exempts corrective eyeglasses, contact lenses, or hearing aids from state and state-administered sales and use taxes.

6.74 – Sales to charitable organizations

§39-26-718(1)(a), C.R.S.
Enacted: 1937

Colorado allows charitable organizations an exemption from state-collected sales tax for purchases made in the conduct of their regular charitable functions and activities.

6.75 – Special events sales by veterans’ organizations

§39-26-718(1)(a), C.R.S.
Enacted: 1999

An exemption may only be granted to qualifying veterans’ organizations for a special event, meeting or other function that is not part of the organization’s regular activities.

6.76 – Occasional sales by charitable organizations

§39-26-718(1)(b), C.R.S.
Enacted: 1995

If the charitable organization conducts sales for a total of 12 days or less during a calendar year and the net proceeds from all these events do not exceed \$25,000 in that calendar year, the sales are not subject to sales tax.

6.77 – Sales by an association or organization of parents and teachers of public school students that is a charitable organization

§39-26-718(1)(c), C.R.S.
Enacted: 2008

Sales made by schools, school activity booster organizations, and student classes or organizations are exempt from state sales tax if all proceeds of the sale are for the benefit of a school or school-approved student organization. Sales by a parent/teacher association for the benefit of a public school, or organized public school activities, or to pay the reasonable expenses of the association are exempt if the association is a charitable organization and the school that it supports is a public school.

6.78 – Low-emitting vehicles

§39-26-719(1), C.R.S.
Enacted: 1999

Motor vehicles greater than 10,000 pounds gross motor vehicle weight rating (GVWR) that are certified by the Federal Environmental Protection Agency (EPA) or any state provided in the Federal Clean Air Act as meeting an emission standard equal to or more stringent than the low-emitting vehicle (LEV) standard are exempt from state sales and use tax.

6.79 – Bingo and raffle equipment

§39-26-720(1), C.R.S.
Enacted: 2001

The sale of equipment to a bingo-affle licensee is exempt from Colorado sales tax.

6.80 – Factory built housing

§39-26-721(1), C.R.S.
Enacted: 1979

A manufacturer or dealer who merely sells a modular or sectional home to a customer and does not at the time agree to incorporate it into the realty of the customer is considered a retailer and is required to charge sales tax on 52 percent of the sales price of the structure.

6.81 – Machinery that comprises a cleanroom

§39-26-722(1), C.R.S.
Enacted: 2007

Purchases made on or after July 1, 2007, but prior to July 1, 2017, of machinery that comprises a cleanroom are exempt from sales and use tax when the cleanroom will be used to produce certain tangible property. Beginning June 2008, the availability of the cleanroom equipment exemption for a given fiscal year is contingent upon sufficient revenue growth for the fiscal year.

6.82 – Wood from salvaged trees killed or infested in Colorado by certain beetles

§39-26-723(1), C.R.S.
Enacted: 2008

Products made of wood salvaged from Colorado trees that have been infested by certain beetles are exempt from state sales and use tax. This exemption applies to products such as lumber from salvaged trees, furniture built with wood from salvaged trees, wood chips or wood pellets generated from salvaged trees, or other products made substantially with wood from salvaged trees, such as pencils. Prior to July 1, 2012, only trees infested with mountain pine beetle were qualified for this exemption. Since July 1, 2012, trees infested with both mountain pine beetle and spruce beetle are qualified for this exemption.

6.83—Components used in the production of electricity from a renewable energy source

§39-26-724(1) (a), C.R.S.
Enacted: 2007

Components used in the production of electricity from a renewable energy source, including but not limited to wind, are exempt from state sales and use tax. Effective July 1, 2009, components used in solar thermal systems are exempt from state sales and use tax.

6.84—Sales that benefit Colorado schools

§39-26-725(2), C.R.S.
Enacted: 2008

Sales made by schools, school activity booster organizations, and student classes or organizations are exempt from state sales tax if all proceeds of the sale are for the benefit of a school or school-approved student organization.

6.85—Medical marijuana to indigent patients

§39-26-726, C.R.S.
Enacted: 2010

Medical marijuana is subject to sales tax, unless the Colorado Department of Health and Environment (CDPHE) issues the patient a tax exempt medical marijuana registry card that has a tax exempt status notation. A person qualifies for the tax exempt status if his or her income is below certain levels, and depends on how many people are in the patient's family.

6.86—Enterprise zone manufacturing machinery

§39-30-106, C.R.S.
Enacted: 1986

There is an exemption of Colorado sales and use tax on purchases in excess of five hundred dollars of machinery and specified parts and tools. These parts and tools must be used for the construction and repair of said machinery and be used exclusively in an enterprise zone for the manufacturing of tangible personal property.

Sales and Use Tax Exemptions 1/						
Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
6.01	§39-26-102(10)(f)	1977	Transfers of assets	2/	2/	
6.02	§39-26-102(15)	1943	Newspapers	\$5,918,000	\$6,643,000	3/
6.03	§39-26-102(15)	1985	Preprinted newspaper supplements	\$372,000	\$354,000	3/
6.04	§39-26-102(15)	1990	Direct mail advertising materials	Repealed	Repealed	Repealed in 2010
6.05	§39-26-102(15)(c)	2011	Downloadable software	2/	\$21,252,000	Effective July 1, 2012
6.06	§39-26-102(19)	1992	Materials used in the printing process	\$6,000	\$6,000	3/
6.07	§39-26-102(19)(a)	1935	Wholesale sales	\$1,700,211,000	\$1,846,088,000	3/
6.08	§39-26-102(19)(c)	2012	Adjuvants, bull semen, and agricultural compounds	2/	\$1,806,000	Prior to July 1, 2012, this was a stand alone exemption under §39-26-716(2) (d); effective July 1, 2012, it was recodified under wholesale sales. See Expenditure Number 6.55
6.09	§39-26-102(19)(d)	2012	Pesticides	2/	\$3,041,000	Prior to July 1, 2012, this was a stand alone exemption under §39-26-716(2) (e); effective July 1, 2012, it was recodified under wholesale sales. See Expenditure Number 6.56
6.10	§39-26-102(20)(a)	1935	Ingredients and component parts	\$601,482,000	\$604,493,000	3/
6.11	§39-26-102(20)(b)	1982	Ingredients and component parts, food manufacturing	\$9,252,000	\$9,540,000	3/
6.12	§39-26-102(21)	1937	Energy used for industrial, manufacturing, and similar purposes	Repealed	\$17,266,000	Temporary repeal in effect during 2011
6.13	§39-26-102(21)	1982	Gas and electric services when deemed a wholesale sale.	2/	2/	

1/ All expenditures in this category are estimates

2/ Not available

3/ At the time of publication, 2012 Census data were unavailable to benchmark this estimate. As a result, the 2013 estimate is indexed using the 2007 benchmark. Revised estimates will be available after 2012 Census data are published.

4/ Only available as a refund of sales tax paid if the total general fund for a particular fiscal year will be sufficient to increase the total general fund appropriations by 6% over such appropriations for the previous fiscal year.

5/ Amount combined with another exemption

ND = Non-disclosable

Sales and Use Tax Exemptions 1/ (Cont'd)						
Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
6.14	§39-26-102(21)	1943	Printers ink and newsprint	\$1,344,000	\$1,374,000	3/
6.15	§39-26-104(1)(c)(I)	2002	Interstate telephone services	2/	2/	
6.16	39-26-105	1935	Vendor Fee	\$27,697,000	\$50,959,000	The vendor fee reimbursement rate was 0% between June 1, 2009 through June 30, 2011. The vendor fee reimbursement rate was 0% between June 1, 2009 through June 30, 2011. Between July 1, 2011 and June 30, 2014 the rate was 2.22%.
6.17	§39-26-113(5)(a)	1977	Sales of motor vehicles for use by nonresidents outside Colorado	\$2,477,000	\$2,213,000	
6.18	§39-26-113.5	2009	Sales tax refund for commercial vehicles used in interstate commerce	\$9,000	\$8,000	
6.19	§39-26-202(1)(c)	1996	Wireless telecommunications equipment	\$1,490,000	\$1,374,000	
6.20	§39-26-402(1)	1999	Biotechnology equipment	\$637,000	\$433,000	
6.21	§39-26-403	2009	Clean technology and medical devices	4/	\$0	Available for 2013
6.22	§39-26-704(1)	1937	Sales to governmental entities	\$130,384,000	\$136,601,000	3/
6.23	§39-26-704(2)	1963	Sales to residents of bordering states that do not impose a sales tax	2/	2/	
6.24	§39-26-704(3)	1959	Lodging for permanent residents	\$185,000	\$401,000	
6.25	§39-26-704(4)	1969	Sales to public schools	\$26,697,000	\$27,970,000	
6.26	§39-26-706(2)(a)	1998	Internet access service	\$7,034,000	\$7,116,000	3/
6.27	§39-26-706(3)	1982	Certain materials used in the manufacturing or processing of iron, steel, and uranium-vanadium ores	\$8,000	\$8,000	3/
6.28	§39-26-706(4)	1999	Coins and precious metal bullion	\$1,159,000	\$1,088,000	
6.29	§39-26-706(5)	2010	Waste tire fee	\$151,000	\$179,000	Effective July 1, 2010
6.30	§39-26-707(1)(a)	1987	Food purchased with food stamps	\$22,784,000	\$23,882,000	
<p>1/ All expenditures in this category are estimates 2/ Not available 3/ At the time of publication, 2012 Census data were unavailable to benchmark this estimate. As a result, the 2013 estimate is indexed using the 2007 benchmark. Revised estimates will be available after 2012 Census data are published. 4/ Only available as a refund of sales tax paid if the total general fund for a particular fiscal year will be sufficient to increase the total general fund appropriations by 6% over such appropriations for the previous fiscal year. 5/ Amount combined with another exemption ND = Non-disclosable</p>						

Sales and Use Tax Exemptions 1/ (Cont'd)						
Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
6.31	§39-26-707(1)(b)	1987	Food purchased with funds from the supplemental food program for women, infants, and children (WIC)	\$1,475,000	\$1,369,000	
6.32	§39-26-707(1)(c) & (d)	1978	Sales of certain items provided with food and beverage items	2/	2/	Non-essential containers repealed in 2010; essential items continue to have an exemption.
6.33	§39-26-707(1)(e)	1979	Food for home consumption	\$224,870,000	\$247,939,000	Candy and soft drinks exemption repealed in 2010
6.34	§39-26-707(2)(a)	1978	Food service employer-provided meals	\$445,000	\$547,000	
6.35	§39-26-708(1)	1979	Construction and building materials used by contractors on public works projects, tax-exempt organizations, and public schools	\$74,088,000	\$77,109,000	3/
6.36	§39-26-709(1)(a)(II)	1979	Machinery or machine tools used in manufacturing process	\$54,245,000	\$55,267,000	3/
6.37	§39-26-710(1)(a)	1977	Construction materials for use by a common carrier by rail	\$1,273,000	\$1,321,000	
6.38	§39-26-710(1)(b) & (c)	1992	Railroad capital equipment	5/	5/	
6.39	§39-26-711(1)(a)	1984	Aircraft used in interstate commerce by commercial airlines	ND	ND	
6.40	§39-26-711(1)(b)	1991	Aircraft component parts used in interstate commerce by commercial airlines	\$641,000	\$531,000	
6.41	§39-26-711.5 (1)	2008	New or used aircraft to a non-resident	\$286,000	ND	
6.42	§39-26-712(1)(a) & (b)	1976	Commercial trucks and trailers licensed out-of-state	\$5,992,000	\$6,271,000	3/
6.43	§39-26-713(1)(a)	1977	Leases of personal property for three years or less if tax is paid upon original acquisition	2/	2/	
6.44	§39-26-713(1)(b)	1978	Complimentary marketing property to out-of-state vendors	\$73,000	\$75,000	3/
6.45	§39-26-713(1)(c)	1977	Testing property used for short-term out-of-state testing	2/	2/	
6.46	§39-26-713(1)(d)	1998	Donations of component parts to tax-exempt organizations	< 500,000, ND	< 500,000, ND	
<p>1/ All expenditures in this category are estimates 2/ Not available 3/ At the time of publication, 2012 Census data were unavailable to benchmark this estimate. As a result, the 2013 estimate is indexed using the 2007 benchmark. Revised estimates will be available after 2012 Census data are published. 4/ Only available as a refund of sales tax paid if the total general fund for a particular fiscal year will be sufficient to increase the total general fund appropriations by 6% over such appropriations for the previous fiscal year. 5/ Amount combined with another exemption ND = Non-disclosable</p>						

Sales and Use Tax Exemptions 1/ (Cont'd)						
Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
6.47	§39-26-714(1)	1986	Certain personal property sold through vending machines	2/	2/	
6.48	§39-26-714(2)	1999	Food sold through vending machines	\$10,413,000	\$10,926,000	3/
6.49	§39-26-715(1)(a)(I)	1935	Gasoline and special fuel	\$276,632,000	\$246,453,000	
6.50	§39-26-715(1)(a)(II)	1979	Fuel for residential heat, light, and power	\$99,717,000	\$108,110,000	
6.51	§39-26-716(2)(a)	1977	Special fuel for farm vehicles	\$4,946,000	\$3,611,000	
6.52	§39-26-716(2)(b) & (3)(b)	1999	Farm equipment	\$5,949,000	\$6,130,000	3/
6.53	§39-26-716(2)(b) & (3)(b)	2000	Farm parts used in the repair or maintenance of farm equipment	5/	5/	
6.54	§39-26-716(2)(b) & (3)(b)	2001	Dairy equipment	\$74,000	\$76,000	3/
6.55	§39-26-716(2)(d)	1999	Agricultural compounds and bull semen	\$838,000	Repealed	Exemption in effect from July 1, 2011 to June 30, 2012, then permanently moved to wholesale sales. See Expenditure Number 6.08
6.56	§39-26-716(2)(e)	1999	Pesticides	\$1,420,000	Repealed	Exemption in effect from July 1, 2011 to June 30, 2012, then permanently moved to wholesale sales. See Expenditure Number 6.09
6.57	§39-26-716(3)(a) & (4)(a)	1943	Certain livestock	\$223,583,000	\$241,525,000	3/
6.58	§39-26-716(4)(a)	1945	Farm auction close-out sales	ND	2/	
6.59	§39-26-716(4)(a)	1970	Fish for stocking	\$64,000	\$34,000	
6.60	§39-26-716(4)(b)	1943	Feed for livestock, seeds, and orchard trees	\$58,612,000	\$64,272,000	3/
6.61	§39-26-716(4)(c)	1961	Straw for livestock and poultry bedding	5/	5/	
6.62	§39-26-717(1)(a)	1965	Prescription drugs	\$53,389,000	\$55,179,000	
6.63	§39-26-717(1)(b)	1977	Insulin	\$1,377,000	\$1,931,000	
6.64	§39-26-717(1)(c)	1979	Glucose for treatment of insulin reactions and insulin measuring and injecting devices	\$877,000	\$1,052,000	
6.65	§39-26-717(1)(d)	1979	Urine and blood testing kits and materials	5/	5/	
6.66	§39-26-717(1)(e)	1979	Insulin measuring and injecting devices	5/	5/	
<p>1/ All expenditures in this category are estimates 2/ Not available 3/ At the time of publication, 2012 Census data were unavailable to benchmark this estimate. As a result, the 2013 estimate is indexed using the 2007 benchmark. Revised estimates will be available after 2012 Census data are published. 4/ Only available as a refund of sales tax paid if the total general fund for a particular fiscal year will be sufficient to increase the total general fund appropriations by 6% over such appropriations for the previous fiscal year. 5/ Amount combined with another exemption ND = Non-disclosable</p>						

Sales and Use Tax Exemptions 1/ (Cont'd)						
Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
6.67	§39-26-717(1)(f)	1965	Prosthetic devices	5/	5/	
6.68	§39-26-717(1)(g)	1979	Oxygen delivery equipment and related supplies	5/	5/	
6.69	§39-26-717(1)(h)	1979	Supplies related to incontinence, infusion, enteral nutrition, ostomy, urology, diabetic care, and wound care	5/	5/	
6.70	§39-26-717(1)(i)	1979	Equipment and accessories for sleep therapy, inhalation therapy, and electrotherapy	5/	5/	
6.71	§39-26-717(1)(j)	1979	Durable medical equipment and mobility enhancing equipment	\$11,562,000	\$13,829,000	
6.72	§39-26-717(1)(k)	1980	Nonprescription drugs or materials when furnished by a licensed provider as part of professional services	5/	5/	
6.73	§39-26-717(1)(l)	1980	Corrective eyeglasses, contact lenses, or hearing aids	5/	\$5,492,000	
6.74	§39-26-718(1)(a)	1937	Sales to charitable organizations	\$39,367,000	\$41,244,000	3/
6.75	§39-26-718(1)(a)	1999	Special events sales by veterans' organizations	\$1,201,000	\$1,259,000	3/
6.76	§39-26-718(1)(b)	1995	Occasional sales by charitable organizations	5/	5/	
6.77	§39-26-718(1)(c)	2008	Sale by an association or organization of parents and teachers of public school students that is a charitable organization	5/	5/	
6.78	§39-26-719(1)	1999	Low-emitting vehicles	< 100, 4/	\$6,473,000	
6.79	§39-26-720(1)	2001	Bingo and raffle equipment	\$122,000	\$120,000	
6.80	§39-26-721(1)	1979	Factory built housing	\$2,693,000	\$1,178,000	
6.81	§39-26-722(1)	2007	Machinery that comprises a cleanroom	4/	\$0	Available beginning July 2012.
6.82	§39-26-723(1)	2008	Wood from salvaged trees killed or infested in Colorado by mountain pine beetles	\$1,703,000	\$667,000	
6.83	§39-26-724(1)(a)	2007	Components used in the production of electricity from a renewable energy source	2/	2/	
6.84	§39-26-725(2)	2008	Sales that benefit Colorado schools	\$218,000	\$228,000	3/
6.85	§39-26-726	2010	Medical marijuana to indigent patients	2/	\$2,711,000	
6.86	§39-30-106	1986	Enterprise zone manufacturing machinery	5/	5/	
			Total	\$3,697,442,000	\$3,967,024,000	

1/ All expenditures in this category are estimates

2/ Not available

3/ At the time of publication, 2012 Census data were unavailable to benchmark this estimate. As a result, the 2013 estimate is indexed using the 2007 benchmark. Revised estimates will be available after 2012 Census data are published.

4/ Only available as a refund of sales tax paid if the total general fund for a particular fiscal year will be sufficient to increase the total general fund appropriations by 6% over such appropriations for the previous fiscal year.

5/ Amount combined with another exemption

ND = Non-disclosable

Chapter 7: – Severance Tax Exemptions, Credits, and Deductions

Collections and History

In fiscal year 2014, severance tax revenues were \$245 million. Fifty percent of severance tax revenues went into the State Severance Tax Fund and fifty percent went into the Local Government Severance Tax Fund. Although a severance tax was first enacted in Colorado in 1913, revenues from the extraction of non-renewable resources weren't appreciable until 1953 when an additional income tax was levied on income derived from the extraction of crude oil and natural gas. In 1977, when Article 29 (Severance Tax) was added to Title 39 of the Colorado statutes, the income-based tax on the severance of oil and gas was moved from the income tax to the new severance tax article.

Tax Base

Taxes are levied on the production or extraction of coal, metallic minerals, molybdenum, oil and gas, and oil shale. The tax rates and any exemptions or credits are specific to the type of material extracted.

Computation of the Tax Calendar Year 2011 and 2013

Coal: The tax rate levied on the extraction of coal is based on changes in the Department of Labor's Producer Price Index and is published quarterly by the Department of Revenue. An exemption for the first 300,000 tons produced each quarter is allowed. Underground production is allowed a 50 percent tax credit. Lignite coal is given a further 50 percent credit.

Metallic Minerals: A tax of 2.25 percent is levied against the extraction of metallic minerals and is based on gross income that exceeds \$19 million. A credit for county ad valorem taxes is allowed for up to 50 percent of severance tax liability.

Molybdenum: A tax of 5¢ per ton of ore is levied against the extraction of molybdenum. An exemption for the first 625,000 tons produced each quarter is allowed.

Oil and Gas: A graduated rate of 2 to 5 percent is levied against the net gross income derived from the production of oil and gas in Colorado.

Oil Shale: A tax is levied on each commercial oil shale facility at the rate of 1 to 4 percent on gross proceeds beginning 180 days after commercial viability. The rate increases depending on the length of time that commercial production of oil shale commenced. An exemption of 15,000 tons of oil shale or 10,000 barrels of shale oil per day, whichever is greater, is allowed.

Exemptions, Credits, and Deductions

7.01 – Deduction for oil and gas transportation costs

§39-29-102(3)(a), C.R.S.
Enacted: 1985

For oil and gas, "gross income" means the net amount realized by the taxpayer. "Net amount" is calculated based on the gross lease revenues, less deductions for any transportation costs.

7.02 – Deduction for oil and gas processing and manufacturing costs

§39-29-102(3)(a), C.R.S.
Enacted: 1985

For oil and gas, "gross income" means the net amount realized by the taxpayer. "Net amount" is calculated based on the gross lease revenues, less deductions for any manufacturing and processing costs.

7.03 – Oil shale equipment and machinery deduction

§39-29-102(4)(a), C.R.S.
Enacted: 1977

By definition, "gross proceeds" for oil shale means the value of the oil shale at the point of severance. Such value shall be determined by deducting from the first sales price of the shale oil all costs, including direct and indirect expenditures for equipment and machinery.

7.04 – Oil shale fragmenting, crushing, conveying, beneficiating, pyrolysis, retorting, refining, and transporting deductions

§39-29-102(4)(b), C.R.S.
Enacted: 1977

By definition, "gross proceeds" for oil shale means the value of the oil shale at the point of severance. Such value shall be determined by deducting from the first sales price of the shale oil all costs, including direct and indirect expenditures for fragmenting, crushing, conveying, beneficiating, pyrolysis, retorting, refining, and transporting.

7.05 – Oil shale royalty payment deduction

§39-29-102(4)(c), C.R.S.
Enacted: 1977

By definition, "gross proceeds" for oil shale means the value of the oil shale at the point of severance. Such value shall be determined by deducting from the first sales price of the shale oil all costs, including direct and indirect expenditures for royalty payments.

7.06 – Metallic minerals threshold exemption

§39-29-103(1)(b), C.R.S.
Enacted: 1977

No tax is levied on the first \$19 million on gross income.

7.07 – Metallic minerals tax ad valorem credit

§39-29-103(2), C.R.S.
Enacted: 1977

A credit equal to the total amount of ad valorem taxes assessed or paid during the taxable year not to exceed 50 percent of the gross tax liability is allowed.

7.08 – Tax exempt molybdenum tonnage

§39-29-104(1), C.R.S.
Enacted: 1999

No tax shall be imposed on the first 625,000 tons of molybdenum ore produced each quarter of the taxable year.

7.09 – Deduction for oil and gas stripper well production

§39-29-105(1)(b), C.R.S.
Enacted: 1977

On or after January 1, 2000, oil produced from any well that produces fifteen (15) barrels per day or less of oil, and gas produced from wells that produce ninety thousand cubic feet or less of gas per day, for the average of all producing days for such oil and gas production during the taxable year, shall be exempt from tax.

7.10 – Oil and gas ad valorem credit

§39-29-105(2)(b), C.R.S.
Enacted: 1977

A credit is allowed, equal to 87.5 percent of all ad valorem taxes assessed or paid during the taxable year for crude oil, natural gas, carbon dioxide, and oil and gas leaseholds and leasehold interests and oil and gas royalties and royalty interests for state, county, municipal, school district, and special district purposes except the ad valorem taxes paid or assessed on stripper wells.

7.11 – Tax exempt coal tonnage

§39-29-106(2)(b), C.R.S.
Enacted: 1977

No tax is levied on the first 300,000 tons of coal produced in each quarter of the taxable year.

7.12 – Underground coal production credit

§39-29-106(3), C.R.S.
Enacted: 1977

A credit is allowed equal to 50 percent of the severance tax imposed on coal produced from underground mines.

7.13 – Lignitic coal production credit

§39-29-106(4), C.R.S.
Enacted: 1977

A credit is allowed equal to 50 percent of the severance tax for the production of lignitic coal.

7.14 – Oil shale tonnage/barrels exemption

§39-29-107(3), C.R.S.
Enacted: 1977

The production of the first 15,000 tons per day of oil shale or 10,000 barrels per day of oil shale shall be exempt from tax.

7.15 – Impact assistance credit

§39-29-107.5, C.R.S.
Enacted: 1979

A credit against the severance tax is allowed with respect to contributions to local government that are deemed to be necessary because of a new severance operation or the increase in production at an existing operation. The amount of the credit must be certified by the Executive Director of the Department of Local Affairs.

Severance Tax Exemptions, Credits, and Deductions

Expenditure Number	Statute Citation	Year Enacted	Tax Expenditure Description	2011 Revenue Impact	2013 Revenue Impact	Comments
7.01	39-29-102(3)(a)	1985	Deduction for oil and gas transportation costs	1/	1/	
7.02	39-29-102(3)(a)	1985	Deduction for oil and gas processing and manufacturing costs	1/	1/	
7.03	39-29-102(4)(a)	1977	Oil shale equipment and machinery deduction	\$0	\$0	
7.04	39-29-102(4)(b)	1977	Oil shale fragmenting, crushing, conveying, beneficiating, pyrolysis, retorting, refining, and transporting deductions	\$0	\$0	
7.05	39-29-102(4)(c)	1977	Oil shale royalty payment deduction	\$0	\$0	
7.06	39-29-103(1)(b)	1977	Metallic minerals threshold exemption	ND	ND	
7.07	39-29-103(2)	1977	Metallic minerals tax ad valorem credit	ND	ND	
7.08	39-29-104(1)	1999	Tax exempt molybdenum tonnage	ND	ND	
7.09	39-29-105(1)(b)	1977	Deduction for oil and gas stripper well production	1/	1/	
7.10	39-29-105(2)(b)	1977	Oil and gas ad valorem credit	\$101,764,000	\$106,630,000	
7.11	39-29-106(2)(b)	1977	Tax exempt coal tonnage	\$7,375,000	\$6,107,000	
7.12	39-29-106(3)	1977	Underground coal production credit	\$6,293,000	\$5,437,000	
7.13	39-29-106(4)	1977	Lignitic coal production credit	\$0	\$0	
7.14	39-29-107(3)	1977	Oil shale tonnage/barrels exemption	\$0	\$0	
7.15	39-29-107.5	1979	Impact assistance credit	\$0	\$0	
			Total	\$115,432,000	\$118,174,000	
1/ Not available ND = Non-disclosable						

Colorado Tax Profile Study

For State Fiscal Year 2012



Prepared By
Colorado Department of Revenue
Office of Research and Analysis

Executive Summary

This is the eleventh in the series of Colorado Tax Profile Studies (CTPS), first published in 1972. The CTPS model was developed to assess the burden of state and local taxes on Colorado households. In particular, the study estimates and examines the amount of taxes paid by households at different income levels. The study does not attempt to examine how Colorado's state and local tax structure affects households' economic situation. Nor does it attempt to assess the impact of taxes or tax credits on work incentives, economic growth, or their effects on particular industries in the state.

It should be noted that the studies prior to 1989 were based on a different income concept. Nonetheless, the studies provide an estimate of the distribution of the taxes collected by Colorado's state and local governments on households over time.

It is critical to note that while the study incorporates all available Colorado data collected by the Department of Revenue that can be used to determine tax burden by income class, most taxes are not and cannot be collected this way. For example, vendors who collect and submit sales tax on behalf of the state do not collect or remit information on all of their customers, income levels. With the exception of state income tax, the Department does not have state data that can be used to assess tax burden by income level. The model was developed using other state, federal, and local data sources to estimate tax burden by income level.

How Colorado Compares With Other States

In 2011, while Colorado ranked 16th among the 50 states for the amount of personal income per capita, it ranked 31st for the amount of taxes collected per \$1,000 of personal income by state and local governments. Colorado ranked among the top for its expenditures on parks and recreation as well as fire protection, utility expenditures, libraries, and airports. It ranked 21st in the nation for spending on higher education and was ranked 34th for elementary and secondary education. On per capita expenditures for public welfare and health, the state ranked 49th and 14th, respectively.

Tax Collections

The income tax revenues that are documented in this study pertain mostly to calendar year (CY) 2011. The state income tax returns for income tax year 2011 are submitted during fiscal year (FY) 2011-12. Revenues from local governments are based on calendar years rather than fiscal years and are therefore reported as such. Taxes collected by state and local governments in this study reflect, for the most part, collections during the economic recovery, whereas the prior study's collections reflected the trough of the 2008/2009 recession.

During income tax year 2010 and 2011, income tax collections grew 5.8 percent and 9.2 percent, respectively. The average inflation rate for these two years was 2.8 percent. While wage income rose 6 percent over the two-year span between the two studies, capital gains and business income also increased by 79 and 24 percent, respectively. Since the last study period, growth in other income was the largest among the various types of household income earned in the state at 579 percent.

Sales tax revenues increased at an average annual rate of 6.3 percent since the last study. The two retail sectors in the state which drove the increase were food and beverage stores, and motor vehicle and parts dealers.

The assessed value of residential property in CY2012 was 92 percent of its CY2010 value. Property tax revenues collected by local governments increased 2 percent between CY2010 and CY2012. The residential assessment rate has held at 7.96 since 2003. Additionally, the average mill levy increased from 73.218 in CY2010 to 77.685 mills in CY2012.

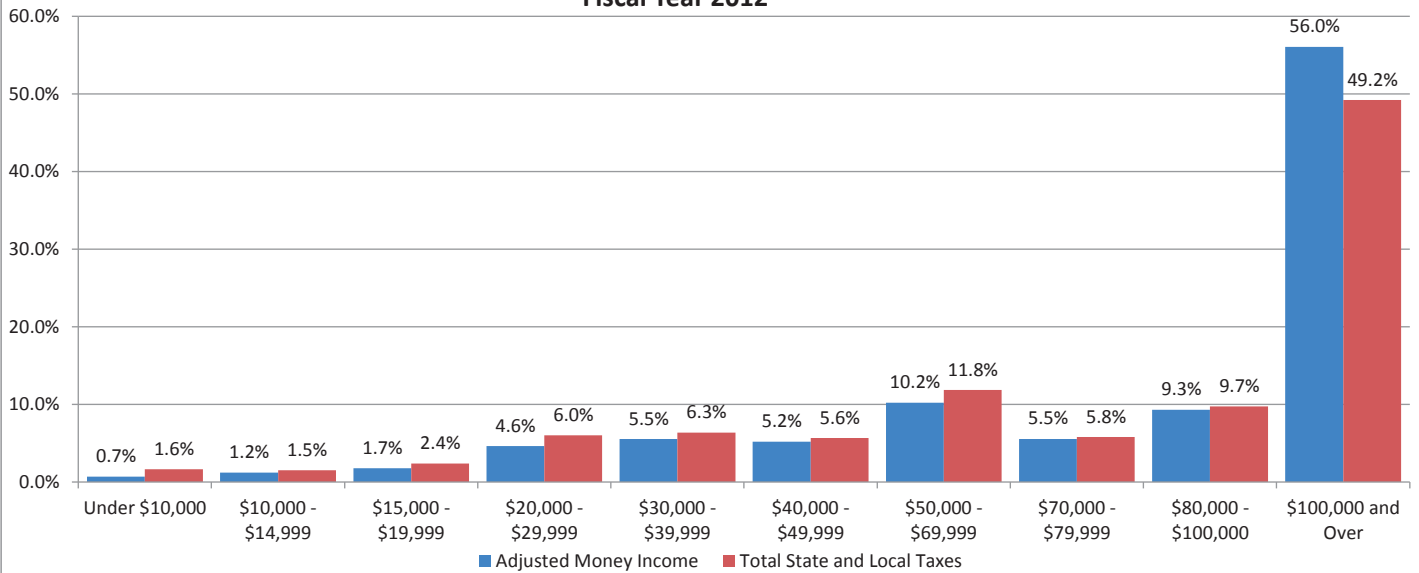
Proportional Distribution of Income and Taxes

The estimated distribution of income in the state did not change much between the two studies. The 2010 study showed that the highest income category included 14 percent of the households in the state and that they had acquired 50 percent of the adjusted money income in Colorado. The data in this 2012 study shows that the 14 percent of households in the highest income category continue to earn 50 percent of the adjusted income in the state. The payment pattern of state taxes among households indicated that households in the lowest income group paid a greater proportion of taxes than the proportion of statewide income they received. Households with the highest incomes paid a smaller proportion of taxes compared to the proportion of statewide income they received. In prior studies, with the exception of the 2001 study which showed the effect of a refund of surplus revenues, data has shown that households in the highest income groups paid a smaller proportion of combined state and local taxes than their share of statewide income.

Average Income and Taxes

The average adjusted money income modeled in this study was \$70,584. However, given the concentration of modeled income among the wealthiest households, the average deviates significantly from the median, which was \$43,640. The modal adjusted money income of households in Colorado, when categorized by \$10,000 increments, was between \$20,000 and \$30,000. The average amount of state taxes paid by households was \$2,998. However, given the disparity in income, the average state taxes paid, excluding the households in the highest income group, was \$1,657. In computing the average amount of local taxes paid, the average including households in the highest income group was \$2,381. Excluding that group, the average amount of local taxes paid was \$1,786.

Chart 1. Comparison of Income Received by Colorado Families and the Taxes They Paid
Fiscal Year 2012



Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.

Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5. Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

Effective Tax Rates

Effective tax rates measure how much people pay in taxes as a percentage of their pretax income. The measure of income used in this study is Colorado adjusted money income, which is described in further detail in the “Effective Tax Rates” section of the report. The lowest income category had the highest estimated effective rate of combined state and local taxes at 18.3 percent and the rate decreased to 6.7 percent for households in the highest income category.

Given the subjective quality of determining tax equity, it is the goal of this study only to provide a model for citizens and policy makers to make informed decisions regarding the structure of major state and local taxes. The model presented in this study provides a foundation for an informed discussion of the distributive effects on tax policy in statutes and the equity of the distribution of state and local tax burdens on the residents in the state of Colorado.

State and Local Tax Collections

Comparison of Colorado Taxes and Expenditure with Other States

According to data from the Bureau of Economic Analysis, during CY2012, Colorado was ranked 14th in the nation for the amount of personal income per capita.¹ Since the dot-com bubble burst in March 2000, the state’s personal income per capita ranking has slipped. Prior to the recession in 2001, only six states had more income per capita than Colorado. During CY2012, the top three states ranked by personal income per capita were Connecticut, Massachusetts, and North Dakota, respectively.

¹Bureau of Economic Analysis. (2014). SA1-3 *Personal income summary*. Retrieved October 2014, from United States Department of Commerce, Bureau of Economic Analysis: http://bea.gov/itable/index_regional.cfm

**Table I. State and Local Taxes Per \$1,000 Personal Income
Thirteen Western States, Fiscal Year 2011**

State	State and Local Taxes Per \$1,000 Personal Income		Local Taxes Per \$1,000 Personal Income		Share of Local Taxes as a Percent of State and Local Taxes	
	Amount	National Rank	Amount	National Rank	Percent	National Rank
Alaska	\$209	1	\$50	5	24%	46
Arizona	94	35	41	24	43%	18
California	110	13	41	25	37%	32
Colorado	96	31	54	3	57%	1
Hawaii	111	8	29	41	26%	44
Idaho	88	39	27	46	31%	40
Montana	93	38	31	40	33%	38
Nevada	100	18	38	28	38%	30
New Mexico	100	19	33	36	33%	39
Oregon	97	29	41	22	42%	20
Utah	94	36	37	30	40%	26
Washington	93	37	36	31	39%	28
Wyoming	\$131	4	\$43	15	33%	37

Source: U.S. Department of Commerce, Bureau of Census. State and Local Government Finances. U.S. Department of Commerce, Bureau of Economic Analysis. Personal Income data.

Table I summarizes selected data from the most current U.S. Census Bureau publication and shows that during FY2011, Colorado ranked 31st among the 50 states for the amount of taxes collected per \$1,000 of personal income by state and local governments.² This means that the state and local government entities of 30 out of the 50 states collected more taxes per \$1,000 of personal income than did state and local government entities in Colorado.

Table II breaks out the amount of state and local taxes collected by the state of Colorado per \$1,000 of personal income.³ State taxes collected were ranked even lower, with 46 states collecting more, and Texas, South Dakota, and New Hampshire collecting less, respectively. On the other hand, Colorado local governments ranked higher than most in the proportion and the amount of taxes collected per \$1,000 of personal income.

Due to the nature of Colorado's decentralized governance, the construct of tax collections in the state is quite different from other states. Table II illustrates that the revenues collected by local governments as a percentage of revenues collected by both state and local governments is nearly unparalleled by other states. Colorado continues to be ranked among the top 10 states for the proportion of tax revenues collected by local governments and was ranked highest during FY 2011. It is also ranked 3rd for the amount

of tax revenues collected by local governments for every \$1,000 of personal income.

Based on U.S. Census Bureau data, it is clear that in most cases, state governments collect a majority tax revenues compared to local governments.⁴ In fact, during 2011, only four states experienced local government tax collections per \$1,000 of personal income which exceeded 50 percent of total state and local tax collections. In FY2011 the state was ranked 44th in the amount of sales taxes the state government collects per \$1,000 of personal income. Although most local governments collect the greater part of property tax revenues, most collect only a small portion of sales tax revenues, if at all. Due to the larger role of local governments in tax collection in Colorado, the state government collects proportionally less in total taxes than other state governments.

In terms of expenditures, ranking is one approach to comparing the relative priorities of various programs in Colorado to that of other states. Despite Colorado's low ranking for the amount of combined state and local revenues per \$1,000 of personal income, during FY2011, its expenditures per capita by state and local governments was ranked 21st (see Table III).⁵ Colorado ranked at the top of the list for per capita spending on both fire protection and parks and recreation. Other per capita expenditures

²Bureau of the Census. (2013, July). *Federal, state, and local governments, state and local government finances*. Retrieved October 2014, from United States Department of Commerce, Bureau of the Census: <http://www.census.gov/govs/local>

⁴Ibid.

⁵Ibid.

³Ibid.

**Table II. Colorado Taxes Per \$1,000 Personal Income
State, Local, and Total Taxes, 1990-2011**

Fiscal Year	State Taxes		Local Taxes		Combined Total		Local as a % of State and Local	
	Amount	Rank	Amount	Rank	Amount	Rank	Percent	Rank
1990	\$51	48	\$54	5	\$105	31	52	2
1991	49	48	52	5	101	33	51	3
1992	51	48	51	8	102	37	50	3
1993	51	48	51	6	102	39	50	4
1994	52	48	50	6	102	41	49	4
1995	53	48	49	12	102	42	48	4
1996	52	48	48	13	100	45	48	4
1997	53	48	48	10	101	44	48	3
1998	54	47	47	11	101	42	46	6
1999	55	45	47	8	102	40	46	7
2000	55	46	48	7	103	43	47	5
2001	*	*	*	*	*	*	*	*
2002	44	49	44	11	88	45	50	3
2003	*	*	*	*	*	*	*	*
2004	42	49	45	10	86	46	52	3
2005	43	49	45	12	87	46	51	4
2006	44	49	45	10	89	46	51	4
2007	45	48	46	10	91	46	50	4
2008	45	48	46	9	91	42	51	4
2009	42	49	55	3	98	36	57	2
2010	40	49	56	3	96	31	58	1
2011	\$42	47	\$55	3	\$96	31	57	1

* Information not available

Sources: U.S. Department of Commerce, Bureau of Census. State and Local Government Finances.
U.S. Department of Commerce, Bureau of Economic Analysis. Personal Income data.

**Table III. Ranking of Colorado State and Local Government
Expenditures and Revenues, Fiscal Year 2011**

EXPENDITURES (Per Capita)	Colorado's Rank Among the States	REVENUES (Per \$1,000 Personal Income*)	Colorado's Rank Among the States
Total State and Local Government Expenditures	21	Total Revenues	37
Current Operations	25	From Federal Government	48
Capital Outlay	16	Total (State and Local) Tax Collections	31
Education	37	State Tax Collections	47
<i>Higher Education</i>	21	Local Tax Collections	3
<i>Elementary and Secondary Education</i>	34	<i>Property Taxes</i>	15
Public Welfare	49	<i>Sales and Gross Receipts (State and Local)</i>	35
Hospitals	23	Income Taxes	31
Health	14	Current Charges	17
Highways	33	Interest Earnings	13
Police Protection	13		
Fire	1		
Corrections	15		
Parks and Recreation	1		
Sewerage	9		
Interest on General Debt	7		
Salaries and Wages	18		
Utility Expenditures	8		

Sources: U.S. Department of Commerce, Bureau of Census. State and Local Government Finances.
U.S. Department of Commerce, Bureau of Economic Analysis. Regional GDP and Personal Income data.

that were ranked comparatively high were expenditures on utility expenditures, libraries and airports. Per capita funding for higher education was ranked 21st in the nation and spending on elementary and secondary education per capita was ranked 34th. During FY2011, the lowest among the relative rankings was the state's per capita expenditures on public welfare and solid waste management, both of which were ranked 49th. A notable change from past studies is that the state ranked among the lowest states with regard to per capita expenditures on health for FY2001, yet ranked 14th during FY2011.

Changes in the Colorado Economy: Between CY 2010 and CY 2012

Because calendar year 2012 is the year for which tax incidence is being modeled, it is important to consider this model in the economic context of that period. Since the National Bureau of Economic Research announced that June 2009 was the trough of the recession driven by the U.S. housing market correction,⁶ many economic indicators have grown. After the December 2008 Case-Shiller index showed a record 19 percent year-over-year decline in housing prices among 20 major cities, the declines eventually turned into gains.⁷ The December 2012 Case-Shiller index reported a 7 percent increase in housing prices, reversing a consecutive five year decline in prices. The U.S. Bureau of Labor Statistics also reported improvement in the nation's unemployment rate. After a peak of 10.0 percent during October 2009, the nation's unemployment rate declined and, by December 2012, it was 7.9 percent.⁸ This decline in unemployment was, in part, due to the addition of 5.1 million jobs nationwide.⁹

Similar to nationwide trends, Colorado's economy witnessed many improvements since the end of the last recession. Colorado Legislative Council's March 2013 forecast noted that Colorado's recovery was stronger than the nation's.¹⁰ Overall, Colorado housing prices increased, with expectations that both residential and non-residential

construction would also continue to increase. The forecast reported that job growth occurred in most employment sectors, with Accommodation and Food Services adding the majority of jobs during CY2012. During this same time, retail sales increased by 6.0 percent. Personal income also experienced gains during 2010, 2011, and 2012 by 3.9 percent, 6.1 percent, and 3.6 percent in 2012, respectively.

After record job losses in 2009, Colorado's experience has changed; job creation became more frequent since 2010, with a total of 109.1 thousand jobs created during CY2011 and CY2012.¹¹ Chart 2 displays Colorado job gains in thousands of jobs each month from January 2010 through December 2012.

The Federal Reserve produces the monthly state coincident index which measures the condition of each state's economy based on employment, unemployment, wage data, and the number of manufacturing hours worked. The index usually tracks with state GDP growth over time. Chart 3 below shows the coincident index for both Colorado and the U.S.¹²

The coincident index shows that during the recession, between January 2008 and January 2010, Colorado's economic activity decreased by 8.9 percent, nearly 4 percent more of a decrease than the U.S. during the same time period. However, as the economy recovered between January 2010 and December 2012, economic activity in Colorado increased 8.7 percent, one percent more than the U.S. overall. Colorado's economic activity was ranked 14th in the nation during this recovery time; North Dakota was ranked 1st, experiencing a growth rate of 30 percent.

⁶National Bureau of Economic Research. (2010, September 20). Business Cycle Dating Committee. Retrieved October 2014, from the National Bureau of Economic Research: <http://www.nber.org/cycles/sept2010.html>

⁷S&P Dow Jones Indices, McGraw Hill Financial, "S&P/Case-Shiller 20-City Composite Home Price Index Month-End Factsheet," S&P Dow Jones Indices website, <http://us.spindices.com/index-family/real-estate/sp-case-shiller>, accessed October 23, 2014.

⁸Bureau of Labor Statistics. *Bureau of Labor Statistics data, Labor Force Statistics from the Current Population Survey*. Retrieved October 2014, from the United States Department of Labor, Bureau of Labor Statistics: <http://data.bls.gov/timeseries/LNS14000000>

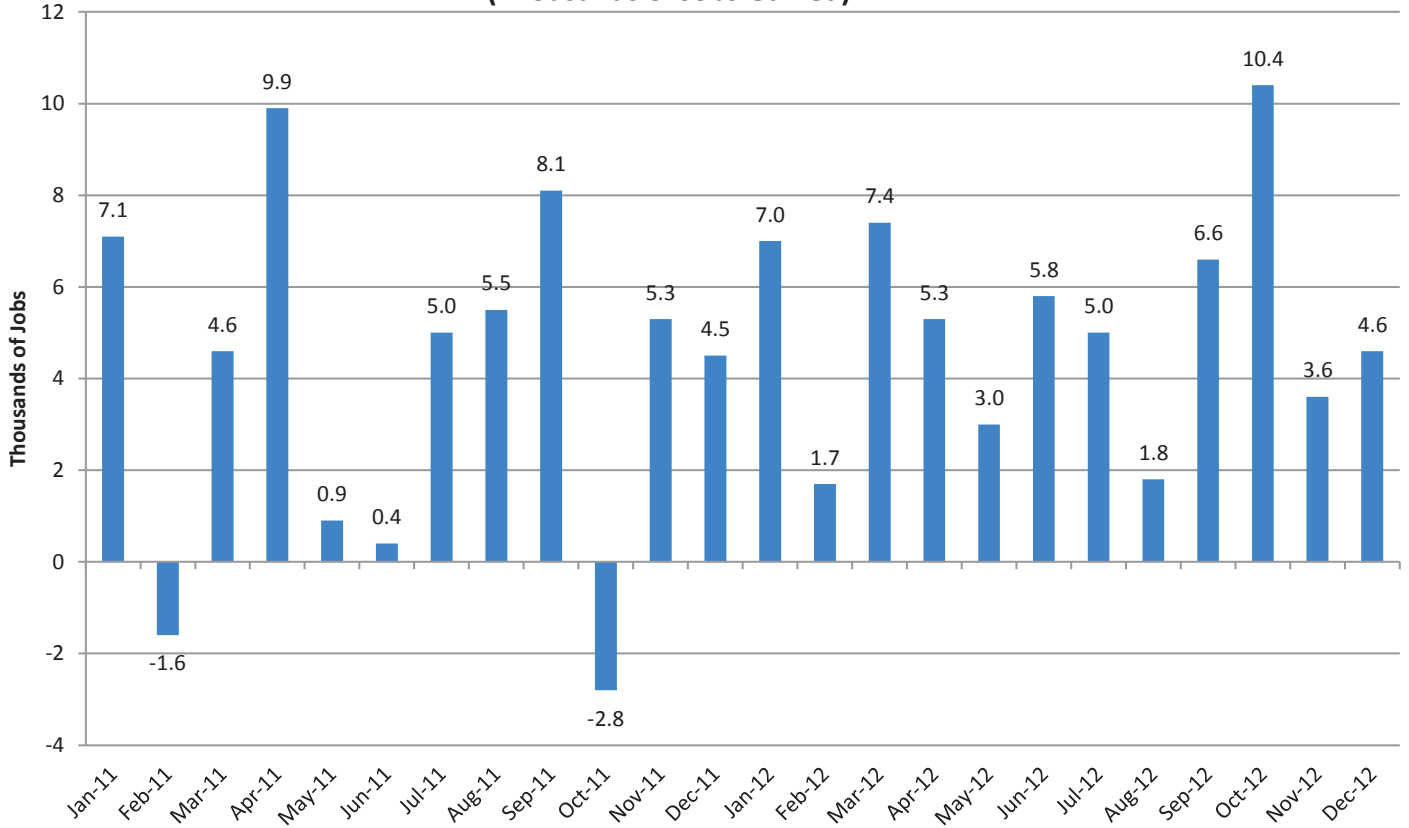
⁹Bureau of Labor Statistics. *Bureau of Labor Statistics data, Employment, Hours, and Earnings from the Current Employment Statistics survey (National)*. Retrieved October 2014, from the United States Department of Labor, Bureau of Labor Statistics: http://data.bls.gov/timeseries/CES0000000001?output_view=net_1mth

¹⁰Colorado Legislative Council Staff, Economics Section. *Focus Colorado: Economic and Revenue Forecast*. March 18, 2013. Retrieved from: <http://www.colorado.gov/legcouncil/Focus/13MarchForecast.pdf#page=39>

¹¹Bureau of Labor Statistics. *Bureau of Labor Statistics data, State and Area Employment, Hours, and Earnings*. Retrieved October 2014, from the United States Department of Labor, Bureau of Labor Statistics: <http://data.bls.gov/cgi-bin/dsrv>

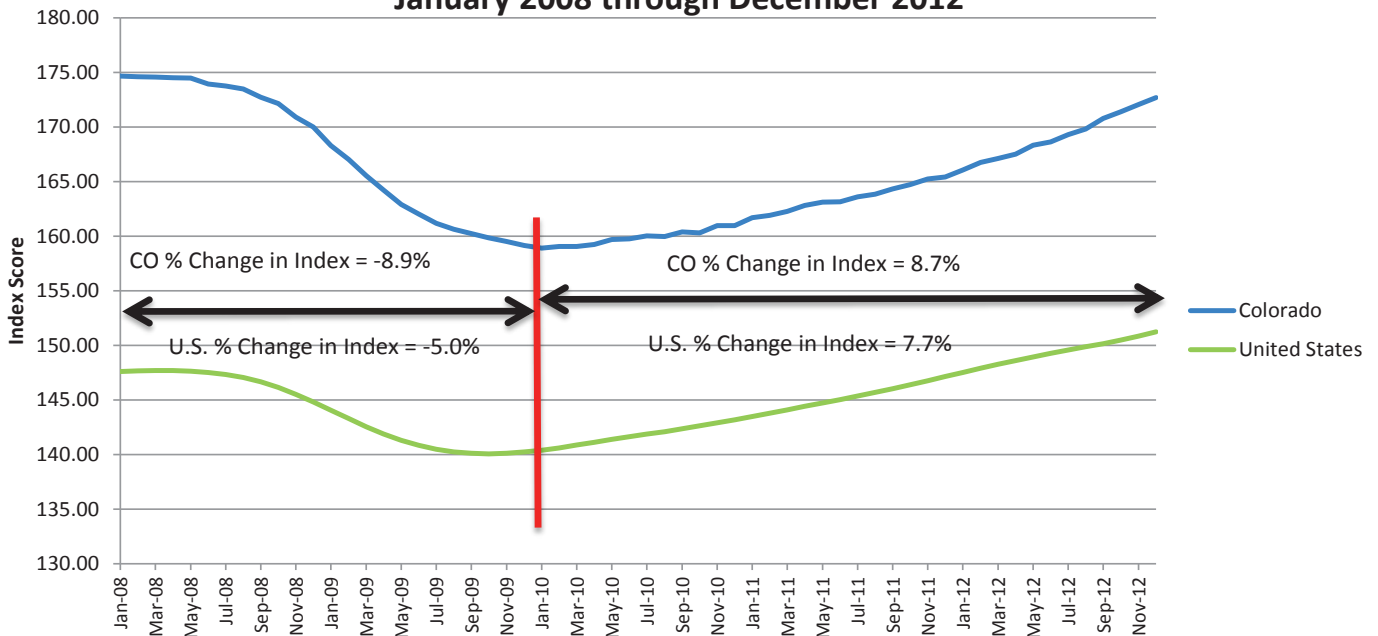
¹²Federal Reserve Bank of Philadelphia. (2014, September). *State Coincident Indexes*. Retrieved October 2014, from Federal Reserve Bank of Philadelphia, Research & Data: <http://www.philadelphiafed.org/research-and-data/regional-economy/indexes/coincident/>

**Chart 2. Colorado Monthly Job Changes
January 2011 to December 2012
(Thousands of Jobs Gained)**



Source: U.S. Department of Labor, Bureau of Labor Statistics. Labor Force Statistics from the Current Population Survey.

**Chart 3. Historical Tracking of the Colorado Coincident Index
Compared To United States
January 2008 through December 2012**



Source: Federal Reserve Bank of Philadelphia. State Coincident Indexes.

Changes in Tax Collections

Between 2001 and 2010, U.S. Bureau of Census data show that after recovering from the recession that ended in November 2001, Colorado's state and local government tax collections increased at a fairly strong pace from FY2004 to FY2008.¹³ However, state collections decreased by nearly 10 percent in FY2009 and continued to decrease an additional 1 percent in FY2010. During FY2011, the Dow Jones Industrial Average increased by nearly 18 percent¹⁴ and 31.1 thousand jobs were added in the state.¹⁵ Accordingly, state collections began to reflect the recovery in the economy and increased by 10 percent during the same time.

Property tax comprises the majority of local government tax collections. Because there is a lag in the valuation of the residential housing stock and assessed values, the decrease in local government collections from the most recent U.S. Bureau of Census data covering FY2011 are not as evident, but expected to be notable in later studies.

Income Taxes

The Colorado Statistics of Income (SOI) studies from tax years 2000 and 2009 show that income tax revenues were 7 percent greater in tax year 2009, an average annual growth rate of approximately 1 percent.¹⁶ Over the last two SOI publications, income tax revenues grew 5.8 percent during tax year 2010 and 9.2 percent during tax year 2011. Data used to calculate "Average Taxes Paid" in the Department of Revenue's Income Tax Filing Guide indicate the number of households increased by 1.5 percent when 2010 tax year collections were due, and by 1.2 percent when 2011 tax year collections were due. According to data published by the Colorado Legislative Council, the average inflation rate for these years was 2.8 percent for the Denver-Boulder-Greeley CMSA.¹⁷

The Colorado SOI studies from tax years 2000 and 2009 demonstrate the effects of the recession. Capital gains and business income decreased by 58 percent and 9 percent, respectively, while wage income increased by 29 percent.

¹³Bureau of the Census. (2013, July). *Federal, state, and local governments, state and local government finances*.

¹⁴S&P Dow Jones Indices, McGraw Hill Financial. *Dow Jones Industrial Average*. Retrieved October 2014, from S&P Dow Jones Averages: <http://www.djindexes.com/averages/>

¹⁵Bureau of Labor Statistics. *Bureau of Labor Statistics data, State and Area Employment, Hours and Earnings*.

¹⁶Office of Research and Analysis. (n.d.). *Statistics of Income*. Denver, CO: Colorado Department of Revenue, Office of Research and Analysis.

¹⁷Colorado Legislative Council Staff. (2013, September). *Consumer Price Index*. Retrieved October 2014, from Colorado General Assembly – Colorado Legislative Council Economics: <http://www.colorado.gov/cs/Satellite?blobcol=urldata&blobheader=application%2Fpdf&blobkey=id&blobtable=MungoBlobs&blobwhere=1251892959059&ssbinary=true>

Capital gains made up a smaller proportion of income, from 10.9 percent in tax year 2000 to 3.8 percent in tax year 2009, and wage income made up a greater proportion of income in tax year 2009 at 72.4 percent as opposed to 66.9 percent in tax year 2000. Results from the most recent SOI data show trends moving in the opposite direction, reflecting the economy's recovery. Business income grew 7.4 percent and 15.6 percent during tax year 2010 and 2011, respectively; capital gains income grew 56.1 percent during tax year 2010 and 14.6 percent during tax year 2011. The proportion of capital gains income grew, making up 5.6 percent of income during tax year 2010 and 5.9 percent of income during tax year 2011; wage income proportions decreased to 70.2 percent and 66.4 percent of income, respectively.

Sales Taxes

The last Colorado Tax Profile and Expenditure Study, covering FY2001 through FY2010, reported an average annual sales and use tax increase of 1.5 percent. The state went through two recessions during this time, each of which negatively impacted state sales and use tax collections during FY2002, FY2003, and FY2010. The Colorado Department of Revenue's Annual Report shows sales and use tax growing more strongly during FY2011 and FY2012. State sales and use taxes increased by 6.6 percent during FY2011 and 5.9 percent during FY2012.

National retail trade and food services sales data shows that businesses classified as motor vehicle and parts dealers made up the largest proportion of these sales at 18.4 percent during 2012.¹⁸ After suffering a 14.6 percentage point loss in sales between 2008 and 2009, sales have been on a steady incline, with an average annual increase of nearly 10 percent through 2012. The next three largest sectors also experienced average annual growth in sales, with general merchandise stores at 3 percent, food and beverage stores at 4 percent, and gasoline stations at 13 percent, respectively.

In contrast to national retail trade and food services rankings, Colorado's motor vehicle and parts dealers sector made up the second largest proportion of sales in the retail trade and food services group.¹⁹ Similar to national sales, Colorado's motor vehicle and parts dealers sector suffered a 16 percent loss in retail sales between 2008 and 2009, but experienced an average growth of 12 percent per year through 2012. Colorado's largest sector among the retail trade and food services group, food and beverage stores, experienced a moderate 3 percent loss in retail sales between 2008 and 2009. Since then, its annual average growth rate through 2012 has been nearly 7 percent per year.

¹⁸Bureau of the Census. (2014, March). *Monthly and Annual Retail Trade data*. Retrieved October 2014, from United States Department of Commerce, Bureau of the Census: <https://www.census.gov/retail/>

¹⁹Office of Research and Analysis. (n.d.). *Sales Tax Statistical Summary*. Denver, CO: Colorado Department of Revenue, Office of Research and Analysis.

Property Taxes

Residential assessed values published by the Division of Property Taxation in the Department of Local Affairs show that between CY2010 and CY2012, the assessed value of residential property declined at an average annual rate of 4 percent.²⁰ In total, the assessed value of residential property in CY2012 was approximately 91.7 percent of what its value was during CY2010. Property tax revenues to local governments decreased between CY2010 and CY2011 by 2.7 percent then increased between CY2011 and CY2012 by 4.9 percent. Housing stock increased 1.2 percent. The spending limit amendment, Section 20 of Article X in the state constitution, prohibits the collection of annual revenues by government entities that exceed the amount collected in the previous year adjusted for the growth in population and the consumer price index. The Gallagher amendment froze the non-residential assessment rate to 21 percent allowing the residential assessment rate to float to maintain a consistent ratio between total statewide assessed values of residential and non-residential property. The residential assessment rate since CY2003 has held at 7.96 percent, and the average mill levy increased from 73.218 mills in CY2010 to 77.685 mills in CY2012.

Specific Ownership Taxes

Specific ownership taxes (SOT) can be likened to a property tax on the taxable value of vehicles. The amount of the SOTs collected by local governments is based on the taxable value of vehicles registered in the various counties throughout the state. According to the Department of Revenue's Annual Report, SOT collections increased nearly 10 percent from \$406 million in CY2010 to \$445 million in CY2012; the number of cars registered increased by 4 percent. Given the value of SOT collections grew more quickly than the number of vehicles registered implies that the value of registered vehicles in the state has increased between CY2010 and CY2012. The implied increase in value of registered vehicles corroborates the recovery in the Colorado economy.

Revenues, Taxes, Incidence, and Equity

This study focuses on a modeled distribution of the taxes paid by Colorado citizens to their state and local governments. Using estimates, the study evaluates which groups of households, by income class, pay the greatest and the least amounts of taxes, and also examines the proportion of taxes they pay. In these sections, estimates of total taxes paid to state and local governments by resident households will be examined. In the following sections, the

distribution of taxes paid among households with different income levels will be addressed.

Taxes and Tax Incidence

Taxes, for purposes of this study, are revenues collected by Colorado's state and local governments from individuals or businesses. Charges by government entities for services, such as tuition at state colleges or universities or charges to riders of local transit systems are excluded. Licenses and fees for activities such as those for driver's licenses and vehicle registrations (fees that are paid by the majority of residents) are included in order to align with the concept of taxes defined for use in the "Disclosure of Average Taxes Paid" in Colorado Revised Statutes (C.R.S.) §24-35-108.5.

Taxes are levied on both individuals/households and businesses. Taxes are paid directly to governments or, in the case of sales taxes or income tax withholding, to sellers or employers who in turn remit the taxes they have collected to the government. The purpose of taxation is to provide government with the resources, in this case income, needed to provide public goods and services. This income would otherwise be available to private citizens and to businesses. This study will estimate the distribution of taxes paid by Colorado residents by income class. In other words, this study will look at the "incidence" of taxation in Colorado during the state fiscal year beginning July 1, 2011 through June 30, 2012, which covers most tax returns from tax year 2011. Given the complexity of the makeup of business and the lack of data that can unravel how each business shifts their tax liability, this study focuses only on the direct state and local taxes paid by Colorado residents.

State and local governments receive funds from a number of sources including transfers from the Federal government, charges for services, and taxes. The revenues examined in this study are only those that are collected as a result of a direct tax upon Colorado residents, and are comprised of a combination of Colorado data collected by the Department of Revenue (for income tax) and other local and federal sources for data which are unavailable.

²⁰Division of Property Taxes. (2013, May). *2012 Forty-second Annual Report*. Retrieved October 2014, from Colorado Department of Local Affairs, Division of Local Affairs: <http://www.colorado.gov/cs/Satellite?c=Page&childpagename=DOLA-Main%2FCBONLayout&cid=1251591547549&pagename=CBONWrapper>

State Tax Collections

The U.S. Census Bureau's most recently published report shows that the state of Colorado received \$41.5 billion in state and local general revenues during FY2011.²¹ The intergovernmental revenues reported as \$7.5 billion and the miscellaneous general revenues reported as \$3.8 billion are not attributable to tax collections and are therefore excluded from this report. State tax revenues solely from businesses such as the corporate income tax and unemployment trust fund revenues were not included in this study as they are not direct taxes on individuals. Additionally, some taxes collected by the state from individuals were excluded as well. For example, gaming taxes and pari-mutuel taxes are considered levies on voluntary activities and therefore excluded.

Further adjustments to the amount of taxes collected by the state were necessary to arrive at the amount of taxes actually paid by residents. The individual income tax was adjusted to reflect the tax liability of full year residents for calendar year 2011 rather than the amount of income taxes collected by the state during FY2012. Income tax revenues collected in FY2012 are a mixture of final payments and refunds for the income tax liability of calendar year 2011 and the withholding and estimated payments for the liability of individuals in calendar year 2012. To isolate a single liability period, the amount of income taxes paid for purposes of this tax study is the liability reported for calendar year 2011. Collections on behalf of the state from individuals filing part-year and non-resident income tax returns were not included in this study.

Businesses pay a portion of sales and excise taxes as well as vehicle registrations. This study utilizes information from the U.S. Bureau of Labor Statistics' Consumer Expenditure Survey to determine only the amount of vehicle registrations, sales and excise taxes paid by households.

While the Department of Revenue keeps data related to sales and use tax collections and registrations, the data does not include information related to the income level of the individuals paying those taxes. The Consumer Expenditure Survey provides a reasonable proxy for many different consumer expenditures during a year and is presented by income level of the consumer reporting. The survey provides a reasonable proxy for consumer spending that can be adjusted to match the Colorado sales tax base as closely as possible and then be used to derive average taxes paid by consumers in each income level by applying the state tax rate of 2.9 percent.

²¹Bureau of the Census. (2013, July). *Federal, state, and local governments, state and local government finances*.

Local Tax Collections

According to the U.S. Census Bureau, local government entities in Colorado reported receiving \$26.6 billion in general revenues during FY2011.²² Of this amount more than \$7 billion were intergovernmental transfers from the state and federal government and another \$6.9 billion were from miscellaneous sources such as charges for education, hospitals, and the provision of sewerage services, as well as interest earnings. Total taxes collected by local governments for the year was \$12.3 billion. This figure includes taxes paid to counties, municipalities, school districts, and special districts.

Special districts, as the term is used here, includes local improvement and service districts which are administered by cities or counties which levy property and/or sales taxes. Special districts not included in the Census Bureau's report are multi-jurisdictional quasi-governmental entities such as the Regional Transportation District and Scientific and Cultural Facilities Districts. The sales taxes collected for these types of special districts were also included in this tax profile study.

As with the sales and excise taxes levied by state government, businesses also pay sales and specific ownership taxes to local governments. The expenditure survey mentioned above was used to determine only the portion of sales and specific ownership taxes paid by households to local governments. In conjunction with information from the Colorado Division of Local Governments' Annual Report on Property Taxation, data from the U.S. Census Bureau's 2011 American Community Survey and a study by the Northwest Colorado Council of Governments (NWCCOG) on second home owners was used to estimate the amount of property taxes paid solely by resident households in the state.

Tax Equity

The issue of tax equity, or more simply, who should pay taxes and how much they should pay, is a difficult issue to resolve. The decision ultimately depends on the values of society and the policy making process. A fair system of taxation to some would be one in which every person would spend the same proportion of their income on taxes; tax burdens would therefore be proportional. Another version of a fair tax system might focus on a taxpayer's "ability to pay." Proponents of this concept would argue that the wealthiest, who have the greatest accumulation of income/wealth and therefore have the greatest "ability to pay" for the goods and services provided by state and local governments, should bear the greatest burden of taxes. Taxes in this case would function as a tool to reduce the differences in income among households. The proponents

²²Ibid.

of this viewpoint favor progressive tax structures. Federal and many state income taxes fall under this philosophy of taxation. Tax fairness to others is a tax based on use—persons should be taxed according to the amount of benefits they receive from government services.

Colorado's additional tax on cigarettes and tobacco products that were approved by voters in 2004 is a good example of a tax that addresses "fairness" based on use. In 2004, voters imposed a constitutional levy of an additional 64¢ per pack of cigarettes and 20 percent of the manufacturers list price on other tobacco products. The revenue from these taxes is distributed to designated health-related programs administered by the state with several goals, including mitigating health-related problems associated with smoking and providing smoking prevention and cessation programs for Colorado residents. Those who do not use cigarettes or tobacco would generally have less use for these programs, and those who do provide more financial support for these programs through the tax.

For governments to charge user fees, it is requisite not only to know the monetary value of the services they are offering but also how to measure and assess the charges for those services. For instance, the EPA is charged with the responsibility of safeguarding the environment, yet what is the price of clean air and who should be charged and how should they be charged? Additionally, user charges are typically associated with the consumption of tangible goods rather than services. Excise taxes are charged on gallons of gasoline, the number of cigarettes in a package, and gallons/liters of spirits, wine, and beer. The types of products that are customarily subject to excise taxes are items for which the amounts consumed do not vary widely among income groups. And since excise taxes are usually based on quantity consumed, and usage does not typically increase as incomes increase, user charges typically result in a regressive distribution of the tax burden. In other words, income for households in the lowest income groups is subject to a larger percentage of user charges compared to households in the upper income groups. The gasoline excise taxes and the cigarette taxes are good examples of this tendency. In this study, households in the lowest income category pay the highest percentage of their incomes towards taxes for these goods. Gasoline and cigarette excise taxes constitute a smaller proportion of adjusted money income as income increases.

Other concepts of tax equity include horizontal and vertical equity. Horizontal equity indicates that households of equal means pay an equal amount of taxes whereas vertical equity pertains to the manner in which tax burdens are distributed among households of different income classes. Discussions of vertical equity often involve the concepts of proportional vs. progressive or regressive taxation. In essence, will the proportion of taxes to income be the greatest among families in the highest income groups, families in the lowest income groups, or will taxes as a proportion of income be evenly

distributed among all families? Horizontal equity occurs when households earning the same amount of income pay the same amount of taxes. Discussions of horizontal equity typically involve questions concerning the use of tax incentives or penalties for specific taxpayer behavior. The federal government allows certain expenses to be deducted from taxable income thereby lowering the amount of taxes owed by households with targeted expenses. Medical expenses greater than 7.5 percent of adjusted gross income (AGI), and the interest portion of a home mortgage are examples of qualified deductible expenses. The federal government also offers tax credits to families with child or dependent care expenses. The various rules that allow certain types of spending to qualify as deductions to taxable income and the credits proffered to reduce tax liabilities produce a myriad of exceptions that preclude horizontal equity among the corporations and individuals that pay income taxes.

Governments may also use taxes as a tool to rectify market failures such as negative or positive externalities. Externalities occur when the purchase price of a good does not fully reflect the costs or benefits of consumption of that good to society. For an example of a negative externality, cigarette use has been proven to increase the chance of cancer in individuals. Some states, in an effort to pay for the higher costs of medical care that result from the use of cigarettes and to curtail cigarette smoking in order to avoid future additional medical care costs, impose a steep excise tax on cigarettes. As of January 2014, New York City had the highest excise tax rate at \$5.85 per pack of 20 cigarettes; Colorado was ranked 34 in the nation with an excise tax of \$0.84 per pack of 20 cigarettes.²³

Just as taxes can be used to curtail certain types of consumption, tax credits or deductible allowances can be used, at the cost of horizontal equity, to induce or subsidize certain types of behavior. For example, several government entities in Colorado have determined that open space/undeveloped land is beneficial to individuals in communities. However, the cost of keeping land undeveloped is typically borne only by the landowner. Some governments have endeavored to ameliorate the lopsided burden by assessing additional sales taxes to purchase open space: recipients of the benefits pay a share of the costs of keeping the land undeveloped.

Because of the various strategies involving taxation/non-taxation, assessing the equity of the distribution of the burden of taxes is very complex. Taxes must be examined individually regarding the intention or objective of the tax; whether the objectives are being met; and finally, the burden of the combined taxes need to be examined to determine whether a group of taxpayers is being inadvertently and/or unjustifiably burdened by taxes.

²³Federation of Tax Administrators. (2014, January). *State Cigarette Excise Tax Rates*. Retrieved October 2014, from Federation of Tax Administrators: <http://www.taxadmin.org/fta/rate/cigarette.pdf>

The following section examines the vertical equity of the distribution of state and local tax burdens on households of various income classes. This requires an analysis of not only how much is paid nominally by each income group, but also the amount each group pays proportionally; the average amount of state and local taxes paid by each group; and the percent of income each group paid to state and local governments.

The Distribution of State and Local Taxes Among Households

This section covers the estimated distribution of the state and local tax burden on Colorado residents by level of income. Using the Colorado Tax Profile model, this section estimates the amount of taxes paid by each income class. Income classes range from households that receive under \$10,000 of annual income to households that receive over \$100,000 of annual income. The income concept this chapter is based on is Adjusted Money Income. This income concept is broadly based. It includes income earned from wages and profits of businesses, persons, and farmers along with earnings from savings or investments such as dividends, rent or interest. Capital gains from the sales of assets are also included. Transfer payments (such as public assistance with the exception of in-kind services such as public housing), pension and retirement income, and alimony are also included in Adjusted Money Income.

The earning, spending and tax paying unit analyzed in this study is the household, which consists of all persons who occupy a house, an apartment or other housing unit. Households include families, individuals living alone, and groups of one or more unrelated individuals. All data for the model related to income amounts, consumer spending,

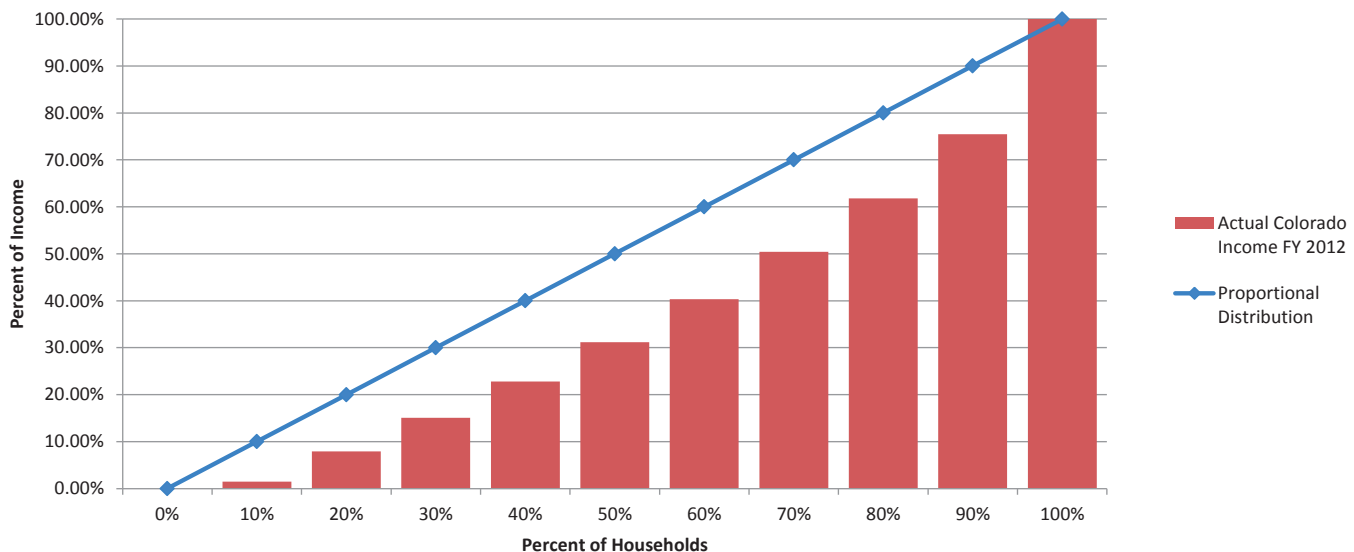
and taxes that are not directly collected by the Department of Revenue (all data besides income tax data) are collected from other federal and local sources in order to estimate the distribution of taxes based on income level. All of the following sections which discuss distributions of income and taxpayers are only accurate insofar as the model accurately describes the actual tax situation of taxpayers in Colorado.

Distribution of Income

Chart 4 shows the estimated cumulative distribution of income and households in Colorado. The bars of the graph show the share of households in Colorado (the horizontal axis) receiving a given share of income (the vertical axis). For example, the chart shows that 30 percent of the households in the state with the lowest incomes received a little less than 15.1 percent of all income. The straight line connecting the corners of the chart represents an equal distribution of income. The area between the bars and the diagonal line show how the estimated distribution of income deviates from a perfectly proportional distribution of income. The greater the area contained between the bars and the diagonal line, the greater the inequality of income. Reports by the Department of Commerce's Bureau of Economic Analysis show personal income in Colorado increased from \$210.5 billion in 2010 to \$240.3 billion in 2012, a 14.2 percent increase.²⁴ In the 2010 tax profile study approximately 14 percent of the households with the greatest incomes held 50

²⁴Bureau of Economic Analysis. (2014, September). *SA1-3 Personal income summary*. Retrieved October 2014, from United States Department of Commerce, Bureau of Economic Analysis: http://www.bea.gov/iTable/index_regional.cfm

Chart 4. Cumulative Distribution of Colorado Income
Fiscal Year 2012



Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.
Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5. Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

percent of the income; there is no change in the 2012 study, the wealthiest 14 percent received 50 percent of the income in the state.

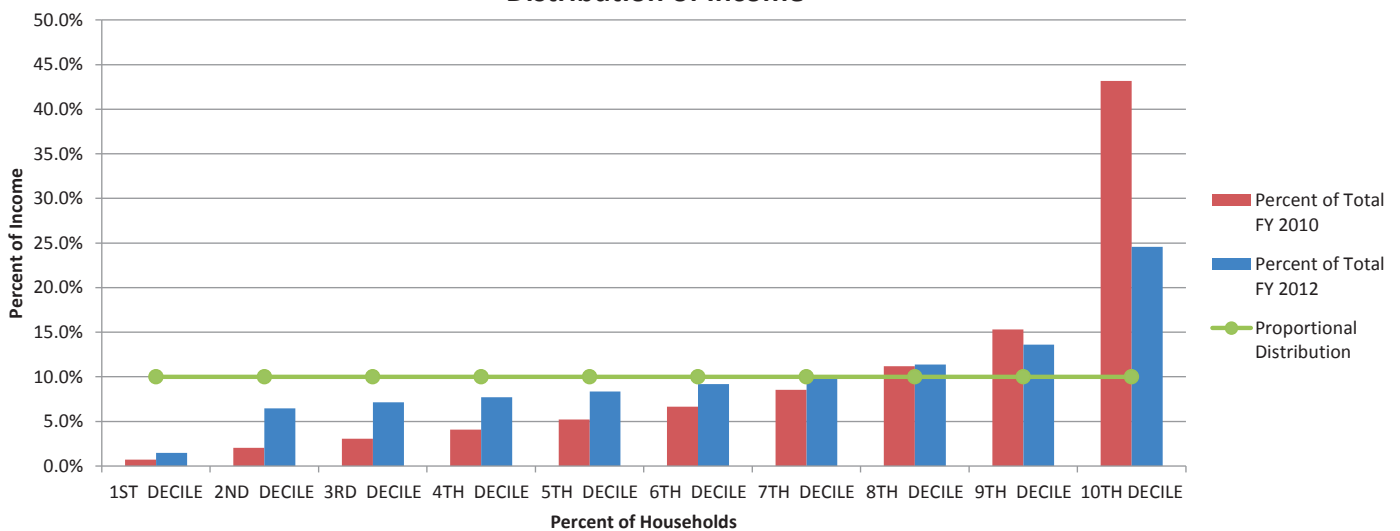
Due in part to inflation, income tends to rise over time. As a result, there are fewer households in the lower income categories than in previous studies as inflation has gradually driven households out of the lower nominal categories. In the 2010 study, around 24 percent of the households in the state received less than \$20,000 in income in comparison to about 27 percent in the 2001 study. Fiscal year 2012 data shows that just under 22 percent of households earned less than \$20,000. It is important to note that these comparisons are based on nominal categories of income and do not account for inflation. With an inflation adjustment of 5.71

percent (calculated using the Denver-Boulder-Greeley CPI)²⁵ between 2010 and 2012, the median household income in 2010 of roughly \$39,736 would represent \$42,004 in 2012 dollars. This is just slightly below the actual 2012 median income of \$43,640. Chart 5 displays another view of the distribution of income, showing that the top 20 percent of earners generally captured the majority of the income.

For further historical perspective, Chart 6 provides a comparison of the distribution of households compared to the distribution of income during the 10 year period from

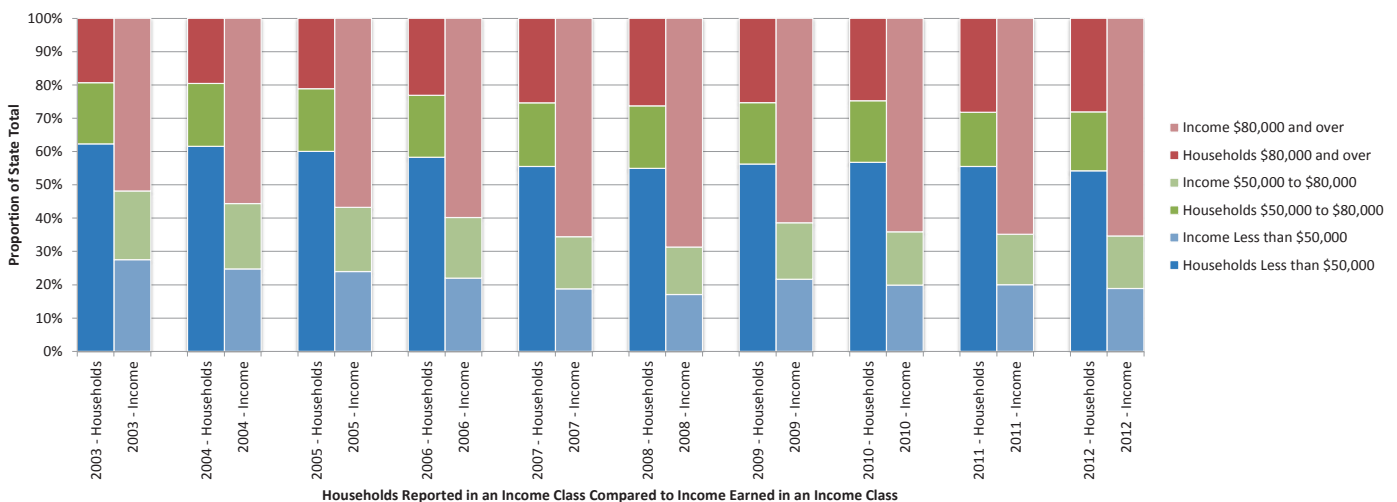
²⁵Bureau of Labor Statistics. (2014, September). Bureau of Labor Statistics data, *Consumer Price Index*, 2010 to 2012. Retrieved October 2014, from United States Department of Labor, Bureau of Labor Statistics: <http://www.bls.gov/cpi/#data>

**Chart 5. Comparison of Fiscal Year 2010 to Fiscal Year 2012
Distribution of Income**



Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.
Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5. Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

**Chart 6. Comparison of Proportion of Households to Family Income
Fiscal Year 2003 - Fiscal Year 2012**



Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.
Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5. Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

2003 through 2012. Chart 6 shows a gradual shrinking of the number of households in lower income classes which is consistent with what would be expected due to inflation. As inflation drives up the price of goods and wages, families move through the nominal income categories toward higher levels. Chart 6 also shows that there is a significant decrease of income concentrated in the \$50,000 to \$80,000 category over time. The proportion of income for households earning over \$80,000 grew in the years before the 2008/2009 recession, from approximately 50 percent to nearly 68 percent from 2003 to 2008. The effects of the recession decreased the proportion of income for households in this category in 2010 to 61 percent, a decrease of 7.3 percent from the year before, however the proportion of households earning over \$80,000 has grown to 65 percent in 2012.

Nominal Taxes Paid by Households

Table IV shows the estimated amount of state and local taxes paid by Colorado residents by income class. The table is categorized into ten major income classes. The income groups used in this profile study are the same as the income groups used in the Bureau of Labor Statistics Consumer Expenditure Survey (CES). These estimates show that the largest amount of taxes paid by households in the lowest income groups were for property and consumption taxes. The single largest estimated tax burden on families with less than \$40,000 in income was property taxes levied by local governments, including special districts, cities, and counties. Households that earned less than \$40,000 numbered 949,401 or nearly 46 percent of the households in the state. Together, they paid an estimated \$683.9 million in property taxes to local government entities. The largest nominal amount of taxes paid to a single source by households with incomes equal to or greater than \$40,000 was state income taxes. These households, which numbered a little over 1.1 million, paid \$3.9 billion in state income taxes. Property tax was the second largest payment made by households with incomes greater than \$40,000.

As with previous studies, estimates show households in the highest income category nominally paid the largest amount of taxes in all categories, including cigarette and tobacco excise taxes. Prior to the 2010 study, lower income households paid nominally higher cigarette and tobacco excise taxes. The group of households that earned over \$100,000 consisted of the greatest number of households at 426,265 (nearly 21 percent of households), while the group that earned \$20,000 to \$29,999 had the second highest concentration of households at 266,082 (about 13 percent of households).

Taxes on consumption levied by both state and local governments, including sales taxes, excise taxes on gas, cigarettes, and alcohol, accounted for an estimated 53 percent of total taxes paid by households in the income groupings under \$20,000. In contrast, taxes on consumption accounted for less than 28 percent of estimated taxes paid by the highest income class. The largest estimated nominal burden on families in the highest income class was the state income tax, followed by property taxes.

Table IV. Distribution of Major State and Local Taxes

by Adjusted Money Income

Fiscal Year 2012

(Dollars in thousands)

	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$69,999	\$70,000 to \$79,999	\$80,000 to \$100,000	\$100,000 and over	Total
Number of Families	167,941	138,285	143,017	266,082	234,076	172,839	256,083	110,352	154,733	426,265	2,069,674
Adjusted Money Income	\$ 998,652	\$ 1,740,100	\$ 2,540,431	\$ 6,750,676	\$ 8,049,502	\$ 7,552,289	\$ 14,918,036	\$ 8,086,016	\$ 13,587,720	\$ 81,861,669	\$ 146,085,091
State Taxes on Households											
Individual Income	\$ 9,312	\$ 14,133	\$ 30,503	\$ 111,992	\$ 165,397	\$ 183,863	\$ 384,578	\$ 219,406	\$ 397,898	\$ 2,759,597	\$ 4,276,679
Sales	25,670	22,800	31,702	78,861	84,065	62,899	135,914	63,789	103,120	444,294	1,053,114
Gasoline and Special Fuels	10,338	12,375	16,164	39,677	38,916	33,675	54,863	26,690	40,714	133,316	406,728
Licenses and Registrations	6,023	7,334	12,119	24,383	25,215	22,936	35,474	22,693	27,393	106,383	289,954
Alcoholic Beverages	696	590	826	2,238	2,977	2,194	4,747	2,865	3,688	15,443	36,263
Cigarettes and Tobacco	8,294	8,695	9,455	18,797	17,320	14,315	20,113	9,155	12,722	23,424	142,289
Total State Taxes	\$ 60,333	\$ 65,926	\$ 100,770	\$ 275,947	\$ 333,890	\$ 319,883	\$ 635,688	\$ 344,598	\$ 585,535	\$ 3,482,457	\$ 6,205,027
Local Taxes on Households											
Residential Property	\$ 76,766	\$ 54,714	\$ 99,338	\$ 241,555	\$ 211,574	\$ 185,236	\$ 418,816	\$ 177,406	\$ 299,771	\$ 1,185,194	\$ 2,950,369
Sales and Use	39,746	35,302	49,086	122,105	130,162	97,391	210,443	98,768	159,666	687,924	1,630,594
Specific Ownership	5,989	9,601	14,557	25,693	26,750	22,546	45,318	17,891	31,181	95,985	295,512
Occupation	298	644	943	2,710	3,417	3,374	6,455	3,483	6,013	24,511	51,847
Local Taxes	\$ 122,800	\$ 100,261	\$ 163,923	\$ 392,063	\$ 371,904	\$ 308,547	\$ 681,032	\$ 297,548	\$ 496,631	\$ 1,993,614	\$ 4,928,323
Total State and Local Taxes	\$ 183,132	\$ 166,186	\$ 264,694	\$ 668,011	\$ 705,794	\$ 628,430	\$ 1,316,721	\$ 642,146	\$ 1,082,166	\$ 5,476,070	\$ 11,133,350

Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.

Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5. Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

Table V. Proportion of State and Local Taxes Paid by Residents by Adjusted Money Income Classes

Fiscal Year 2012

	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$69,999	\$70,000 to \$79,999	\$80,000 to \$100,000	\$100,000 and over	Total
Number of Families	8.1%	6.7%	6.9%	12.9%	11.3%	8.4%	12.4%	5.3%	7.5%	20.6%	100.0%
Adjusted Money Income	0.7%	1.2%	1.7%	4.6%	5.5%	5.2%	10.2%	5.5%	9.3%	56.0%	100.0%
State Taxes on Households:											
Individual Income	0.2%	0.3%	0.7%	2.6%	3.9%	4.3%	9.0%	5.1%	9.3%	64.5%	100.0%
Sales	2.4%	2.2%	3.0%	7.5%	8.0%	6.0%	12.9%	6.1%	9.8%	42.2%	100.0%
Gasoline and Special Fuels	2.5%	3.0%	4.0%	9.8%	9.6%	8.3%	13.5%	6.6%	10.0%	32.8%	100.0%
Licenses and Registrations	2.1%	2.5%	4.2%	8.4%	8.7%	7.9%	12.2%	7.8%	9.4%	36.7%	100.0%
Alcoholic Beverages	1.9%	1.6%	2.3%	6.2%	8.2%	6.0%	13.1%	7.9%	10.2%	42.6%	100.0%
Cigarettes and Tobacco	5.8%	6.1%	6.6%	13.2%	12.2%	10.1%	14.1%	6.4%	8.9%	16.5%	100.0%
Total State Taxes	1.0%	1.1%	1.6%	4.4%	5.4%	5.2%	10.2%	5.6%	9.4%	56.1%	100.0%
Local Taxes on Households:											
Residential Property	2.6%	1.9%	3.4%	8.2%	7.2%	6.3%	14.2%	6.0%	10.2%	40.2%	100.0%
Sales	2.4%	2.2%	3.0%	7.5%	8.0%	6.0%	12.9%	6.1%	9.8%	42.2%	100.0%
Specific Ownership	2.0%	3.2%	4.9%	8.7%	9.1%	7.6%	15.3%	6.1%	10.6%	32.5%	100.0%
Occupation	0.6%	1.2%	1.8%	5.2%	6.6%	6.5%	12.5%	6.7%	11.6%	47.3%	100.0%
Total Local Taxes	2.5%	2.0%	3.3%	8.0%	7.5%	6.3%	13.8%	6.0%	10.1%	40.5%	100.0%
Total State and Local Taxes	1.6%	1.5%	2.4%	6.0%	6.3%	5.6%	11.8%	5.8%	9.7%	49.2%	100.0%

Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.

Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5. Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

Proportion of Taxes Paid by Households by Income Class

Because the CES income classes do not divide households into equal groups, it is difficult to determine, using the nominal distribution, if an income group is paying a proportion of taxes equal to the proportion of households they represent or in proportion to their income. A comparison of the estimated proportion of each tax paid with the proportion of income received by households in each group (shown in Table V) provides some insight on the vertical distribution of the tax burden levied by state and local governments. As in past studies, households in the highest income group, which accounted for 20.6 percent of resident households in the state, are estimated to have accumulated the largest portion of adjusted money income, 56 percent. Not surprisingly, given the proportion of income acquired by the highest income group, it paid the largest estimated share of combined state and local taxes, 49.2 percent. This group also paid the largest estimated proportion of taxes in each category of state and local taxes. The distribution of state taxes paid by households is nearly proportional. While the bulk of state taxes were paid by those households in the highest income category, estimates show the lowest income groups paid a higher proportion toward state taxes than the proportion of income they earned.

In this study, only the households in the highest income category paid a lesser proportion of state and local taxes combined than the income they received, with households in the \$100,000 and over category paying 49.2 percent of the taxes while earning 56 percent of the income.

Proportionality Index

To facilitate the analysis of vertical equity among income groups, Table VI presents an index of the distribution of estimated taxes paid by households as a proportion of the share of income received. The closer the estimated index is to 1, the closer the share of taxes paid by an income group is to the share of income they received. A number less than 1 shows that households in a group paid less in taxes than their share of income earned by households statewide. And, accordingly, a number greater than 1 indicates that the income group paid a greater share of taxes than the share of income they received.

**Table VI. Comparison of Income Distribution Among Households
Fiscal Year 2012**

Income Class	Distribution of Income and Taxes Among Households				Ratio of Pct Distribution of Taxes to Pct Distribution of Income		
	Adjusted Money Income	State Taxes	Local Taxes	Total Taxes	State Taxes to Income	Local Taxes to Income	Combined Taxes to Income
\$ 0 to \$10,000	0.7%	1.0%	2.5%	1.6%	1.42	3.64	2.41
\$10,000 to \$15,000	1.2%	1.1%	2.0%	1.5%	0.89	1.71	1.25
\$15,000 to \$20,000	1.7%	1.6%	3.3%	2.4%	0.93	1.91	1.37
\$20,000 to \$30,000	4.6%	4.4%	8.0%	6.0%	0.96	1.72	1.30
\$30,000 to \$40,000	5.5%	5.4%	7.5%	6.3%	0.98	1.37	1.15
\$40,000 to \$50,000	5.2%	5.2%	6.3%	5.6%	1.00	1.21	1.09
\$50,000 to \$70,000	10.2%	10.2%	13.8%	11.8%	1.00	1.35	1.16
\$70,000 to \$80,000	5.5%	5.6%	6.0%	5.8%	1.00	1.09	1.04
\$80,000 to \$100,000	9.3%	9.4%	10.1%	9.7%	1.01	1.08	1.05
\$100,000 and over	56.0%	56.1%	40.5%	49.2%	1.00	0.72	0.88
TOTAL	100.0%	100.0%	100.0%	100.0%	1.00	1.00	1.00

Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.

Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5. Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

A review of the Table VI shows the index number decreased steadily as household income increased. The lowest index number, 0.88, was for households in the highest income group, whereas the highest index number, 2.41 was for households whose incomes were less than \$10,000.

Average Household Income and Taxes

The average adjusted money income of households in Colorado, as shown in Table VII, was \$70,584. Median income, which shows the income amount wherein half of the residents received more income and half received less, was \$43,640. Similarly, with income groups divided into \$10,000 increments, the income group with the most

number of households was that which included residents who earned between \$20,000 and \$30,000. It is more likely that the median of \$43,640 and mode of \$20-30,000 more realistically depict the typical amount of income earned by resident households in 2012. Estimates show the average amount of state taxes paid by households in Colorado was approximately \$2,998. However, when residents in the \$100,000 and higher income category are removed, the estimated average amount of state taxes paid drops to \$1,657. Estimates show the average amount of local taxes paid by households in Colorado was \$2,381. If the residents in the \$100,000 and higher income category are removed the estimated average amount of local taxes paid is \$1,786.

**Table VII. Average State and Local Taxes Paid by Households
Fiscal Year 2012**

	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$69,999	\$70,000 to \$79,999	\$80,000 to \$100,000	\$100,000 and over	Total
Average Adjusted Money Income	\$5,946	\$12,583	\$17,763	\$25,371	\$34,388	\$43,696	\$58,255	\$73,275	\$87,814	\$192,044	\$70,584
State Taxes on Households:											
Individual Income	\$55	\$102	\$213	\$421	\$707	\$1,064	\$1,502	\$1,988	\$2,572	\$6,474	\$2,066
Sales	153	165	222	296	359	364	531	578	666	1,042	509
Gasoline and Special Fuels	62	89	113	149	166	195	214	242	263	313	197
Licenses and Registrations	36	53	85	92	108	133	139	206	177	250	140
Alcoholic Beverages	4	4	6	8	13	13	19	26	24	36	18
Cigarettes and Tobacco	49	63	66	71	74	83	79	83	82	55	69
Total Average State Taxes	\$359	\$477	\$705	\$1,037	\$1,426	\$1,851	\$2,482	\$3,123	\$3,784	\$8,170	\$2,998
Local Taxes on Households:											
Residential Property	\$457	\$396	\$695	\$908	\$904	\$1,072	\$1,635	\$1,608	\$1,937	\$2,780	\$1,426
Sales	237	255	343	459	556	563	822	895	1,032	1,614	788
Specific Ownership	36	69	102	97	114	130	177	162	202	225	143
Occupation	2	5	7	10	15	20	25	32	39	58	25
Total Average Local Taxes	\$731	\$725	\$1,146	\$1,473	\$1,589	\$1,785	\$2,659	\$2,696	\$3,210	\$4,677	\$2,381
Total State and Local Taxes	\$1,090	\$1,202	\$1,851	\$2,511	\$3,015	\$3,636	\$5,142	\$5,819	\$6,994	\$12,847	\$5,379

Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.

Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5. Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

**Table VIII. Average Income and Taxes Paid by Residents in the Lowest and Highest Income Classes
Fiscal Year 2012**

	Income Classes		Lowest Income Class as a Percent of the Highest Class
	Under \$10,000	Over \$100,000	
Number of Families	167,941	426,265	39.4%
Average Adjusted Money Income	\$5,946	\$192,044	3.1%
State and Local Taxes			
State Taxes			
Individual Income	\$55	\$6,474	0.9%
Sales	153	1,042	14.7%
Highway User			
Gas, MTB, Gasohol	62	313	19.7%
Licenses and Registrations	36	250	14.4%
Alcoholic Beverages	4	36	11.4%
Cigarette and Tobacco	49	55	89.9%
State Taxes	\$359	\$8,170	4.4%
Local Taxes			
Residential Property	\$457	\$2,780	16.4%
Sales and Use	237	1,614	14.7%
Specific Ownership	36	225	15.8%
Occupation	2	58	3.1%
Local Taxes	\$731	\$4,677	15.6%
State and Local Taxes	\$1,090	\$12,847	8.5%

Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.

Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5.

Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

A comparison based on the computation of an income group's average income and taxes as a percentage of the highest income group's corresponding averages is another way of determining the proportionality of the state and local tax burden imposed on Colorado residents. The data in Table VIII shows that the income of households in the lowest income group was equal to only 3.1 percent of the amount of income attributable to households in the highest income category. This estimate index is a benchmark for comparison between these two groups. If a tax is proportionally distributed among those two groups of taxpayers, then the index for the tax will be 3.1 percent of the average amount paid by households in the highest income group. Any amount less than 3.1 percent shows that households in the lowest income group paid proportionally less towards a tax than households in the highest income group and vice versa. The average state and local taxes paid by households in the lowest income group were 4.4 percent of the average amount of state and local taxes paid by households in the highest income group. These estimates appear much more proportional than in the 2010 study which showed an income ratio of 3.8 to a state tax ratio of 7.3 percent. The comparison between the two income groups for excise taxes paid on cigarettes and tobacco showed the greatest disparity. The average amount

of excise taxes paid by households earning less than \$10,000 on cigarettes and tobacco was 89.9 percent of the average amount paid by the highest income group on these items. However, this tax does not account for a large portion of the overall tax burden. Families in the lowest income group on average paid only \$49 in cigarette and tobacco excise taxes. The total tax burdens for both groups were comprised of a more significant amount of property and sales taxes. Households in the lowest income group paid 16.4 and 14.7 percent, respectively, of the amounts paid by the highest income groups for property and sales taxes. The income tax, constituting 38.4 percent of all taxes paid by resident households to state and local governments, is the only significant tax in which households in the lowest income group paid less than 3.1 percent of the amount paid by households in the highest income group. The average income tax paid by households in the lowest income group was 0.9 percent of the amount paid by the highest income group.

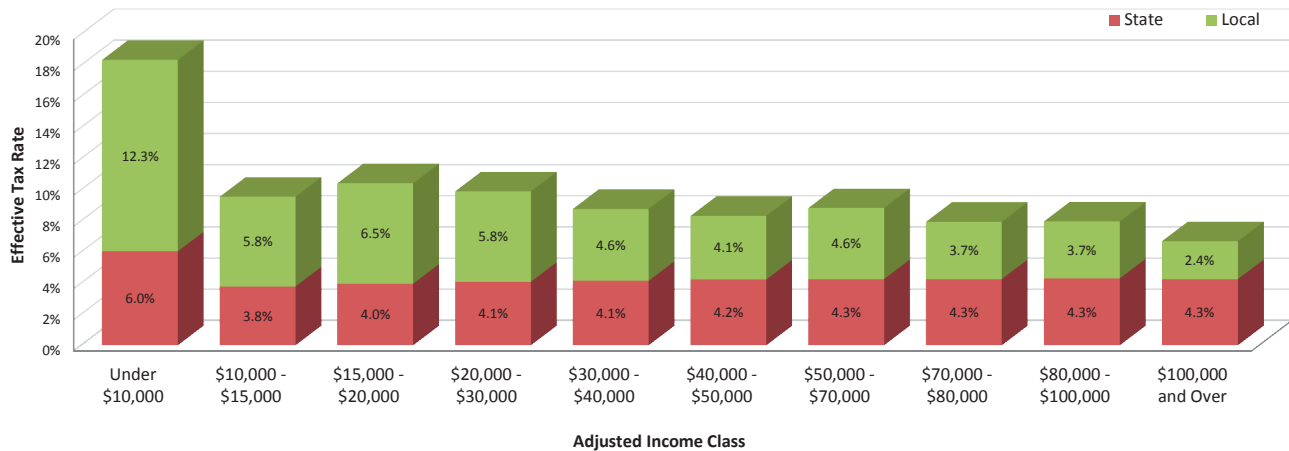
Table IX. State and Local Taxes as a Percentage of Adjusted Money Income
Fiscal Year 2012

	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$69,999	\$70,000 to \$79,999	\$80,000 to \$100,000	\$100,000 and over	Average
State Taxes on Households:											
Individual Income	0.93%	0.81%	1.20%	1.66%	2.05%	2.43%	2.58%	2.71%	2.93%	3.37%	2.93%
Sales	2.57%	1.31%	1.25%	1.17%	1.04%	0.83%	0.91%	0.79%	0.76%	0.54%	0.72%
Gasoline and Special Fuels	1.04%	0.71%	0.64%	0.59%	0.48%	0.45%	0.37%	0.33%	0.30%	0.16%	0.28%
Licenses and Registrations	0.60%	0.42%	0.48%	0.36%	0.31%	0.30%	0.24%	0.28%	0.20%	0.13%	0.20%
Alcoholic Beverages	0.07%	0.03%	0.03%	0.03%	0.04%	0.03%	0.03%	0.04%	0.03%	0.02%	0.02%
Cigarettes and Tobacco	0.83%	0.50%	0.37%	0.28%	0.22%	0.19%	0.13%	0.11%	0.09%	0.03%	0.10%
Total State Taxes	6.04%	3.79%	3.97%	4.09%	4.15%	4.24%	4.26%	4.26%	4.31%	4.25%	4.25%
Local Taxes on Households:											
Residential Property	7.69%	3.14%	3.91%	3.58%	2.63%	2.45%	2.81%	2.19%	2.21%	1.45%	2.02%
Sales and Use	3.98%	2.03%	1.93%	1.81%	1.62%	1.29%	1.41%	1.22%	1.18%	0.84%	1.12%
Specific Ownership	0.60%	0.55%	0.57%	0.38%	0.33%	0.30%	0.30%	0.22%	0.23%	0.12%	0.20%
Occupation	0.03%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.03%	0.04%
Total Local Taxes	12.30%	5.76%	6.45%	5.81%	4.62%	4.09%	4.57%	3.68%	3.65%	2.44%	3.37%
State and Local Taxes	18.34%	9.55%	10.42%	9.90%	8.77%	8.32%	8.83%	7.94%	7.96%	6.69%	7.62%

Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.

Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5. Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

Chart 7. Effective State and Local Tax Rates
Fiscal Year 2012



Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.

Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5. Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

Effective Tax Rates

Effective tax rates measure how much people pay in taxes as a percentage of their pretax income. The measure of income used in this study is Colorado adjusted money income.

The next sections cover the distribution of FY 2012 estimated effective tax rates by tax components and by income class, and the relative burden of the effective tax rates on the bottom and top income classes.

Distribution of Effective Tax Rates

The information presented in Table IX and Chart 7 is FY 2012 effective tax rates by income class and tax type. An examination of the FY 2012 combined state and local effective

tax rate across income classes revealed that households with incomes less than \$10,000 paid 18.34 percent of their income in taxes while households with over \$100,000 in income paid 6.69 percent of their income in taxes.

The effective state tax rate ranged from 3.79 percent for households that earned between \$10,000 and \$14,999, to 6.04 percent for households that earned less than \$10,000. All income groups except households with incomes less than \$10,000 have an effective state tax rate slightly less than the average effective state tax rate of 4.25 percent. Households in the lowest income class paid an estimated 2.57 percent of their income in state sales taxes while households in the highest income class paid only an estimated 0.54 percent of their income in state sales taxes. Although Colorado has

**Table X. Effective Tax Rates and Progressivity Index
Fiscal Year 2012**

	Income Classes		Pct Paid by Lowest Group as a Ratio of Pct Paid by Highest
	Below \$10,000	Over \$100,000	
State Taxes:			
Individual Income	0.93%	3.37%	0.3
Sales	2.57%	0.54%	4.7
Gasoline and Special Fuels	1.04%	0.16%	6.4
Licenses and Registrations	0.60%	0.13%	4.6
Alcoholic Beverages	0.07%	0.02%	3.7
Cigarettes and Tobacco	0.83%	0.03%	29.0
Total State Taxes	6.04%	4.25%	1.4
Local Taxes:			
Residential Property	7.69%	1.45%	5.3
Sales and Use	3.98%	0.84%	4.7
Specific Ownership	0.60%	0.12%	5.1
Occupation	0.03%	0.03%	1.0
Total Local Taxes	12.30%	2.44%	5.0
State and Local Taxes	18.34%	6.69%	2.7

Source: Disclosure of Average Taxes Paid, Colorado Individual Income Tax Booklet.

Note: The Disclosure of Average Taxes Paid is required by C.R.S. §24-35-108.5. Federal data and other data sources are used to estimate average taxes paid because actual data are unavailable.

a flat income tax rate of 4.63 percent, using federal taxable income as a starting point in determining Colorado taxable income results in relatively progressive estimated effective rates. The standard exemption and deductions amounts used to determine federal, and consequently Colorado taxable income appear to benefit the lower income households.

Effective local tax rates decreased from an estimated 12.3 percent for households in the lowest income group to an estimated 2.44 percent for households in the highest income group. Property taxes are the largest source of revenues for local governments and the majority of households in all income classes pay property taxes through their mortgage payments, directly to local governments, or through rental payments. The estimated effective local sales and use tax rates decreased from 3.98 percent for households that earned less than \$10,000 in income to 0.84 percent for households with incomes over \$100,000.

Tax Burden Index

A Lorenz curve measure is another tool for analyzing the progressivity/regressivity of taxes. This measure is expressed as a ratio using the effective tax rate to measure the relative burden of a tax on households in different income groups. Specifically, the measure compares the effective rate of a tax on households in the lowest income group to that imposed on households in the highest group. A ratio or index number equal to 1.0 indicates that the burden of the tax being measured is proportional. If the ratio is less than 1.0, the tax is progressive and if the ratio is greater than 1, the tax is regressive.

The Lorenz curve estimates on Table X indicate that the effective rate of the cigarette and tobacco excise tax was nearly 29 times greater than the effective rate of the tax on households in the highest income class. According to the Consumer Expenditure Survey (CES),²⁶ households with incomes less than \$10,000 spend an average of \$302 on tobacco products and smoking supplies, and households in the highest income class spend an average of \$254. In general, sales, use, and excise taxes are regressive but excise taxes are the most regressive. In November 2009, the Institute on Taxation and Economic Policy published the study *Who Pays? A Distributional Analysis of the Tax Systems in All 50 States*.²⁷ The study reported that sales taxes are usually calculated as a percentage of the price of a fairly broad base of taxable items. Excise taxes, by contrast, are imposed on a small number of goods, typically ones for which demand has a practical per-person maximum. Thus, people in the highest income class don't buy a proportionate amount of these goods as their income increases. Moreover, excise taxes are typically based on volume sales rather than taxable value. As a result, excise taxes are usually the most regressive kind of tax since consumption by volume does not increase appreciably as incomes rise. The Lorenz curve index of 4.7 for state sales taxes was lower than the gasoline

²⁶Bureau of Labor Statistics. (2013). Table 2301. Higher income before taxes: Average annual expenditures and characteristics, *Consumer Expenditure Survey*, 2011. Washington, D.C.: United States Department of Labor, Bureau of Labor Statistics.

²⁷Davis, C., Davis, K., Gardner, M., McIntyre, R. S., McLynch, J., & Sapozhnikova, A. (November 2009). *Who Pays? A Distributional Analysis of the Tax Systems in All 50 States*. Institute on Taxation & Economic Policy.

and special fuels index of 6.4 but not the licenses and registrations index of 4.6. Similarly, the index of 4.7 for local sales and use taxes was lower than the specific ownership tax index of 5.1. The Lorenz curve estimates also indicate that the estimated property tax burden on households in the lowest income group was nearly 5.3 times larger than the property tax burden on households in the highest group. Although home ownership is not as prominent among households in the lowest income group in comparison to the highest, most households pay property taxes either directly to county governments or as an embedded cost in their rental payments. The exception to households paying some form of property tax would be those living in fully subsidized housing.

The various measures of proportionality are useful tools in analyzing the structure of taxes levied by the taxing jurisdictions in the state. They answer questions with regard to vertical equity. The estimates presented in this study provide a foundation for an informed discussion of tax equity.

Colorado Statistics of Income

For Income Tax Year 2011



Prepared By
Colorado Department of Revenue
Office of Research and Analysis

Introduction

This Colorado Statistics of Income (SOI) publication reports on income and taxes for individuals filing income tax returns for tax year 2011. The data used in this report are drawn from a merged file of state and federal tax returns. Information reported in the following tables pertains to only full year resident returns. Information from returns filed by part year residents who have moved into or out of the state, as well as those filed by nonresidents who are required to pay Colorado income taxes, are not included in the merged file used to compile this report. Tables 1A, 1B, and 1C report the number of returns, federal Adjusted Gross Income (AGI), gross and net state income taxes, and federal taxes filed by all Colorado residents.

Returns filed by dependents, typically children with jobs who still live with their parents, are excluded from the data reported in the remaining tables. In this manner, the information reported in these tables more closely approximates the income data of households filing tax returns. The tables in the SOI report federal adjusted gross income, sources of income, modifications, deductions, federal and state income tax, and several other key variables from the merged tax returns. Tables of regional and county information may also be found in this report.

Colorado adjusted gross income is no longer used in the SOI reports as a measure of income for Colorado residents. Rather, the tables in this publication use federal adjusted gross income as a measure of the income of Colorado residents. Federal adjusted gross income is a standard measure of income and facilitates the comparison of Colorado income data to that of other states as well as national income data. This change may hamper the comparison of income data with SOI reports prior to 1999. The largest single group affected is likely to be seniors that receive taxable pensions. Up to \$24,000 of taxable pension income per spouse (this amount has changed over time) was an allowable deduction under the Colorado adjusted gross income measure. This income is not exempted from taxation under federal codes and is included in federal adjusted gross income.

Statistics of Income

Individual Income Tax, Income Tax Year 2011

Table	Description	Page
1A	Federal AGI and Taxes, All Full-year Resident Returns	68
1B	Federal AGI and Taxes, Taxable Full-year Resident Returns	69
1C	Federal AGI and Taxes, Non-Taxable Full-year Resident Returns.....	70
2	Colorado Returns Classified by Type of Deduction.....	71
3	Colorado Returns Classified by Filing Status.....	72
4	Federal AGI Classified by Filing Status	73
5	Colorado Net Tax Classified by Filing Status.....	74
6	Colorado Returns Classified by Number of Exemptions	75
7	Federal AGI Classified by Number of Exemptions	76
8	Colorado Net Tax Classified by Number of Exemptions	77
9	Federal AGI and Taxes, Returns of Residents 65 and Older	78
10	Number of Returns by Type of Adjustment to Total Income.....	79
11	Adjustments to Total Income by Type of Deduction.....	80
12	Amount of Federal Exemptions, Deductions, and Taxable Income.....	81
13	Number of Returns Classified by Source of Taxable Income.....	82
14	Colorado Income by Source of Taxable Income.....	83
15	Number of Returns by Type of Itemized Deduction.....	84
16	Type and Amount of Itemized Deductions	85
17	Federal AGI and Taxes by Planning Region.....	86-94
18	Federal AGI and Taxes by County	95
19	Federal AGI and Taxes by Major County.....	96-101
20	Number of Returns Claiming Colorado Modifications	102
21	Amount of Colorado Modifications	103
22	Colorado returns by Liability Status	104
23	Amount and Number of Colorado Tax Checkoff Donations.....	105-106
24	Amount and Number of Income Tax Credits Claimed	107

**Table 1A. Federal AGI and Taxes, All Full-Year Resident Returns
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	29,544	(\$3,408,036)	\$466	\$1,239	\$17,873
\$ 0 to \$ 5,000	75,051	184,839	598	506	6,906
\$ 5,000 to \$ 10,000	110,088	803,564	405	424	16,774
\$ 10,000 to \$ 15,000	136,559	1,634,475	7,728	7,705	41,634
\$ 15,000 to \$ 20,000	144,355	2,412,112	24,243	24,095	75,672
\$ 20,000 to \$ 25,000	138,462	2,979,272	41,342	41,122	114,386
\$ 25,000 to \$ 35,000	247,916	7,095,788	131,091	130,370	364,093
\$ 35,000 to \$ 50,000	281,297	11,382,870	262,726	260,712	762,525
\$ 50,000 to \$ 75,000	314,902	18,715,474	489,597	484,109	1,610,916
\$ 75,000 to \$ 100,000	209,322	17,476,965	505,933	498,968	1,721,255
\$ 100,000 to \$ 250,000	325,983	45,272,628	1,534,766	1,505,149	6,244,566
\$ 250,000 and over	56,197	35,580,517	1,448,098	1,322,281	7,970,094
Subtotal	2,069,674	140,130,468	4,446,992	4,276,679	18,946,691
Returns with zero exemptions	122,700	\$779,014	\$15,292	\$13,479	\$47,800
Total	2,192,374	\$140,909,481	\$4,462,285	\$4,290,157	\$18,994,491

B. Percentage Distribution by Income Class (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	3.7	0.1	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	5.4	0.6	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	6.7	1.1	0.2	0.2	0.2
\$ 15,000 to \$ 20,000	7.1	1.7	0.5	0.6	0.4
\$ 20,000 to \$ 25,000	6.8	2.1	0.9	1.0	0.6
\$ 25,000 to \$ 35,000	12.2	4.9	2.9	3.0	1.9
\$ 35,000 to \$ 50,000	13.8	7.9	5.9	6.1	4.0
\$ 50,000 to \$ 75,000	15.4	13.0	11.0	11.3	8.5
\$ 75,000 to \$ 100,000	10.3	12.2	11.4	11.7	9.1
\$ 100,000 to \$ 250,000	16.0	31.5	34.5	35.2	33.0
\$ 250,000 and over	2.8	24.8	32.6	30.9	42.1
Total	100.0	100.0	100.0	100.0	100.0

C. Average per Return (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	(\$115,355)	\$16	\$42	\$605
\$ 0 to \$ 5,000	2,463	8	7	92
\$ 5,000 to \$ 10,000	7,299	4	4	152
\$ 10,000 to \$ 15,000	11,969	57	56	305
\$ 15,000 to \$ 20,000	16,710	168	167	524
\$ 20,000 to \$ 25,000	21,517	299	297	826
\$ 25,000 to \$ 35,000	28,622	529	526	1,469
\$ 35,000 to \$ 50,000	40,466	934	927	2,711
\$ 50,000 to \$ 75,000	59,433	1,555	1,537	5,116
\$ 75,000 to \$ 100,000	83,493	2,417	2,384	8,223
\$ 100,000 to \$ 250,000	138,880	4,708	4,617	19,156
\$ 250,000 and over	633,143	25,768	23,530	141,825
Average	\$67,707	\$2,149	\$2,066	\$9,154

**Table 1B. Federal AGI and Taxes, Taxable Full-Year Resident Returns
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	234	(\$17,917)	\$466	\$427	\$175
\$ 0 to \$ 5,000	1,131	2,424	598	498	627
\$ 5,000 to \$ 10,000	2,253	17,260	405	402	362
\$ 10,000 to \$ 15,000	67,868	813,675	7,728	7,687	21,216
\$ 15,000 to \$ 20,000	83,860	1,409,752	24,243	24,094	53,307
\$ 20,000 to \$ 25,000	97,422	2,102,148	41,342	41,117	95,194
\$ 25,000 to \$ 35,000	201,858	5,804,905	131,091	130,362	323,708
\$ 35,000 to \$ 50,000	256,414	10,406,018	262,726	260,704	724,479
\$ 50,000 to \$ 75,000	302,161	17,991,292	489,597	484,092	1,572,827
\$ 75,000 to \$ 100,000	206,933	17,284,020	505,933	498,952	1,712,194
\$ 100,000 to \$ 250,000	324,834	45,129,983	1,534,766	1,505,034	6,235,723
\$ 250,000 and over	56,057	35,492,151	1,448,098	1,322,095	7,963,488
Subtotal	1,601,028	\$136,435,711	\$4,446,992	\$4,275,463	\$18,703,299
Returns with zero exemptions	55,751	\$608,900	\$15,292	\$13,476	\$46,474
Total	1,656,779	\$137,044,612	\$4,462,285	\$4,288,939	\$18,749,773

B. Percentage Distribution by Income Class (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.1	0.0	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	0.1	0.0	0.0	0.0	0.0
\$ 10,000 to \$ 15,000	4.2	0.6	0.2	0.2	0.1
\$ 15,000 to \$ 20,000	5.2	1.0	0.5	0.6	0.3
\$ 20,000 to \$ 25,000	6.1	1.5	0.9	1.0	0.5
\$ 25,000 to \$ 35,000	12.6	4.3	2.9	3.0	1.7
\$ 35,000 to \$ 50,000	16.0	7.6	5.9	6.1	3.9
\$ 50,000 to \$ 75,000	18.9	13.2	11.0	11.3	8.4
\$ 75,000 to \$ 100,000	12.9	12.7	11.4	11.7	9.2
\$ 100,000 to \$ 250,000	20.3	33.1	34.5	35.2	33.3
\$ 250,000 and over	3.5	26.0	32.6	30.9	42.6
Total	100.0	100.0	100.0	100.0	100.0

C. Average per Return (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	(\$76,463)	\$1,987	\$1,821	\$746
\$ 0 to \$ 5,000	2,143	529	440	554
\$ 5,000 to \$ 10,000	7,661	180	179	160
\$ 10,000 to \$ 15,000	11,989	114	113	313
\$ 15,000 to \$ 20,000	16,811	289	287	636
\$ 20,000 to \$ 25,000	21,578	424	422	977
\$ 25,000 to \$ 35,000	28,757	649	646	1,604
\$ 35,000 to \$ 50,000	40,583	1,025	1,017	2,825
\$ 50,000 to \$ 75,000	59,542	1,620	1,602	5,205
\$ 75,000 to \$ 100,000	83,525	2,445	2,411	8,274
\$ 100,000 to \$ 250,000	138,932	4,725	4,633	19,197
\$ 250,000 and over	633,140	25,832	23,585	142,060
Average	\$85,218	\$2,778	\$2,670	\$11,682

**Table 1C. Federal AGI and Taxes, Non-Taxable Full-Year Resident Returns
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	29,310	(\$3,390,119)	-	\$812	\$17,698
\$ 0 to \$ 5,000	73,919	182,415	-	7	6,279
\$ 5,000 to \$ 10,000	107,835	786,304	-	22	16,412
\$ 10,000 to \$ 15,000	68,690	820,801	-	18	20,418
\$ 15,000 to \$ 20,000	60,495	1,002,360	-	1	22,365
\$ 20,000 to \$ 25,000	41,040	877,124	-	5	19,192
\$ 25,000 to \$ 35,000	46,057	1,290,883	-	8	40,385
\$ 35,000 to \$ 50,000	24,883	976,852	-	9	38,046
\$ 50,000 to \$ 75,000	12,741	724,181	-	17	38,089
\$ 75,000 to \$ 100,000	2,389	192,945	-	16	9,060
\$ 100,000 to \$ 250,000	1,148	142,645	-	115	8,843
\$ 250,000 and over	139	88,366	-	187	6,605
Subtotal	468,646	\$3,694,756	-	\$1,216	\$243,392
Returns with zero exemptions	66,949	\$170,113	-	\$3	\$1,326
Total	535,595	\$3,864,870	-	\$1,218	\$244,718

B. Percentage Distribution by Income Class (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	16.8	2.6	-	1.8	2.8
\$ 5,000 to \$ 10,000	24.5	11.1	-	5.3	7.3
\$ 10,000 to \$ 15,000	15.6	11.6	-	4.4	9.0
\$ 15,000 to \$ 20,000	13.8	14.1	-	0.3	9.9
\$ 20,000 to \$ 25,000	9.3	12.4	-	1.1	8.5
\$ 25,000 to \$ 35,000	10.5	18.2	-	1.9	17.9
\$ 35,000 to \$ 50,000	5.7	13.8	-	2.2	16.9
\$ 50,000 to \$ 75,000	2.9	10.2	-	4.3	16.9
\$ 75,000 to \$ 100,000	0.5	2.7	-	3.9	4.0
\$ 100,000 to \$ 250,000	0.3	2.0	-	28.5	3.9
\$ 250,000 and over	0.0	1.2	-	46.2	2.9
Total	100.0	100.0	-	100.0	100.0

C. Average per Return (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	(\$115,666)	\$0	\$28	\$604
\$ 0 to \$ 5,000	2,468	-	0	85
\$ 5,000 to \$ 10,000	7,292	-	0	152
\$ 10,000 to \$ 15,000	11,949	-	0	297
\$ 15,000 to \$ 20,000	16,569	-	0	370
\$ 20,000 to \$ 25,000	21,373	-	0	468
\$ 25,000 to \$ 35,000	28,028	-	0	877
\$ 35,000 to \$ 50,000	39,258	-	0	1,529
\$ 50,000 to \$ 75,000	56,839	-	1	2,990
\$ 75,000 to \$ 100,000	80,780	-	7	3,793
\$ 100,000 to \$ 250,000	124,236	-	100	7,702
\$ 250,000 and over	634,212	-	1,340	47,407
Average	\$7,884	\$0	\$3	\$519

**Table 2. Colorado Returns Classified by Type of Deduction
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Standard Deduction Returns			Itemized Returns		
	No. of Returns	Federal AGI	Colorado Net Tax	No. of Returns	Federal AGI	Colorado Net Tax
Negative Income	17,379	(\$943,572)	\$310	12,165	(\$2,464,464)	\$928
\$ 0 to \$ 5,000	68,034	168,650	386	7,017	16,189	120
\$ 5,000 to \$ 10,000	101,247	738,958	313	8,842	64,606	111
\$ 10,000 to \$ 15,000	123,321	1,474,568	7,381	13,237	159,907	324
\$ 15,000 to \$ 20,000	128,595	2,148,141	22,922	15,760	263,971	1,173
\$ 20,000 to \$ 25,000	120,018	2,581,118	37,904	18,444	398,154	3,218
\$ 25,000 to \$ 35,000	199,553	5,694,023	111,647	48,363	1,401,765	18,723
\$ 35,000 to \$ 50,000	187,669	7,537,727	183,727	93,628	3,845,143	76,986
\$ 50,000 to \$ 75,000	150,733	8,840,999	240,576	164,169	9,874,475	243,533
\$ 75,000 to \$ 100,000	67,462	5,577,918	163,459	141,860	11,899,047	335,508
\$ 100,000 to \$ 250,000	46,524	5,777,494	189,718	279,459	39,495,134	1,315,431
\$ 250,000 and over	997	398,735	14,677	55,199	35,181,782	1,307,604
Total	1,211,530	\$39,994,759	\$973,020	858,144	\$100,135,709	\$3,303,659

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Standard Deduction Returns			Itemized Returns		
	No. of Returns	Federal AGI	Colorado Net Tax	No. of Returns	Federal AGI	Colorado Net Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	5.7	0.4	0.0	0.8	0.0	0.0
\$ 5,000 to \$ 10,000	8.5	1.8	0.0	1.0	0.1	0.0
\$ 10,000 to \$ 15,000	10.3	3.6	0.8	1.6	0.2	0.0
\$ 15,000 to \$ 20,000	10.8	5.2	2.4	1.9	0.3	0.0
\$ 20,000 to \$ 25,000	10.1	6.3	3.9	2.2	0.4	0.1
\$ 25,000 to \$ 35,000	16.7	13.9	11.5	5.7	1.4	0.6
\$ 35,000 to \$ 50,000	15.7	18.4	18.9	11.1	3.7	2.3
\$ 50,000 to \$ 75,000	12.6	21.6	24.7	19.4	9.6	7.4
\$ 75,000 to \$ 100,000	5.6	13.6	16.8	16.8	11.6	10.2
\$ 100,000 to \$ 250,000	3.9	14.1	19.5	33.0	38.5	39.8
\$ 250,000 and over	0.1	1.0	1.5	6.5	34.3	39.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Standard Deduction Returns		Itemized Returns	
	Federal AGI	Colorado Net Tax	Federal AGI	Colorado Net Tax
Negative Income	(\$54,295)	\$18	(\$202,582)	\$76
\$ 0 to \$ 5,000	2,479	6	2,307	17
\$ 5,000 to \$ 10,000	7,299	3	7,307	13
\$ 10,000 to \$ 15,000	11,957	60	12,080	24
\$ 15,000 to \$ 20,000	16,705	178	16,749	74
\$ 20,000 to \$ 25,000	21,506	316	21,587	174
\$ 25,000 to \$ 35,000	28,534	559	28,984	387
\$ 35,000 to \$ 50,000	40,165	979	41,068	822
\$ 50,000 to \$ 75,000	58,653	1,596	60,148	1,483
\$ 75,000 to \$ 100,000	82,683	2,423	83,879	2,365
\$ 100,000 to \$ 250,000	124,183	4,078	141,327	4,707
\$ 250,000 and over	399,855	14,718	637,357	23,689
Average	\$33,012	\$803	\$116,689	\$3,850

**Table 3. Colorado Returns Classified by Filing Status
2011 Individual Income Tax Returns**

A. Number of Returns

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	15,637	11,703	845	1,334	24	29,544
\$ 0 to \$ 5,000	58,248	8,730	1,488	6,535	49	75,051
\$ 5,000 to \$ 10,000	80,364	12,117	1,877	15,685	44	110,088
\$ 10,000 to \$ 15,000	89,243	18,298	2,201	26,744	73	136,559
\$ 15,000 to \$ 20,000	87,097	23,533	2,422	31,249	54	144,355
\$ 20,000 to \$ 25,000	78,089	27,524	2,555	30,239	56	138,462
\$ 25,000 to \$ 35,000	133,343	59,012	5,419	50,000	141	247,916
\$ 35,000 to \$ 50,000	142,825	90,326	6,552	41,436	158	281,297
\$ 50,000 to \$ 75,000	122,381	156,524	5,746	30,078	173	314,902
\$ 75,000 to \$ 100,000	48,141	147,198	2,318	11,590	75	209,322
\$ 100,000 to \$ 250,000	39,068	274,974	2,000	9,799	141	325,983
\$ 250,000 and over	5,659	48,788	416	1,304	29	56,197
Total	900,095	878,729	33,838	255,993	1,018	2,069,674

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	6.6	1.0	4.5	2.6	5.0	3.7
\$ 5,000 to \$ 10,000	9.1	1.4	5.7	6.2	4.4	5.4
\$ 10,000 to \$ 15,000	10.1	2.1	6.7	10.5	7.4	6.7
\$ 15,000 to \$ 20,000	9.8	2.7	7.3	12.3	5.5	7.1
\$ 20,000 to \$ 25,000	8.8	3.2	7.7	11.9	5.6	6.8
\$ 25,000 to \$ 35,000	15.1	6.8	16.4	19.6	14.2	12.2
\$ 35,000 to \$ 50,000	16.1	10.4	19.9	16.3	15.9	13.8
\$ 50,000 to \$ 75,000	13.8	18.1	17.4	11.8	17.4	15.4
\$ 75,000 to \$ 100,000	5.4	17.0	7.0	4.6	7.5	10.3
\$ 100,000 to \$ 250,000	4.4	31.7	6.1	3.8	14.2	16.0
\$ 250,000 and over	0.6	5.6	1.3	0.5	2.9	2.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Returns Within Income Classes

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	52.9	39.6	2.9	4.5	0.1	100.0
\$ 0 to \$ 5,000	77.6	11.6	2.0	8.7	0.1	100.0
\$ 5,000 to \$ 10,000	73.0	11.0	1.7	14.2	0.0	100.0
\$ 10,000 to \$ 15,000	65.4	13.4	1.6	19.6	0.1	100.0
\$ 15,000 to \$ 20,000	60.3	16.3	1.7	21.6	0.0	100.0
\$ 20,000 to \$ 25,000	56.4	19.9	1.8	21.8	0.0	100.0
\$ 25,000 to \$ 35,000	53.8	23.8	2.2	20.2	0.1	100.0
\$ 35,000 to \$ 50,000	50.8	32.1	2.3	14.7	0.1	100.0
\$ 50,000 to \$ 75,000	38.9	49.7	1.8	9.6	0.1	100.0
\$ 75,000 to \$ 100,000	23.0	70.3	1.1	5.5	0.0	100.0
\$ 100,000 to \$ 250,000	12.0	84.4	0.6	3.0	0.0	100.0
\$ 250,000 and over	10.1	86.8	0.7	2.3	0.1	100.0
Total	43.5	42.5	1.6	12.4	0.0	100.0

**Table 4. Federal AGI Classified by Filing Status
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	(\$835,448)	(\$2,336,531)	(\$134,448)	(\$98,980)	(\$2,629)	(\$3,408,036)
\$ 0 to \$ 5,000	143,234	20,059	3,183	18,263	98	\$184,839
\$ 5,000 to \$ 10,000	582,736	89,253	13,579	117,674	322	\$803,564
\$ 10,000 to \$ 15,000	1,064,443	220,841	26,364	321,970	858	\$1,634,475
\$ 15,000 to \$ 20,000	1,453,635	395,116	40,706	521,747	908	\$2,412,112
\$ 20,000 to \$ 25,000	1,680,135	592,563	55,133	650,240	1,200	\$2,979,272
\$ 25,000 to \$ 35,000	3,820,195	1,692,701	156,302	1,422,525	4,066	\$7,095,788
\$ 35,000 to \$ 50,000	5,772,505	3,682,886	265,432	1,655,591	6,456	\$11,382,870
\$ 50,000 to \$ 75,000	7,155,625	9,454,386	335,554	1,759,680	10,229	\$18,715,474
\$ 75,000 to \$ 100,000	3,966,746	12,356,796	191,830	955,426	6,168	\$17,476,965
\$ 100,000 to \$ 250,000	5,171,840	38,518,390	263,521	1,299,139	19,738	\$45,272,628
\$ 250,000 and over	3,655,182	30,569,922	490,210	851,371	13,832	\$35,580,517
Total	\$33,630,828	\$95,256,382	\$1,707,366	\$9,474,645	\$61,247	\$140,130,468

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.4	0.0	0.2	0.2	0.2	0.1
\$ 5,000 to \$ 10,000	1.7	0.1	0.7	1.2	0.5	0.6
\$ 10,000 to \$ 15,000	3.1	0.2	1.4	3.4	1.3	1.1
\$ 15,000 to \$ 20,000	4.2	0.4	2.2	5.4	1.4	1.7
\$ 20,000 to \$ 25,000	4.9	0.6	3.0	6.8	1.9	2.1
\$ 25,000 to \$ 35,000	11.1	1.7	8.5	14.9	6.4	4.9
\$ 35,000 to \$ 50,000	16.7	3.8	14.4	17.3	10.1	7.9
\$ 50,000 to \$ 75,000	20.8	9.7	18.2	18.4	16.0	13.0
\$ 75,000 to \$ 100,000	11.5	12.7	10.4	10.0	9.7	12.2
\$ 100,000 to \$ 250,000	15.0	39.5	14.3	13.6	30.9	31.5
\$ 250,000 and over	10.6	31.3	26.6	8.9	21.7	24.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	(\$53,426)	(\$199,646)	(\$159,038)	(\$74,223)	(\$109,118)	(\$115,355)
\$ 0 to \$ 5,000	2,459	2,298	2,140	2,795	1,999	\$2,463
\$ 5,000 to \$ 10,000	7,251	7,366	7,232	7,502	7,322	\$7,299
\$ 10,000 to \$ 15,000	11,928	12,069	11,980	12,039	11,698	\$11,969
\$ 15,000 to \$ 20,000	16,690	16,790	16,804	16,697	16,676	\$16,710
\$ 20,000 to \$ 25,000	21,516	21,529	21,581	21,503	21,613	\$21,517
\$ 25,000 to \$ 35,000	28,649	28,684	28,844	28,450	28,808	\$28,622
\$ 35,000 to \$ 50,000	40,417	40,773	40,514	39,956	40,778	\$40,466
\$ 50,000 to \$ 75,000	58,470	60,402	58,401	58,504	59,041	\$59,433
\$ 75,000 to \$ 100,000	82,399	83,947	82,752	82,435	82,590	\$83,493
\$ 100,000 to \$ 250,000	132,379	140,080	131,772	132,577	140,074	\$138,880
\$ 250,000 and over	645,878	626,587	1,178,528	652,672	476,725	\$633,132
Average	\$37,364	\$108,402	\$50,456	\$37,011	\$60,163	\$67,707

**Table 5. Colorado Net Tax Classified by Filing Status
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	\$525	\$603	\$88	\$23	\$0	\$1,239
\$ 0 to \$ 5,000	323	124	42	17	0	506
\$ 5,000 to \$ 10,000	299	61	41	24	0	424
\$ 10,000 to \$ 15,000	7,322	66	229	88	0	7,705
\$ 15,000 to \$ 20,000	22,473	70	645	907	0	24,095
\$ 20,000 to \$ 25,000	35,092	681	1,116	4,229	2	41,122
\$ 25,000 to \$ 35,000	97,423	8,568	3,799	20,543	37	130,370
\$ 35,000 to \$ 50,000	167,901	47,973	7,496	37,247	97	260,712
\$ 50,000 to \$ 75,000	222,863	200,113	10,435	50,474	224	484,109
\$ 75,000 to \$ 100,000	133,198	328,558	6,398	30,650	165	498,968
\$ 100,000 to \$ 250,000	185,430	1,263,943	9,227	45,881	667	1,505,149
\$ 250,000 and over	135,871	1,136,810	17,480	31,516	606	1,322,281
Total	\$1,008,719	\$2,987,569	\$56,995	\$221,598	\$1,798	\$4,276,679

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.0	0.0	0.1	0.0	-	0.0
\$ 5,000 to \$ 10,000	0.0	0.0	0.1	0.0	-	0.0
\$ 10,000 to \$ 15,000	0.7	0.0	0.4	0.0	-	0.2
\$ 15,000 to \$ 20,000	2.2	0.0	1.1	0.4	0.0	0.6
\$ 20,000 to \$ 25,000	3.5	0.0	2.0	1.9	0.1	1.0
\$ 25,000 to \$ 35,000	9.7	0.3	6.7	9.3	2.1	3.0
\$ 35,000 to \$ 50,000	16.7	1.6	13.2	16.8	5.4	6.1
\$ 50,000 to \$ 75,000	22.1	6.7	18.3	22.8	12.4	11.3
\$ 75,000 to \$ 100,000	13.2	11.0	11.2	13.8	9.2	11.7
\$ 100,000 to \$ 250,000	18.4	42.3	16.2	20.7	37.1	35.2
\$ 250,000 and over	13.5	38.1	30.7	14.2	33.7	30.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Single	Married Joint	Married Separate	Head of Household	Widow/ Widower	Total
Negative Income	\$34	\$52	\$104	\$17	\$0	\$42
\$ 0 to \$ 5,000	6	14	28	3	0	7
\$ 5,000 to \$ 10,000	4	5	22	2	0	4
\$ 10,000 to \$ 15,000	82	4	104	3	0	56
\$ 15,000 to \$ 20,000	258	3	266	29	2	167
\$ 20,000 to \$ 25,000	449	25	437	140	44	297
\$ 25,000 to \$ 35,000	731	145	701	411	261	526
\$ 35,000 to \$ 50,000	1,176	531	1,144	899	610	927
\$ 50,000 to \$ 75,000	1,821	1,278	1,816	1,678	1,291	1,537
\$ 75,000 to \$ 100,000	2,767	2,232	2,760	2,645	2,204	2,384
\$ 100,000 to \$ 250,000	4,746	4,597	4,614	4,682	4,736	4,617
\$ 250,000 and over	24,009	23,301	42,023	24,160	20,881	23,530
Average	\$1,121	\$3,400	\$1,684	\$866	\$1,766	\$2,066

**Table 6. Colorado Returns Classified by Number of Exemptions
2011 Individual Income Tax Returns**

A. Number of Returns

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	16,132	9,069	1,770	1,666	646	261	29,544
\$ 0 to \$ 5,000	57,600	12,245	3,146	1,367	481	212	75,051
\$ 5,000 to \$ 10,000	77,620	20,675	7,126	3,242	1,021	404	110,088
\$ 10,000 to \$ 15,000	85,468	27,564	13,571	6,766	2,363	827	136,559
\$ 15,000 to \$ 20,000	84,192	28,853	16,223	9,905	3,740	1,443	144,355
\$ 20,000 to \$ 25,000	76,276	28,929	14,202	11,171	5,567	2,316	138,462
\$ 25,000 to \$ 35,000	132,945	54,353	24,695	17,865	10,683	7,375	247,916
\$ 35,000 to \$ 50,000	144,606	68,539	26,426	20,736	11,098	9,891	281,297
\$ 50,000 to \$ 75,000	124,149	101,383	35,456	31,694	13,651	8,569	314,902
\$ 75,000 to \$ 100,000	48,884	84,285	29,909	30,524	10,975	4,745	209,322
\$ 100,000 to \$ 250,000	39,441	134,793	55,001	67,994	21,604	7,149	325,983
\$ 250,000 and over	5,728	21,225	8,631	13,653	5,342	1,617	56,197
Total	893,041	591,914	236,155	216,583	87,172	44,809	2,069,674

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	6.6	2.1	1.3	0.6	0.6	0.5	3.7
\$ 5,000 to \$ 10,000	8.9	3.5	3.0	1.5	1.2	0.9	5.4
\$ 10,000 to \$ 15,000	9.7	4.7	5.8	3.1	2.7	1.9	6.7
\$ 15,000 to \$ 20,000	9.6	5.0	6.9	4.6	4.3	3.2	7.1
\$ 20,000 to \$ 25,000	8.7	5.0	6.1	5.2	6.4	5.2	6.8
\$ 25,000 to \$ 35,000	15.2	9.3	10.5	8.3	12.3	16.6	12.2
\$ 35,000 to \$ 50,000	16.5	11.8	11.3	9.6	12.8	22.2	13.8
\$ 50,000 to \$ 75,000	14.2	17.4	15.1	14.7	15.8	19.2	15.4
\$ 75,000 to \$ 100,000	5.6	14.5	12.8	14.2	12.7	10.7	10.3
\$ 100,000 to \$ 250,000	4.5	23.1	23.5	31.6	25.0	16.0	16.0
\$ 250,000 and over	0.7	3.6	3.7	6.4	6.2	3.6	2.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Federal AGI Within Income Classes

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	54.6	30.7	6.0	5.6	2.2	0.9	100.0
\$ 0 to \$ 5,000	76.7	16.3	4.2	1.8	0.6	0.3	100.0
\$ 5,000 to \$ 10,000	70.5	18.8	6.5	2.9	0.9	0.4	100.0
\$ 10,000 to \$ 15,000	62.6	20.2	9.9	5.0	1.7	0.6	100.0
\$ 15,000 to \$ 20,000	58.3	20.0	11.2	6.9	2.6	1.0	100.0
\$ 20,000 to \$ 25,000	55.1	20.9	10.3	8.1	4.0	1.7	100.0
\$ 25,000 to \$ 35,000	53.6	21.9	10.0	7.2	4.3	3.0	100.0
\$ 35,000 to \$ 50,000	51.4	24.4	9.4	7.4	3.9	3.5	100.0
\$ 50,000 to \$ 75,000	39.4	32.2	11.3	10.1	4.3	2.7	100.0
\$ 75,000 to \$ 100,000	23.4	40.3	14.3	14.6	5.2	2.3	100.0
\$ 100,000 to \$ 250,000	12.1	41.3	16.9	20.9	6.6	2.2	100.0
\$ 250,000 and over	10.2	37.8	15.4	24.3	9.5	2.9	100.0
Total	43.1	28.6	11.4	10.5	4.2	2.2	100.0

**Table 7. Federal AGI Classified by Number of Exemptions
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	(\$900,882)	(\$1,459,498)	(\$342,504)	(\$374,392)	(\$245,017)	(\$85,742)	(\$3,408,036)
\$ 0 to \$ 5,000	\$140,423	\$30,511	\$8,568	\$3,667	\$1,218	\$452	\$184,839
\$ 5,000 to \$ 10,000	\$562,255	\$153,045	\$53,427	\$24,135	\$7,697	\$3,006	\$803,564
\$ 10,000 to \$ 15,000	\$1,019,698	\$328,642	\$164,542	\$82,498	\$28,936	\$10,160	\$1,634,475
\$ 15,000 to \$ 20,000	\$1,405,678	\$482,584	\$270,558	\$165,971	\$63,016	\$24,305	\$2,412,112
\$ 20,000 to \$ 25,000	\$1,641,697	\$621,441	\$304,370	\$240,804	\$120,792	\$50,167	\$2,979,272
\$ 25,000 to \$ 35,000	\$3,811,705	\$1,556,279	\$703,122	\$508,511	\$302,556	\$213,615	\$7,095,788
\$ 35,000 to \$ 50,000	\$5,845,892	\$2,784,422	\$1,068,912	\$840,350	\$448,084	\$395,211	\$11,382,870
\$ 50,000 to \$ 75,000	\$7,260,318	\$6,087,721	\$2,131,355	\$1,916,484	\$816,767	\$502,830	\$18,715,474
\$ 75,000 to \$ 100,000	\$4,028,500	\$7,055,001	\$2,508,504	\$2,568,321	\$920,591	\$396,048	\$17,476,965
\$ 100,000 to \$ 250,000	\$5,215,201	\$18,647,476	\$7,670,753	\$9,684,772	\$3,059,109	\$995,316	\$45,272,628
\$ 250,000 and over	\$3,812,650	\$14,788,869	\$4,929,618	\$7,620,870	\$3,254,599	\$1,173,911	\$35,580,517
Total	\$33,843,135	\$51,076,493	\$19,471,225	\$23,281,990	\$8,778,347	\$3,679,278	\$140,130,468

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.4	0.1	0.0	0.0	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	1.6	0.3	0.3	0.1	0.1	0.1	0.6
\$ 10,000 to \$ 15,000	2.9	0.6	0.8	0.3	0.3	0.3	1.1
\$ 15,000 to \$ 20,000	4.0	0.9	1.4	0.7	0.7	0.6	1.7
\$ 20,000 to \$ 25,000	4.7	1.2	1.5	1.0	1.3	1.3	2.1
\$ 25,000 to \$ 35,000	11.0	3.0	3.5	2.1	3.4	5.7	4.9
\$ 35,000 to \$ 50,000	16.8	5.3	5.4	3.6	5.0	10.5	7.9
\$ 50,000 to \$ 75,000	20.9	11.6	10.8	8.1	9.1	13.4	13.0
\$ 75,000 to \$ 100,000	11.6	13.4	12.7	10.9	10.2	10.5	12.2
\$ 100,000 to \$ 250,000	15.0	35.5	38.7	40.9	33.9	26.4	31.5
\$ 250,000 and over	11.0	28.1	24.9	32.2	36.1	31.2	24.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average Per Return

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	(\$55,845)	(\$160,935)	(\$193,465)	(\$224,785)	(\$379,105)	(\$328,699)	(\$115,355)
\$ 0 to \$ 5,000	\$2,438	\$2,492	\$2,723	\$2,682	\$2,533	\$2,134	\$2,463
\$ 5,000 to \$ 10,000	\$7,244	\$7,403	\$7,497	\$7,444	\$7,535	\$7,434	\$7,299
\$ 10,000 to \$ 15,000	\$11,931	\$11,923	\$12,124	\$12,194	\$12,243	\$12,291	\$11,969
\$ 15,000 to \$ 20,000	\$16,696	\$16,726	\$16,677	\$16,756	\$16,850	\$16,849	\$16,710
\$ 20,000 to \$ 25,000	\$21,523	\$21,482	\$21,431	\$21,556	\$21,698	\$21,659	\$21,517
\$ 25,000 to \$ 35,000	\$28,671	\$28,633	\$28,473	\$28,465	\$28,321	\$28,963	\$28,622
\$ 35,000 to \$ 50,000	\$40,426	\$40,625	\$40,450	\$40,525	\$40,374	\$39,957	\$40,466
\$ 50,000 to \$ 75,000	\$58,481	\$60,047	\$60,113	\$60,468	\$59,832	\$58,679	\$59,433
\$ 75,000 to \$ 100,000	\$82,409	\$83,704	\$83,872	\$84,141	\$83,883	\$83,473	\$83,493
\$ 100,000 to \$ 250,000	\$132,227	\$138,341	\$139,467	\$142,436	\$141,599	\$139,215	\$138,880
\$ 250,000 and over	\$665,625	\$696,757	\$571,150	\$558,166	\$609,301	\$725,767	\$633,143
Average	\$37,897	\$86,290	\$82,451	\$107,497	\$100,702	\$82,110	\$67,707

**Table 8. Colorado Net Tax Classified by Number of Exemptions
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	\$584	\$167	\$226	\$101	\$51	\$110	\$1,239
\$ 0 to \$ 5,000	355	54	20	30	42	5	506
\$ 5,000 to \$ 10,000	329	61	27	6	0	1	424
\$ 10,000 to \$ 15,000	7,519	122	43	17	3	1	7,705
\$ 15,000 to \$ 20,000	22,752	1,131	149	50	8	5	24,095
\$ 20,000 to \$ 25,000	35,350	4,621	995	117	34	5	41,122
\$ 25,000 to \$ 35,000	98,590	20,479	8,076	2,684	476	65	130,370
\$ 35,000 to \$ 50,000	171,091	50,339	20,280	12,325	4,794	1,884	260,712
\$ 50,000 to \$ 75,000	227,180	134,494	54,285	44,066	16,447	7,638	484,109
\$ 75,000 to \$ 100,000	135,793	182,531	74,958	72,760	23,965	8,961	498,968
\$ 100,000 to \$ 250,000	187,455	598,252	264,834	327,160	98,129	29,319	1,505,149
\$ 250,000 and over	140,858	536,938	187,849	291,546	122,749	42,341	1,322,281
Total	\$1,027,857	\$1,529,189	\$611,742	\$750,861	\$266,697	\$90,333	\$4,276,679

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.0	0.0	0.0	0.0	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	0.0	0.0	0.0	0.0	0.0	0.0	0.0
\$ 10,000 to \$ 15,000	0.7	0.0	0.0	0.0	0.0	0.0	0.2
\$ 15,000 to \$ 20,000	2.2	0.1	0.0	0.0	0.0	0.0	0.6
\$ 20,000 to \$ 25,000	3.4	0.3	0.2	0.0	0.0	0.0	1.0
\$ 25,000 to \$ 35,000	9.6	1.3	1.3	0.4	0.2	0.1	3.0
\$ 35,000 to \$ 50,000	16.7	3.3	3.3	1.6	1.8	2.1	6.1
\$ 50,000 to \$ 75,000	22.1	8.8	8.9	5.9	6.2	8.5	11.3
\$ 75,000 to \$ 100,000	13.2	11.9	12.3	9.7	9.0	9.9	11.7
\$ 100,000 to \$ 250,000	18.2	39.1	43.3	43.6	36.8	32.5	35.2
\$ 250,000 and over	13.7	35.1	30.7	38.8	46.0	46.9	30.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average Per Return

Adjusted Gross Income Classes	Number of Exemptions						Total
	One	Two	Three	Four	Five	Six or More	
Negative Income	\$36	\$18	\$128	\$60	\$80	\$420	\$42
\$ 0 to \$ 5,000	6	4	6	22	87	26	7
\$ 5,000 to \$ 10,000	4	3	4	2	0	1	4
\$ 10,000 to \$ 15,000	88	4	3	3	1	1	56
\$ 15,000 to \$ 20,000	270	39	9	5	2	4	167
\$ 20,000 to \$ 25,000	463	160	70	10	6	2	297
\$ 25,000 to \$ 35,000	742	377	327	150	45	9	526
\$ 35,000 to \$ 50,000	1,183	734	767	594	432	190	927
\$ 50,000 to \$ 75,000	1,830	1,327	1,531	1,390	1,205	891	1,537
\$ 75,000 to \$ 100,000	2,778	2,166	2,506	2,384	2,184	1,889	2,384
\$ 100,000 to \$ 250,000	4,753	4,438	4,815	4,812	4,542	4,101	4,617
\$ 250,000 and over	24,592	25,297	21,764	21,353	22,980	26,177	23,530
Average	\$1,150.96	\$2,583	\$2,590	\$3,467	\$3,059	\$2,016	\$2,066

**Table 9. Federal AGI and Taxes, Returns of Residents 65 and Older
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	8,967	(\$1,031,300)	\$153	\$174	\$2,760
\$ 0 to \$ 5,000	14,989	33,288	75	74	953
\$ 5,000 to \$ 10,000	17,250	125,539	60	60	1,556
\$ 10,000 to \$ 15,000	22,506	270,098	228	227	3,338
\$ 15,000 to \$ 20,000	20,926	347,884	740	725	6,952
\$ 20,000 to \$ 25,000	17,738	380,041	1,093	1,064	10,511
\$ 25,000 to \$ 35,000	30,405	866,475	3,475	3,379	37,500
\$ 35,000 to \$ 50,000	36,368	1,472,916	10,236	9,860	93,222
\$ 50,000 to \$ 75,000	51,993	3,098,806	38,595	37,248	276,228
\$ 75,000 to \$ 100,000	36,731	3,063,996	52,733	50,715	311,421
\$ 100,000 to \$ 250,000	49,826	6,835,876	181,261	173,491	947,844
\$ 250,000 and over	8,810	7,715,469	297,748	266,038	1,517,659
Subtotal	316,509	\$23,179,088	\$586,398	\$543,054	\$3,209,943
Returns with zero exemptions	431	\$2,810	\$39	\$38	\$192
Total	316,941	\$23,181,899	\$586,436	\$543,092	\$3,210,135

B. Percentage Distribution by Income Class (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.9	0.1	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	5.6	0.5	0.0	0.0	0.0
\$ 10,000 to \$ 15,000	7.3	1.1	0.0	0.0	0.1
\$ 15,000 to \$ 20,000	6.8	1.4	0.1	0.1	0.2
\$ 20,000 to \$ 25,000	5.8	1.6	0.2	0.2	0.3
\$ 25,000 to \$ 35,000	9.9	3.6	0.6	0.6	1.2
\$ 35,000 to \$ 50,000	11.8	6.1	1.7	1.8	2.9
\$ 50,000 to \$ 75,000	16.9	12.8	6.6	6.9	8.6
\$ 75,000 to \$ 100,000	11.9	12.7	9.0	9.3	9.7
\$ 100,000 to \$ 250,000	16.2	28.2	30.9	32.0	29.6
\$ 250,000 and over	2.9	31.9	50.8	49.0	47.3
Total	100.0	100.0	100.0	100.0	100.0

C. Average per Return (excludes returns with zero exemptions)

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Taxes
Negative Income	(\$115,005.82)	\$17	\$19	\$308
\$ 0 to \$ 5,000	2,221	5	5	64
\$ 5,000 to \$ 10,000	7,278	4	3	90
\$ 10,000 to \$ 15,000	12,001	10	10	148
\$ 15,000 to \$ 20,000	16,625	35	35	332
\$ 20,000 to \$ 25,000	21,425	62	60	593
\$ 25,000 to \$ 35,000	28,498	114	111	1,233
\$ 35,000 to \$ 50,000	40,500	281	271	2,563
\$ 50,000 to \$ 75,000	59,601	742	716	5,313
\$ 75,000 to \$ 100,000	83,417	1,436	1,381	8,478
\$ 100,000 to \$ 250,000	137,196	3,638	3,482	19,023
\$ 250,000 and over	875,802	33,798	30,199	172,273
Average	\$73,234	\$1,853	\$1,716	\$10,142

**Table 10. Number of Returns by Type of Adjustment to Total Income
2011 Individual Income Tax Returns**

A. Number of Returns

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prodn	Moving Expenses	Sif-Empld Tax Dedn	Sif-Empld Health Ins	Sif-Empld Retirement	Alimony Paid	Tuition Deduction	Other Dedn	Total
Negative Income	133	315	1,564	835	153	117	5,950	3,442	93	375	1,837	354	10,816
\$ 0 to \$ 5,000	171	247	2,258	287	96	150	11,737	2,697	59	115	2,788	516	16,873
\$ 5,000 to \$ 10,000	398	457	4,296	415	109	305	18,437	3,078	76	197	4,017	680	26,586
\$ 10,000 to \$ 15,000	676	821	6,290	560	144	466	22,251	3,707	114	234	1,612	784	31,202
\$ 15,000 to \$ 20,000	1,020	1,262	8,648	751	162	601	19,446	3,828	150	280	1,393	794	31,175
\$ 20,000 to \$ 25,000	1,208	1,507	10,409	931	188	646	15,453	3,888	178	318	1,183	745	29,290
\$ 25,000 to \$ 35,000	3,729	4,071	24,336	2,603	467	1,235	25,554	7,426	441	685	1,958	1,525	57,988
\$ 35,000 to \$ 50,000	8,185	6,958	35,196	4,579	878	1,523	30,754	10,314	780	1,375	2,543	2,004	79,585
\$ 50,000 to \$ 75,000	12,143	10,159	44,903	7,464	1,696	1,556	40,172	14,733	1,522	2,686	5,761	3,210	106,365
\$ 75,000 to \$ 100,000	10,148	7,822	27,949	6,269	1,618	1,620	30,209	11,004	1,620	2,310	2,472	2,168	74,473
\$ 100,000 to \$ 250,000	17,280	12,715	35,440	14,506	4,809	1,411	56,615	24,571	7,034	4,503	12,009	4,404	131,983
\$ 250,000 and over	1,021	1,546	0	5,725	3,716	226	17,167	11,600	4,945	1,389	2	538	27,530
Total	56,111	47,879	201,290	44,923	14,036	9,190	293,745	100,287	17,011	14,468	37,575	17,722	623,866

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prodn	Moving Expenses	Sif-Empld Tax Dedn	Sif-Empld Health Ins	Sif-Empld Retirement	Alimony Paid	Tuition Deduction	Other Dedn	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.3	0.5	1.1	0.7	0.7	1.7	4.1	2.8	0.3	0.8	7.8	3.0	2.8
\$ 5,000 to \$ 10,000	0.7	1.0	2.2	0.9	0.8	3.4	6.4	3.2	0.5	1.4	11.2	3.9	4.3
\$ 10,000 to \$ 15,000	1.2	1.7	3.1	1.3	1.0	5.1	7.7	3.8	0.7	1.7	4.5	4.5	5.1
\$ 15,000 to \$ 20,000	1.8	2.7	4.3	1.7	1.2	6.6	6.8	4.0	0.9	2.0	3.9	4.6	5.1
\$ 20,000 to \$ 25,000	2.2	3.2	5.2	2.1	1.4	7.1	5.4	4.0	1.1	2.3	3.3	4.3	4.8
\$ 25,000 to \$ 35,000	6.7	8.6	12.2	5.9	3.4	13.6	8.9	7.7	2.6	4.9	5.5	8.8	9.5
\$ 35,000 to \$ 50,000	14.6	14.6	17.6	10.4	6.3	16.8	10.7	10.6	4.6	9.8	7.1	11.5	13.0
\$ 50,000 to \$ 75,000	21.7	21.4	22.5	16.9	12.2	17.1	14.0	15.2	9.0	19.1	16.1	18.5	17.4
\$ 75,000 to \$ 100,000	18.1	16.4	14.0	14.2	11.7	10.5	10.5	11.4	9.6	16.4	6.9	12.5	12.1
\$ 100,000 to \$ 250,000	30.9	26.7	17.7	32.9	34.6	15.6	19.7	25.4	41.6	32.0	33.6	25.4	21.5
\$ 250,000 and over	1.8	3.3	-	13.0	26.8	2.5	6.0	12.0	29.2	9.9	0.0	3.1	4.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Itemized Deductions Within Income Classes

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prodn	Moving Expenses	Sif-Empld Tax Dedn	Sif-Empld Health Ins	Sif-Empld Retirement	Alimony Paid	Tuition Deduction	Other Dedn	Total
Negative Income	1.2	2.9	14.5	7.7	1.4	1.1	55.0	31.8	0.9	3.5	17.0	3.3	3.3
\$ 0 to \$ 5,000	1.0	1.5	13.4	1.7	0.6	0.9	69.6	16.0	0.3	0.7	16.5	3.1	3.1
\$ 5,000 to \$ 10,000	1.5	1.7	16.2	1.6	0.4	1.1	69.3	11.6	0.3	0.7	15.1	2.6	2.6
\$ 10,000 to \$ 15,000	2.2	2.6	20.2	1.8	0.5	1.5	71.3	11.9	0.4	0.7	5.2	2.5	2.5
\$ 15,000 to \$ 20,000	3.3	4.0	27.7	2.4	0.5	1.9	62.4	12.3	0.5	0.9	4.5	2.5	2.5
\$ 20,000 to \$ 25,000	4.1	5.1	35.5	3.2	0.6	2.2	52.8	13.3	0.6	1.1	4.0	2.5	2.5
\$ 25,000 to \$ 35,000	6.4	7.0	42.0	4.5	0.8	2.1	44.1	12.8	0.8	1.2	3.4	2.6	2.6
\$ 35,000 to \$ 50,000	10.3	8.7	44.2	5.8	1.1	1.9	38.6	13.0	1.0	1.7	3.2	2.5	2.5
\$ 50,000 to \$ 75,000	11.4	9.6	42.2	7.0	1.6	1.5	37.8	13.9	1.4	2.5	5.4	3.0	3.0
\$ 75,000 to \$ 100,000	13.6	10.5	37.5	8.4	2.2	1.3	40.6	14.8	2.2	3.1	3.3	2.9	2.9
\$ 100,000 to \$ 250,000	13.1	9.6	26.9	11.0	3.6	1.1	42.9	18.6	5.3	3.4	9.1	3.3	3.3
\$ 250,000 and over	3.7	5.6	0.0	20.8	13.5	0.8	62.4	42.1	18.0	5.0	0.0	2.0	2.0
Total	9.0	7.7	32.3	7.2	2.2	1.5	47.1	16.1	2.7	2.3	6.0	2.8	2.8

**Table 11. Adjustments to Total Income by Type of Deduction
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prodn	Moving Expenses	Sift-Empl Tax Dedn	Sift-Empl Health Ins	Sift-Empl Retirement	Alimony Paid	Tuition Deduction	Other Dedn	Total
Negative Income	\$37	\$1,511	\$1,696	\$3,106	\$3,666	\$670	\$11,758	\$18,701	\$1,167	\$9,921	\$6,212	\$935	\$54,332
\$ 0 to \$ 5,000	37	707	1,911	782	68	289	5,785	8,811	276	1,393	9,000	401	26,913
\$ 5,000 to \$ 10,000	84	1,363	3,428	1,112	227	556	15,698	10,658	295	1,727	12,083	390	40,902
\$ 10,000 to \$ 15,000	164	2,284	4,982	1,509	141	718	26,474	13,181	607	2,699	4,345	414	46,195
\$ 15,000 to \$ 20,000	217	3,749	7,160	1,873	188	855	28,479	14,010	741	2,639	3,544	362	51,711
\$ 20,000 to \$ 25,000	281	4,683	8,930	2,246	395	911	25,648	15,257	1,000	2,931	2,852	477	54,701
\$ 25,000 to \$ 35,000	851	12,761	22,074	5,954	802	1,935	48,097	31,770	2,714	5,806	4,416	969	117,695
\$ 35,000 to \$ 50,000	1,939	25,278	34,133	11,083	1,932	2,625	63,660	47,514	6,032	13,172	5,031	2,218	187,495
\$ 50,000 to \$ 75,000	3,011	40,710	41,700	20,611	4,291	3,018	92,228	75,824	13,354	30,380	10,930	2,033	298,838
\$ 75,000 to \$ 100,000	2,647	34,294	28,953	19,485	5,055	2,364	77,633	63,890	16,164	31,878	45,914	1,815	255,544
\$ 100,000 to \$ 250,000	4,452	66,239	33,098	55,192	24,484	4,730	208,801	180,359	114,689	92,579	22,166	3,948	721,205
\$ 250,000 and over	246	13,872	0	28,236	153,022	1,291	143,976	123,676	157,460	75,060	20	1,555	633,077
Total	\$13,968	\$207,449	\$188,067	\$151,189	\$194,271	\$20,637	\$748,235	\$603,652	\$314,499	\$270,164	\$126,513	\$21,710	\$2,488,608

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prodn	Moving Expenses	Sift-Empl Tax Dedn	Sift-Empl Health Ins	Sift-Empl Retirement	Alimony Paid	Tuition Deduction	Other Dedn	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.3	0.3	1.0	0.5	0.0	1.4	0.8	1.5	0.1	0.5	7.5	1.9	1.1
\$ 5,000 to \$ 10,000	0.6	0.7	1.8	0.8	0.1	2.8	2.1	1.8	0.1	0.7	10.0	1.9	1.7
\$ 10,000 to \$ 15,000	1.2	1.1	2.7	1.0	0.1	3.6	3.6	2.3	0.2	1.0	3.6	2.0	1.9
\$ 15,000 to \$ 20,000	1.6	1.8	3.8	1.3	0.1	4.3	3.9	2.4	0.2	1.0	2.9	1.7	2.1
\$ 20,000 to \$ 25,000	2.0	2.3	4.8	1.5	0.2	4.6	3.5	2.6	0.3	1.1	2.4	2.3	2.2
\$ 25,000 to \$ 35,000	6.1	6.2	11.8	4.0	0.4	9.7	6.5	5.4	0.9	2.2	3.7	4.7	4.8
\$ 35,000 to \$ 50,000	13.9	12.3	18.3	7.5	1.0	13.1	8.6	8.1	1.9	5.1	4.2	10.7	7.7
\$ 50,000 to \$ 75,000	21.6	19.8	22.4	13.9	2.3	15.1	12.5	13.0	4.3	11.7	9.1	9.8	12.3
\$ 75,000 to \$ 100,000	19.0	16.7	15.5	13.2	2.7	11.8	10.5	10.9	5.2	12.2	38.2	8.7	10.5
\$ 100,000 to \$ 250,000	32.0	32.2	17.8	37.3	12.8	23.7	28.4	30.8	36.6	35.6	18.4	19.0	29.6
\$ 250,000 and over	1.8	6.7	-	19.1	80.3	6.5	19.5	21.1	50.3	28.8	0.0	7.5	26.0
Total	100.0	100.0	100.0	100.0	100.0	96.6	100.0	100.0	100.0	100.0	100.0	70.2	100.0

C. Average Per Return

Adjusted Gross Income Classes	Educator Expenses	IRA Deduction	Student Loan	Health Savings	Domestic Prodn	Moving Expenses	Sift-Empl Tax Dedn	Sift-Empl Health Ins	Sift-Empl Retirement	Alimony Paid	Tuition Deduction	Other Dedn	Total
Negative Income	\$281	\$4,791	\$1,085	\$3,720	\$0	\$5,710	\$1,976	\$5,433	\$12,520	\$26,451	\$3,383	\$2,641	\$5,023
\$ 0 to \$ 5,000	217	2,858	847	2,725	704	1,927	493	3,268	4,711	12,088	3,228	776	1,595
\$ 5,000 to \$ 10,000	211	2,983	798	2,680	2,083	1,825	851	3,463	3,853	8,768	3,008	574	1,538
\$ 10,000 to \$ 15,000	242	2,783	792	2,697	983	1,539	1,190	3,556	5,316	11,554	2,696	528	1,480
\$ 15,000 to \$ 20,000	213	2,971	828	2,494	1,161	1,423	1,464	3,660	4,955	9,408	2,545	456	1,659
\$ 20,000 to \$ 25,000	232	3,107	858	2,413	2,095	1,411	1,660	3,924	5,626	9,217	2,410	641	1,868
\$ 25,000 to \$ 35,000	228	3,134	907	2,288	1,718	1,567	1,882	4,278	6,154	8,470	2,255	635	2,030
\$ 35,000 to \$ 50,000	237	3,633	970	2,421	2,200	1,723	2,070	4,607	7,738	9,577	1,979	1,107	2,356
\$ 50,000 to \$ 75,000	248	4,007	929	2,761	2,531	1,940	2,296	5,146	8,776	11,303	1,897	633	2,810
\$ 75,000 to \$ 100,000	261	4,384	1,036	3,108	3,125	2,476	2,570	5,806	9,980	13,801	18,574	837	3,431
\$ 100,000 to \$ 250,000	258	5,210	934	3,805	5,091	3,352	3,688	7,340	16,304	20,560	1,846	897	5,464
\$ 250,000 and over	241	8,973	0	4,932	41,178	5,717	8,387	10,662	31,842	54,044	9,873	2,893	22,996
Total	\$249	\$4,333	\$934	\$3,366	\$13,841	\$2,246	\$2,547	\$6,019	\$18,488	\$18,673	\$3,367	\$1,225	\$3,989

**Table 12. Amount of Federal Exemptions, Deductions, and Taxable Income
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Federal AGI	Personal Exemption	Standard Deduction	Itemized Deduction	Total Deductions	Federal Taxable Income
Negative Income	(\$3,408,036)	\$189,203	\$144,373	\$401,178	(\$3,409,834)	\$1,797
\$ 0 to \$ 5,000	184,839	372,815	475,525	115,426	181,179	3,660
\$ 5,000 to \$ 10,000	803,564	595,636	711,558	145,788	801,618	1,946
\$ 10,000 to \$ 15,000	1,634,475	834,198	906,179	203,553	1,460,346	174,130
\$ 15,000 to \$ 20,000	2,412,112	954,799	970,951	238,394	1,842,851	569,261
\$ 20,000 to \$ 25,000	2,979,272	976,674	929,726	279,992	2,007,437	971,835
\$ 25,000 to \$ 35,000	7,095,788	1,804,852	1,586,411	1,619,526	3,957,806	3,137,982
\$ 35,000 to \$ 50,000	11,382,870	2,093,332	1,583,875	1,451,619	5,027,604	6,355,266
\$ 50,000 to \$ 75,000	18,715,474	2,536,733	1,447,746	2,903,683	6,781,868	11,933,606
\$ 75,000 to \$ 100,000	17,476,965	1,905,500	730,072	2,935,317	5,450,222	12,026,743
\$ 100,000 to \$ 250,000	45,272,628	3,328,994	535,072	7,302,895	11,140,610	34,132,018
\$ 250,000 and over	35,580,517	612,924	12,097	5,015,459	5,413,635	30,166,882
Total	\$140,130,468	\$16,205,661	\$10,033,584	\$22,612,829	\$40,655,343	\$99,475,125

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Federal AGI	Personal Exemption	Standard Deduction	Itemized Deduction	Total Deductions	Federal Taxable Income
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.1	2.3	4.8	0.5	0.4	0.0
\$ 5,000 to \$ 10,000	0.6	3.7	7.2	0.7	1.8	0.0
\$ 10,000 to \$ 15,000	1.1	5.2	9.2	0.9	3.3	0.2
\$ 15,000 to \$ 20,000	1.7	6.0	9.8	1.1	4.2	0.6
\$ 20,000 to \$ 25,000	2.1	6.1	9.4	1.3	4.6	1.0
\$ 25,000 to \$ 35,000	4.9	11.3	16.0	7.3	9.0	3.2
\$ 35,000 to \$ 50,000	7.9	13.1	16.0	6.5	11.4	6.4
\$ 50,000 to \$ 75,000	13.0	15.8	14.6	13.1	15.4	12.0
\$ 75,000 to \$ 100,000	12.2	11.9	7.4	13.2	12.4	12.1
\$ 100,000 to \$ 250,000	31.5	20.8	5.4	32.9	25.3	34.3
\$ 250,000 and over	24.8	3.8	0.1	22.6	12.3	30.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Personal Exemption	Standard Deduction	Itemized Deduction	Total Deductions	Federal Taxable Income
Negative Income	(\$115,355)	\$6,404	\$4,887	\$13,579	(\$115,416)	\$61
\$ 0 to \$ 5,000	2,463	4,968	6,336	1,538	2,414	49
\$ 5,000 to \$ 10,000	7,299	5,411	6,464	1,324	7,282	18
\$ 10,000 to \$ 15,000	11,969	6,109	6,636	1,491	10,694	1,275
\$ 15,000 to \$ 20,000	16,710	6,614	6,726	1,651	12,766	3,943
\$ 20,000 to \$ 25,000	21,517	7,054	6,715	2,022	14,498	7,019
\$ 25,000 to \$ 35,000	28,622	7,280	6,399	6,533	15,964	12,657
\$ 35,000 to \$ 50,000	40,466	7,442	5,631	5,160	17,873	22,593
\$ 50,000 to \$ 75,000	59,433	8,056	4,597	9,221	21,536	37,896
\$ 75,000 to \$ 100,000	83,493	9,103	3,488	14,023	26,038	57,456
\$ 100,000 to \$ 250,000	138,880	10,212	1,641	22,403	34,175	104,705
\$ 250,000 and over	633,143	10,907	215	89,248	96,334	536,809
Average	\$67,707	\$7,830	\$4,848	\$10,926	\$19,643	\$48,063

**Table 13. Number of Returns Classified by Source of Taxable Income
2011 Individual Income Tax Returns**

A. Number of Returns

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Business Social Sec Income	Farm Income	Rents/ Royalties	Other Income	Total	
Negative Income	10,499	15,796	10,305	14,174	12,657	13,812	2,534	16,278	18,782	29,219
\$ 0 to \$ 5,000	43,724	17,276	9,899	8,906	22,080	15,419	713	6,147	13,900	71,565
\$ 5,000 to \$ 10,000	80,914	21,125	12,128	10,813	25,126	21,170	873	8,237	21,311	110,082
\$ 10,000 to \$ 15,000	102,213	26,920	14,838	12,462	32,252	25,297	1,014	10,047	30,603	136,553
\$ 15,000 to \$ 20,000	114,411	28,135	15,475	12,543	31,144	23,009	1,035	10,476	35,156	144,355
\$ 20,000 to \$ 25,000	114,351	27,742	14,947	12,192	28,219	19,107	1,107	10,830	36,446	138,460
\$ 25,000 to \$ 35,000	213,489	56,204	30,265	24,212	52,508	33,133	2,171	21,683	74,829	247,910
\$ 35,000 to \$ 50,000	245,709	84,383	45,057	35,746	69,690	41,113	3,062	33,545	117,471	281,289
\$ 50,000 to \$ 75,000	271,951	132,872	74,514	60,067	102,532	55,032	4,741	56,212	184,929	314,899
\$ 75,000 to \$ 100,000	183,144	110,571	66,319	54,167	77,401	41,619	3,758	49,267	151,474	209,322
\$ 100,000 to \$ 250,000	294,540	219,021	150,049	130,457	123,142	72,847	6,147	101,368	286,247	325,981
\$ 250,000 and over	48,981	50,731	41,394	41,940	18,979	15,539	1,703	32,870	55,449	56,196
Total	1,723,927	790,778	485,191	417,678	595,732	377,097	28,858	356,961	1,026,595	2,065,831

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Business Social Sec Income	Farm Income	Rents/ Royalties	Other Income	Total	
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
\$ 0 to \$ 5,000	2.6	2.2	2.1	2.2	3.8	4.2	2.7	1.8	1.4	3.5
\$ 5,000 to \$ 10,000	4.7	2.7	2.6	2.7	4.3	5.8	3.3	2.4	2.1	5.4
\$ 10,000 to \$ 15,000	6.0	3.5	3.1	3.1	5.5	7.0	3.9	2.9	3.0	6.7
\$ 15,000 to \$ 20,000	6.7	3.6	3.3	3.1	5.3	6.3	3.9	3.1	3.5	7.1
\$ 20,000 to \$ 25,000	6.7	3.6	3.1	3.0	4.8	5.3	4.2	3.2	3.6	6.8
\$ 25,000 to \$ 35,000	12.5	7.3	6.4	6.0	9.0	9.1	8.2	6.4	7.4	12.2
\$ 35,000 to \$ 50,000	14.3	10.9	9.5	8.9	12.0	11.3	11.6	9.8	11.7	13.8
\$ 50,000 to \$ 75,000	15.9	17.1	15.7	14.9	17.6	15.1	18.0	16.5	18.3	15.5
\$ 75,000 to \$ 100,000	10.7	14.3	14.0	13.4	13.3	11.5	14.3	14.5	15.0	10.3
\$ 100,000 to \$ 250,000	17.2	28.3	31.6	32.3	21.1	20.1	23.3	29.8	28.4	16.0
\$ 250,000 and over	2.9	6.5	8.7	10.4	3.3	4.3	6.5	9.6	5.5	2.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Sources of Income Within Income Classes

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Business Social Sec Income	Farm Income	Rents/ Royalties	Other Income	
Negative Income	35.9	54.1	35.3	48.5	43.3	47.3	8.7	55.7	64.3
\$ 0 to \$ 5,000	61.1	24.1	13.8	12.4	30.9	21.5	1.0	8.6	19.4
\$ 5,000 to \$ 10,000	73.5	19.2	11.0	9.8	22.8	19.2	0.8	7.5	19.4
\$ 10,000 to \$ 15,000	74.9	19.7	10.9	9.1	23.6	18.5	0.7	7.4	22.4
\$ 15,000 to \$ 20,000	79.3	19.5	10.7	8.7	21.6	15.9	0.7	7.3	24.4
\$ 20,000 to \$ 25,000	82.6	20.0	10.8	8.8	20.4	13.8	0.8	7.8	26.3
\$ 25,000 to \$ 35,000	86.1	22.7	12.2	9.8	21.2	13.4	0.9	8.7	30.2
\$ 35,000 to \$ 50,000	87.4	30.0	16.0	12.7	24.8	14.6	1.1	11.9	41.8
\$ 50,000 to \$ 75,000	86.4	42.2	23.7	19.1	32.6	17.5	1.5	17.9	58.7
\$ 75,000 to \$ 100,000	87.5	52.8	31.7	25.9	37.0	19.9	1.8	23.5	72.4
\$ 100,000 to \$ 250,000	90.4	67.2	46.0	40.0	37.8	22.3	1.9	31.1	87.8
\$ 250,000 and over	87.2	90.3	73.7	74.6	33.8	27.7	3.0	58.5	98.7
Total	83.4	38.3	23.5	20.2	28.8	18.3	1.4	17.3	49.7

**Table 14. Colorado Income by Source of Taxable Income
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Social Sec	Business Income	Farm Income	Rents/Royalties	Other Income	Total
Negative Income	\$320,383	\$127,805	\$86,615	\$256,685	\$174,291	(\$163,068)	(\$90,477)	(\$1,066,337)	(\$2,441,571)	(\$2,795,673)
\$ 0 to \$ 5,000	171,007	11,076	14,299	(7,130)	85,116	29,670	(4,332)	(14,146)	(4,001)	281,560
\$ 5,000 to \$ 10,000	583,671	18,960	24,304	(5,080)	150,189	102,784	(4,639)	(6,239)	57,556	921,506
\$ 10,000 to \$ 15,000	1,136,622	27,075	32,395	(1,125)	272,728	182,402	(5,461)	4,985	131,785	1,781,405
\$ 15,000 to \$ 20,000	1,765,600	29,331	36,733	2,075	331,825	193,912	(6,505)	13,926	168,160	2,535,057
\$ 20,000 to \$ 25,000	2,278,051	28,668	35,465	5,441	352,304	165,096	(5,539)	20,249	241,459	3,121,193
\$ 25,000 to \$ 35,000	5,678,319	57,436	72,035	15,945	759,735	296,040	(11,708)	53,759	1,268,410	8,189,972
\$ 35,000 to \$ 50,000	9,121,120	86,397	115,760	36,382	1,269,071	374,452	(15,127)	126,048	447,058	11,561,161
\$ 50,000 to \$ 75,000	14,282,588	154,456	226,714	90,356	2,526,745	534,238	(22,576)	298,771	717,276	18,808,568
\$ 75,000 to \$ 100,000	13,167,249	144,306	229,652	128,368	2,426,771	453,072	(18,021)	390,335	801,166	17,722,898
\$ 100,000 to \$ 250,000	33,952,550	400,149	744,808	769,613	5,153,854	1,405,225	(21,912)	2,314,832	2,158,745	46,877,864
\$ 250,000 and over	15,885,648	905,035	1,509,935	7,420,480	1,313,964	994,897	(25,982)	7,509,290	3,532,473	39,045,741
Total	\$98,342,808	\$1,990,695	\$3,128,715	\$8,712,010	\$14,816,594	\$4,568,719	(\$232,277)	\$9,645,472	\$7,078,516	\$148,051,250

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Social Sec	Business Income	Farm Income	Rents/Royalties	Other Income	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.2	0.6	0.5	(0.1)	0.6	0.6	3.1	(0.1)	(0.0)	0.2
\$ 5,000 to \$ 10,000	0.6	1.0	0.8	(0.1)	1.0	2.2	3.3	(0.1)	0.6	0.6
\$ 10,000 to \$ 15,000	1.2	1.5	1.1	(0.0)	1.9	3.9	3.9	0.0	1.4	1.2
\$ 15,000 to \$ 20,000	1.8	1.6	1.2	0.0	2.3	4.1	4.6	0.1	1.8	1.7
\$ 20,000 to \$ 25,000	2.3	1.5	1.2	0.1	2.4	3.5	3.9	0.2	2.5	2.1
\$ 25,000 to \$ 35,000	5.8	3.1	2.4	0.2	5.2	6.3	8.3	0.5	13.3	5.4
\$ 35,000 to \$ 50,000	9.3	4.6	3.8	0.4	8.7	7.9	10.7	1.2	4.7	7.7
\$ 50,000 to \$ 75,000	14.6	8.3	7.5	1.1	17.3	11.3	15.9	2.8	7.5	12.5
\$ 75,000 to \$ 100,000	13.4	7.7	7.5	1.5	16.6	9.6	12.7	3.6	8.4	11.7
\$ 100,000 to \$ 250,000	34.6	21.5	24.5	9.1	35.2	29.7	15.5	21.6	22.7	31.1
\$ 250,000 and over	16.2	48.6	49.6	87.8	9.0	21.0	18.3	70.1	37.1	25.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution By Source of Income

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Social Sec	Business Income	Farm Income	Rents/Royalties	Other Income	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	56.2	3.6	4.7	(2.3)	28.0	9.8	N/A	N/A	N/A	100.0
\$ 5,000 to \$ 10,000	63.0	2.0	2.6	(0.5)	16.2	11.1	N/A	(0.7)	6.2	100.0
\$ 10,000 to \$ 15,000	63.6	1.5	1.8	(0.1)	15.3	10.2	N/A	0.3	7.4	100.0
\$ 15,000 to \$ 20,000	69.5	1.2	1.4	0.1	13.1	7.6	N/A	0.5	6.6	100.0
\$ 20,000 to \$ 25,000	72.9	0.9	1.1	0.2	11.3	5.3	N/A	0.6	7.7	100.0
\$ 25,000 to \$ 35,000	69.2	0.7	0.9	0.2	9.3	3.6	N/A	0.7	15.5	100.0
\$ 35,000 to \$ 50,000	78.8	0.7	1.0	0.3	11.0	3.2	N/A	1.1	3.9	100.0
\$ 50,000 to \$ 75,000	75.8	0.8	1.2	0.5	13.4	2.8	N/A	1.6	3.8	100.0
\$ 75,000 to \$ 100,000	74.2	0.8	1.3	0.7	13.7	2.6	N/A	2.2	4.5	100.0
\$ 100,000 to \$ 250,000	72.4	0.9	1.6	1.6	11.0	3.0	N/A	4.9	4.6	100.0
\$ 250,000 and over	40.7	2.3	3.9	19.0	3.4	2.5	N/A	19.2	9.0	100.0
Total	66.3	1.3	2.1	5.9	10.0	3.1	N/A	6.5	4.8	100.0

D. Average Per Return

Adjusted Gross Income Classes	Wage Income	Taxable Interest	Dividend Income	Capital Gains	Pension & Social Sec	Business Income	Farm Income	Rents/Royalties	Other Income	Total
Negative Income	\$30,516	\$8,091	\$8,405	\$18,110	\$13,770	(\$11,806)	(\$35,707)	(\$65,507)	(\$129,997)	(\$95,680)
\$ 0 to \$ 5,000	3,911	641	1,444	(801)	3,855	1,924	(6,072)	(2,301)	(288)	3,934
\$ 5,000 to \$ 10,000	7,213	898	2,004	(470)	5,977	4,855	(5,316)	(757)	2,701	8,371
\$ 10,000 to \$ 15,000	11,120	1,006	2,183	(90)	8,456	7,210	(5,384)	496	4,306	13,045
\$ 15,000 to \$ 20,000	15,432	1,043	2,374	165	10,655	8,428	(6,283)	1,329	4,783	17,561
\$ 20,000 to \$ 25,000	19,922	1,033	2,373	446	12,485	8,641	(5,002)	1,870	6,625	22,542
\$ 25,000 to \$ 35,000	26,598	1,022	2,380	659	14,469	8,935	(5,392)	2,479	16,951	33,036
\$ 35,000 to \$ 50,000	37,122	1,024	2,569	1,018	18,210	9,108	(4,941)	3,758	3,806	41,101
\$ 50,000 to \$ 75,000	52,519	1,162	3,043	1,504	24,643	9,708	(4,762)	5,315	3,879	59,729
\$ 75,000 to \$ 100,000	71,896	1,305	3,463	2,370	31,353	10,886	(4,796)	7,923	5,289	84,668
\$ 100,000 to \$ 250,000	115,273	1,827	4,964	5,899	41,853	19,290	(3,565)	22,836	7,542	143,806
\$ 250,000 and over	324,324	17,840	36,477	176,933	69,233	64,025	(15,257)	228,454	63,707	694,818
Average	\$57,046	\$2,517	\$6,448	\$20,858	\$24,871	\$12,116	(\$8,049)	\$27,021	\$6,895	\$71,667

**Table 15. Number of Returns by Type of Itemized Deduction
2011 Individual Income Tax Returns**

A. Number of Returns

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage	Other Interest	Contri- butions	Other Deductions	Total
Negative Income	8,566	8,633	10,627	6,419	9,246	3,366	25	7,096	12,165
\$ 0 to \$ 5,000	5,037	5,903	5,378	3,713	4,520	1,093	3,988	3,222	7,018
\$ 5,000 to \$ 10,000	6,234	7,906	7,024	5,123	5,736	1,487	5,603	3,429	8,842
\$ 10,000 to \$ 15,000	9,306	12,039	10,575	7,998	8,696	2,191	8,788	4,125	13,238
\$ 15,000 to \$ 20,000	10,445	14,662	12,582	9,868	10,554	2,805	10,696	4,479	15,761
\$ 20,000 to \$ 25,000	11,098	17,483	14,966	12,068	13,190	3,761	12,630	4,824	18,445
\$ 25,000 to \$ 35,000	25,248	46,898	40,479	33,860	37,692	12,164	33,601	12,168	48,363
\$ 35,000 to \$ 50,000	40,685	92,375	81,407	70,238	78,562	27,423	67,619	22,354	93,628
\$ 50,000 to \$ 75,000	65,997	163,214	149,529	132,404	143,786	50,316	128,678	37,747	164,168
\$ 75,000 to \$ 100,000	50,187	141,473	133,496	120,368	127,980	44,386	118,368	30,302	141,860
\$ 100,000 to \$ 250,000	75,819	279,144	267,944	244,943	252,582	57,621	251,971	53,872	279,459
\$ 250,000 and over	13,895	55,163	52,883	44,780	43,988	17,014	52,301	10,717	55,199
Total	322,518	844,895	786,892	691,783	736,533	223,624	694,267	194,334	858,147

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage	Other Interest	Contri- butions	Other Deductions	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	1.6	0.7	0.7	0.5	0.6	0.5	0.6	1.7	0.8
\$ 5,000 to \$ 10,000	2.0	0.9	0.9	0.7	0.8	0.7	0.8	1.8	1.0
\$ 10,000 to \$ 15,000	3.0	1.4	1.4	1.2	1.2	1.0	1.3	2.2	1.6
\$ 15,000 to \$ 20,000	3.3	1.8	1.6	1.4	1.5	1.3	1.5	2.4	1.9
\$ 20,000 to \$ 25,000	3.5	2.1	1.9	1.8	1.8	1.7	1.8	2.6	2.2
\$ 25,000 to \$ 35,000	8.0	5.6	5.2	4.9	5.2	5.5	4.8	6.5	5.7
\$ 35,000 to \$ 50,000	13.0	11.0	10.5	10.2	10.8	12.5	9.7	11.9	11.1
\$ 50,000 to \$ 75,000	21.0	19.5	19.3	19.3	19.8	22.8	18.5	20.2	19.4
\$ 75,000 to \$ 100,000	16.0	16.9	17.2	17.6	17.6	20.2	17.0	16.2	16.8
\$ 100,000 to \$ 250,000	24.1	33.4	34.5	35.7	34.7	26.2	36.3	28.8	33.0
\$ 250,000 and over	4.4	6.6	6.8	6.5	6.0	7.7	7.5	5.7	6.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Itemized Deductions Within Income Classes

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage	Other Interest	Contri- butions	Other Deductions
Negative Income	70.4	71.0	87.4	52.8	76.0	27.7	0.2	58.3
\$ 0 to \$ 5,000	71.8	84.1	76.6	52.9	64.4	15.6	56.8	45.9
\$ 5,000 to \$ 10,000	70.5	89.4	79.4	57.9	64.9	16.8	63.4	38.8
\$ 10,000 to \$ 15,000	70.3	90.9	79.9	60.4	65.7	16.5	66.4	31.2
\$ 15,000 to \$ 20,000	66.3	93.0	79.8	62.6	67.0	17.8	67.9	28.4
\$ 20,000 to \$ 25,000	60.2	94.8	81.1	65.4	71.5	20.4	68.5	26.2
\$ 25,000 to \$ 35,000	52.2	97.0	83.7	70.0	77.9	25.2	69.5	25.2
\$ 35,000 to \$ 50,000	43.5	98.7	86.9	75.0	83.9	29.3	72.2	23.9
\$ 50,000 to \$ 75,000	40.2	99.4	91.1	80.7	87.6	30.6	78.4	23.0
\$ 75,000 to \$ 100,000	35.4	99.7	94.1	84.9	90.2	31.3	83.4	21.4
\$ 100,000 to \$ 250,000	27.1	99.9	95.9	87.6	90.4	20.6	90.2	19.3
\$ 250,000 and over	25.2	99.9	95.8	81.1	79.7	30.8	94.7	19.4
Total	37.6	98.5	91.7	80.6	85.8	26.1	80.9	22.6

**Table 16. Type and Amount of Itemized Deductions
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage Interest	Other Interest	Contributions	Other Deductions	Total
Negative Income	\$80,627	\$35,146	\$49,641	\$4,466	\$141,432	\$29,963	\$135	\$60,605	\$401,811
\$ 0 to \$ 5,000	45,782	4,601	13,954	1,572	40,742	1,077	2,805	6,914	116,109
\$ 5,000 to \$ 10,000	53,947	8,617	13,332	1,793	48,791	1,475	7,331	14,889	150,118
\$ 10,000 to \$ 15,000	79,382	10,242	19,105	2,501	71,797	2,002	13,714	14,282	212,933
\$ 15,000 to \$ 20,000	88,555	11,146	21,967	8,964	88,451	2,492	18,268	18,572	258,176
\$ 20,000 to \$ 25,000	94,560	17,788	25,132	3,466	108,811	3,435	22,716	22,318	298,144
\$ 25,000 to \$ 35,000	199,214	939,698	67,777	8,717	315,883	22,093	62,738	66,195	1,678,548
\$ 35,000 to \$ 50,000	318,516	165,501	126,877	18,302	651,741	27,769	128,413	124,895	1,561,654
\$ 50,000 to \$ 75,000	591,452	346,905	260,309	36,457	1,348,756	55,751	287,181	221,928	3,148,346
\$ 75,000 to \$ 100,000	564,034	412,861	269,511	38,425	1,328,749	53,323	316,640	191,339	3,174,420
\$ 100,000 to \$ 250,000	727,718	1,504,629	750,444	105,469	3,210,401	1,157,400	967,359	439,507	8,862,095
\$ 250,000 and over	154,041	2,773,759	344,896	37,563	883,176	215,026	1,338,953	430,594	4,930,455
Total	\$2,997,827	\$6,230,895	\$1,962,944	\$267,693	\$8,238,731	\$1,571,808	\$3,166,253	\$1,612,037	\$24,792,808

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage Interest	Other Interest	Contributions	Other Deductions	Total
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	1.6	0.1	0.7	0.6	0.5	0.1	0.1	0.4	0.5
\$ 5,000 to \$ 10,000	1.8	0.1	0.7	0.7	0.6	0.1	0.2	1.0	0.6
\$ 10,000 to \$ 15,000	2.7	0.2	1.0	1.0	0.9	0.1	0.4	0.9	0.9
\$ 15,000 to \$ 20,000	3.0	0.2	1.1	3.4	1.1	0.2	0.6	1.2	1.1
\$ 20,000 to \$ 25,000	3.2	0.3	1.3	1.3	1.3	0.2	0.7	1.4	1.2
\$ 25,000 to \$ 35,000	6.8	15.2	3.5	3.3	3.9	1.4	2.0	4.3	6.9
\$ 35,000 to \$ 50,000	10.9	2.7	6.6	7.0	8.0	1.8	4.1	8.1	6.4
\$ 50,000 to \$ 75,000	20.3	5.6	13.6	13.9	16.7	3.6	9.1	14.3	12.9
\$ 75,000 to \$ 100,000	19.3	6.7	14.1	14.6	16.4	3.5	10.0	12.3	13.0
\$ 100,000 to \$ 250,000	24.9	24.3	39.2	40.1	39.6	75.1	30.6	28.3	36.3
\$ 250,000 and over	5.3	44.8	18.0	14.3	10.9	13.9	42.3	27.8	20.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average Deductions

Adjusted Gross Income Classes	Medical Expense	State Income Taxes	Real Estate Taxes	Other Taxes	Home Mortgage Interest	Other Interest	Contributions	Other Deductions	Total
Negative Income	\$9,413	\$4,071	\$4,671	\$696	\$15,297	\$8,902	\$0	\$8,541	\$33,029
\$ 0 to \$ 5,000	9,089	779	2,594	423	9,013	985	703	2,146	16,544
\$ 5,000 to \$ 10,000	8,653	1,090	1,898	350	8,507	993	1,309	4,342	16,978
\$ 10,000 to \$ 15,000	8,530	851	1,807	313	8,256	914	1,561	3,463	16,085
\$ 15,000 to \$ 20,000	8,479	760	1,746	908	8,380	888	1,708	4,146	16,380
\$ 20,000 to \$ 25,000	8,520	1,017	1,679	287	8,249	913	1,799	4,627	16,164
\$ 25,000 to \$ 35,000	7,890	20,037	1,674	257	8,381	1,816	1,867	5,440	34,707
\$ 35,000 to \$ 50,000	7,829	1,792	1,559	261	8,296	1,013	1,899	5,587	16,679
\$ 50,000 to \$ 75,000	8,962	2,125	1,741	275	9,380	1,108	2,232	5,879	19,178
\$ 75,000 to \$ 100,000	11,239	2,918	2,019	319	10,382	1,201	2,675	6,314	22,377
\$ 100,000 to \$ 250,000	9,598	5,390	2,801	431	12,710	20,086	3,839	8,158	31,712
\$ 250,000 and over	11,086	50,283	6,522	839	20,078	12,638	25,601	40,177	89,321
Average	\$9,295	\$7,375	\$2,495	\$387	\$11,186	\$7,029	\$4,561	\$8,295	\$28,891

Note: Filers may claim itemized deductions; however, unless specifically requested otherwise, the IRS assigns standard deductions to filers when their itemized deductions are less than applicable standard deductions.

**Table 17. Federal AGI and Taxes by Planning Region
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Region	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Average	Average	Average	Average
						Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Region 1	26,587	\$1,369,437	\$40,999	\$37,080	\$168,062	\$51,507	\$1,542	\$1,395	\$6,321
Region 2	230,603	14,139,991	431,769	419,104	1,745,571	61,317	1,872	1,817	7,570
Region 3	1,195,124	88,529,379	2,901,466	2,801,213	12,621,779	74,075	2,428	2,344	10,561
Region 4	234,839	14,325,708	420,122	407,448	1,711,296	61,002	1,789	1,735	7,287
Region 5	13,615	1,233,561	39,370	37,913	151,577	90,601	2,892	2,785	11,133
Region 6	17,360	747,268	20,084	18,337	83,229	43,046	1,157	1,056	4,794
Region 7	59,933	2,752,225	70,744	69,470	272,048	45,922	1,180	1,159	4,539
Region 8	16,757	655,870	17,129	15,531	67,951	39,141	1,022	927	4,055
Region 9	35,158	2,048,380	60,054	52,349	264,520	58,263	1,708	1,489	7,524
Region 10	34,852	1,669,713	46,918	44,447	185,403	47,909	1,346	1,275	5,320
Region 11	89,825	5,287,174	159,718	151,740	651,614	58,861	1,778	1,689	7,254
Region 12	59,136	4,522,370	157,896	144,483	692,017	76,474	2,670	2,443	11,702
Region 13	26,607	1,226,729	31,256	30,237	126,072	46,105	1,175	1,136	4,738
Region 14	7,849	333,343	8,620	8,298	34,155	42,469	1,098	1,057	4,351
Region 15	21,428	1,289,319	40,847	39,028	171,396	60,170	1,906	1,821	7,999
Total	2,069,674	\$140,130,468	\$4,446,992	\$4,276,679	\$18,946,691	\$67,707	\$2,149	\$2,066	\$9,154
Percent of State Total						Percent of State Average			
Region	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Average	Average	Average	Average
						Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Region 1	1.3	1.0	0.9	0.9	0.9	76.1	71.8	67.5	69.1
Region 2	11.1	10.1	9.7	9.8	9.2	90.6	87.1	88.0	82.7
Region 3	57.7	63.2	65.2	65.5	66.6	109.4	113.0	113.4	115.4
Region 4	11.3	10.2	9.4	9.5	9.0	90.1	83.3	84.0	79.6
Region 5	0.7	0.9	0.9	0.9	0.8	133.8	134.6	134.8	121.6
Region 6	0.8	0.5	0.5	0.4	0.4	63.6	53.8	51.1	52.4
Region 7	2.9	2.0	1.6	1.6	1.4	67.8	54.9	56.1	49.6
Region 8	0.8	0.5	0.4	0.4	0.4	57.8	47.6	44.9	44.3
Region 9	1.7	1.5	1.4	1.2	1.4	86.1	79.5	72.1	82.2
Region 10	1.7	1.2	1.1	1.0	1.0	70.8	62.7	61.7	58.1
Region 11	4.3	3.8	3.6	3.5	3.4	86.9	82.8	81.8	79.2
Region 12	2.9	3.2	3.6	3.4	3.7	112.9	124.3	118.2	127.8
Region 13	1.3	0.9	0.7	0.7	0.7	68.1	54.7	55.0	51.8
Region 14	0.4	0.2	0.2	0.2	0.2	62.7	51.1	51.2	47.5
Region 15	1.0	0.9	0.9	0.9	0.9	88.9	88.7	88.1	87.4
Total	100.0	100.0	100.0	100.0	100.0				

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 1					Region 2				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	562	(\$68,563)	\$2	\$2	\$297	3,371	(\$395,432)	\$29	\$50	\$1,686
\$ 0 to \$ 5,000	1,057	2,671	0	0	115	8,617	21,212	50	50	716
\$ 5,000 to \$ 10,000	1,478	10,787	2	2	239	12,622	91,792	54	54	1,676
\$ 10,000 to \$ 15,000	1,972	23,664	98	95	567	15,274	182,883	920	916	4,244
\$ 15,000 to \$ 20,000	1,951	32,601	286	275	973	16,177	270,184	2,891	2,877	8,412
\$ 20,000 to \$ 25,000	1,994	42,976	513	493	1,651	15,161	326,139	4,632	4,610	12,573
\$ 25,000 to \$ 35,000	3,997	114,129	1,912	1,858	5,177	27,060	774,608	14,074	14,007	38,853
\$ 35,000 to \$ 50,000	4,127	166,273	3,508	3,347	10,134	30,514	1,235,515	27,361	27,171	78,084
\$ 50,000 to \$ 75,000	4,182	248,598	6,164	5,780	19,638	36,356	2,166,019	54,790	54,243	172,900
\$ 75,000 to \$ 100,000	2,432	202,236	5,943	5,567	19,787	25,329	2,112,424	60,318	59,627	196,060
\$ 100,000 to \$ 250,000	2,452	325,927	11,158	10,174	47,180	35,574	4,840,004	163,304	160,344	650,577
\$ 250,000 and over	382	268,139	11,412	9,489	62,305	4,548	2,514,643	103,345	95,155	579,791
Total	26,587	\$1,369,437	\$40,999	\$37,080	\$168,062	230,603	\$14,139,991	\$431,769	\$419,104	\$1,745,571

Region 1 contains Logan, Morgan, Yuma, Washington, Phillips, and Sedgwick counties.
Region 2 contains Larimer and Weld counties.

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.1	0.2	0.0	0.0	0.1	3.8	0.1	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	5.7	0.8	0.0	0.0	0.1	5.6	0.6	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	7.6	1.6	0.2	0.3	0.3	6.7	1.3	0.2	0.2	0.2
\$ 15,000 to \$ 20,000	7.5	2.3	0.7	0.7	0.6	7.1	1.9	0.7	0.7	0.5
\$ 20,000 to \$ 25,000	7.7	3.0	1.3	1.3	1.0	6.7	2.2	1.1	1.1	0.7
\$ 25,000 to \$ 35,000	15.4	7.9	4.7	5.0	3.1	11.9	5.3	3.3	3.3	2.2
\$ 35,000 to \$ 50,000	15.9	11.6	8.6	9.0	6.0	13.4	8.5	6.3	6.5	4.5
\$ 50,000 to \$ 75,000	16.1	17.3	15.0	15.6	11.7	16.0	14.9	12.7	12.9	9.9
\$ 75,000 to \$ 100,000	9.3	14.1	14.5	15.0	11.8	11.1	14.5	14.0	14.2	11.2
\$ 100,000 to \$ 250,000	9.4	22.7	27.2	27.4	28.1	15.7	33.3	37.8	38.3	37.3
\$ 250,000 and over	1.5	18.6	27.8	25.6	37.1	2.0	17.3	23.9	22.7	33.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$122,108)	\$4	\$4	\$528	(\$117,298)	\$9	\$15	\$500
\$ 0 to \$ 5,000	2,526	0	0	109	2,462	6	6	83
\$ 5,000 to \$ 10,000	7,297	1	1	162	7,272	4	4	133
\$ 10,000 to \$ 15,000	11,998	50	48	287	11,973	60	60	278
\$ 15,000 to \$ 20,000	16,711	147	141	499	16,702	179	178	520
\$ 20,000 to \$ 25,000	21,549	257	247	828	21,512	306	304	829
\$ 25,000 to \$ 35,000	28,553	478	465	1,295	28,625	520	518	1,436
\$ 35,000 to \$ 50,000	40,292	850	811	2,456	40,490	897	890	2,559
\$ 50,000 to \$ 75,000	59,440	1,474	1,382	4,695	59,577	1,507	1,492	4,756
\$ 75,000 to \$ 100,000	83,146	2,443	2,289	8,135	83,400	2,381	2,354	7,741
\$ 100,000 to \$ 250,000	132,930	4,551	4,149	19,243	136,055	4,591	4,507	18,288
\$ 250,000 and over	701,134	29,841	24,811	162,916	552,898	22,723	20,922	127,479
Average	\$51,507	\$1,542	\$1,395	\$6,321	\$61,317	\$1,872	\$1,817	\$7,570

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 3					Region 4				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	14,440	(\$1,827,989)	\$298	\$938	\$10,058	2,789	(\$248,571)	\$33	\$45	\$1,078
\$ 0 to \$ 5,000	40,454	98,833	426	336	3,868	8,718	21,456	24	22	618
\$ 5,000 to \$ 10,000	59,308	433,627	210	231	9,452	13,013	94,728	48	48	1,756
\$ 10,000 to \$ 15,000	74,535	892,429	4,223	4,224	23,872	16,252	194,408	934	930	4,472
\$ 15,000 to \$ 20,000	80,041	1,337,414	13,462	13,400	42,227	16,614	277,777	2,861	2,850	8,549
\$ 20,000 to \$ 25,000	77,241	1,662,537	23,297	23,214	63,343	16,053	345,638	4,867	4,850	13,388
\$ 25,000 to \$ 35,000	140,385	4,020,501	76,178	75,915	208,307	27,900	797,908	14,414	14,334	39,698
\$ 35,000 to \$ 50,000	162,639	6,583,643	157,781	157,039	453,809	30,737	1,243,813	27,122	26,952	79,596
\$ 50,000 to \$ 75,000	179,883	10,685,315	289,436	287,339	957,227	35,705	2,126,169	52,447	51,964	173,871
\$ 75,000 to \$ 100,000	119,809	10,011,461	295,114	292,325	1,016,279	24,730	2,066,842	57,947	57,306	195,612
\$ 100,000 to \$ 250,000	206,493	29,045,785	995,288	980,364	4,059,749	37,922	5,208,958	172,769	169,972	702,084
\$ 250,000 and over	39,896	25,585,823	1,045,752	965,889	5,773,588	4,405	2,196,582	86,656	78,174	490,574
Total	1,195,124	\$88,529,379	\$2,901,466	\$2,801,213	\$12,621,779	234,839	\$14,325,708	\$420,122	\$407,448	\$1,711,296

Region 3 contains Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, Clear Creek, and Gilpin counties.
Region 4 contains El Paso, Teller, and Park counties.

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	3.4	0.1	0.0	0.0	0.0	3.8	0.1	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	5.0	0.5	0.0	0.0	0.1	5.6	0.6	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	6.3	1.0	0.1	0.2	0.2	7.0	1.3	0.2	0.2	0.3
\$ 15,000 to \$ 20,000	6.8	1.5	0.5	0.5	0.3	7.2	1.9	0.7	0.7	0.5
\$ 20,000 to \$ 25,000	6.5	1.8	0.8	0.8	0.5	6.9	2.4	1.2	1.2	0.8
\$ 25,000 to \$ 35,000	11.9	4.4	2.6	2.7	1.7	12.0	5.5	3.4	3.5	2.3
\$ 35,000 to \$ 50,000	13.8	7.3	5.4	5.6	3.6	13.2	8.5	6.5	6.6	4.7
\$ 50,000 to \$ 75,000	15.2	11.8	10.0	10.3	7.6	15.4	14.6	12.5	12.8	10.2
\$ 75,000 to \$ 100,000	10.1	11.1	10.2	10.4	8.1	10.7	14.2	13.8	14.1	11.4
\$ 100,000 to \$ 250,000	17.5	32.1	34.3	35.0	32.2	16.3	35.7	41.1	41.7	41.1
\$ 250,000 and over	3.4	28.3	36.0	34.5	45.8	1.9	15.1	20.6	19.2	28.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$126,593)	\$21	\$65	\$697	(\$89,136)	\$12	\$16	\$387
\$ 0 to \$ 5,000	2,443	11	8	96	2,461	3	3	71
\$ 5,000 to \$ 10,000	7,311	4	4	159	7,280	4	4	135
\$ 10,000 to \$ 15,000	11,973	57	57	320	11,962	57	57	275
\$ 15,000 to \$ 20,000	16,709	168	167	528	16,719	172	172	515
\$ 20,000 to \$ 25,000	21,524	302	301	820	21,531	303	302	834
\$ 25,000 to \$ 35,000	28,639	543	541	1,484	28,598	517	514	1,423
\$ 35,000 to \$ 50,000	40,480	970	966	2,790	40,466	882	877	2,590
\$ 50,000 to \$ 75,000	59,402	1,609	1,597	5,321	59,548	1,469	1,455	4,870
\$ 75,000 to \$ 100,000	83,562	2,463	2,440	8,483	83,576	2,343	2,317	7,910
\$ 100,000 to \$ 250,000	140,662	4,820	4,748	19,660	137,361	4,556	4,482	18,514
\$ 250,000 and over	641,314	26,212	24,210	144,716	498,634	19,671	17,746	111,362
Average	\$74,075	\$2,428	\$2,344	\$10,561	\$61,002	\$1,789	\$1,735	\$7,287

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 5					Region 6				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	392	(\$29,907)	\$3	\$3	\$227	489	(\$29,095)	\$0	\$2	\$289
\$ 0 to \$ 5,000	516	1,245	13	12	87	876	2,248	5	5	88
\$ 5,000 to \$ 10,000	630	4,621	4	4	135	1,249	9,081	1	1	188
\$ 10,000 to \$ 15,000	821	9,813	42	41	302	1,440	17,227	69	66	443
\$ 15,000 to \$ 20,000	809	13,487	125	121	467	1,607	26,910	215	209	741
\$ 20,000 to \$ 25,000	821	17,546	229	224	749	1,525	32,757	385	376	1,182
\$ 25,000 to \$ 35,000	1,405	40,081	663	642	2,120	2,679	76,184	1,208	1,178	3,715
\$ 35,000 to \$ 50,000	1,661	67,512	1,320	1,276	4,093	2,471	99,977	2,036	1,952	6,100
\$ 50,000 to \$ 75,000	2,138	127,018	3,047	2,898	10,033	2,368	140,042	3,408	3,251	11,436
\$ 75,000 to \$ 100,000	1,660	139,560	3,922	3,707	12,858	1,286	106,553	3,030	2,803	10,772
\$ 100,000 to \$ 250,000	2,467	340,843	11,567	11,129	46,212	1,176	155,747	5,215	4,791	22,532
\$ 250,000 and over	296	501,742	18,436	17,857	74,295	194	109,639	4,513	3,703	25,742
Total	13,615	\$1,233,561	\$39,370	\$37,913	\$151,577	17,360	\$747,268	\$20,084	\$18,337	\$83,229

Region 5 contains Kit Carson, Lincoln, Elbert, and Cheyenne counties.
Region 6 contains Otero, Prowers, Baca, Bent, Crowley, and Kiowa counties.

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	3.9	0.1	0.0	0.0	0.1	5.2	0.3	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	4.8	0.4	0.0	0.0	0.1	7.4	1.2	0.0	0.0	0.2
\$ 10,000 to \$ 15,000	6.2	0.8	0.1	0.1	0.2	8.5	2.2	0.3	0.4	0.5
\$ 15,000 to \$ 20,000	6.1	1.1	0.3	0.3	0.3	9.5	3.5	1.1	1.1	0.9
\$ 20,000 to \$ 25,000	6.2	1.4	0.6	0.6	0.5	9.0	4.2	1.9	2.0	1.4
\$ 25,000 to \$ 35,000	10.6	3.2	1.7	1.7	1.4	15.9	9.8	6.0	6.4	4.5
\$ 35,000 to \$ 50,000	12.6	5.3	3.4	3.4	2.7	14.6	12.9	10.1	10.6	7.4
\$ 50,000 to \$ 75,000	16.2	10.1	7.7	7.6	6.6	14.0	18.0	17.0	17.7	13.8
\$ 75,000 to \$ 100,000	12.6	11.0	10.0	9.8	8.5	7.6	13.7	15.1	15.3	13.0
\$ 100,000 to \$ 250,000	18.7	27.0	29.4	29.4	30.5	7.0	20.1	26.0	26.1	27.2
\$ 250,000 and over	2.2	39.7	46.8	47.1	49.1	1.1	14.1	22.5	20.2	31.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$76,333)	\$8	\$8	\$578	(\$59,470)	\$0	\$4	\$591
\$ 0 to \$ 5,000	2,410	24	24	168	2,566	6	6	101
\$ 5,000 to \$ 10,000	7,339	7	7	214	7,271	1	1	151
\$ 10,000 to \$ 15,000	11,957	51	50	368	11,963	48	46	308
\$ 15,000 to \$ 20,000	16,680	155	149	577	16,744	134	130	461
\$ 20,000 to \$ 25,000	21,378	279	273	912	21,482	252	246	775
\$ 25,000 to \$ 35,000	28,526	472	457	1,509	28,434	451	440	1,387
\$ 35,000 to \$ 50,000	40,646	795	768	2,464	40,466	824	790	2,469
\$ 50,000 to \$ 75,000	59,413	1,425	1,356	4,693	59,140	1,439	1,373	4,830
\$ 75,000 to \$ 100,000	84,066	2,362	2,233	7,745	82,873	2,356	2,180	8,378
\$ 100,000 to \$ 250,000	138,158	4,689	4,511	18,732	132,400	4,433	4,073	19,154
\$ 250,000 and over	1,693,536	62,227	60,272	250,769	565,715	23,284	19,106	132,821
Average	\$90,601	\$2,892	\$2,785	\$11,133	\$43,046	\$1,157	\$1,056	\$4,794

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 7					Region 8				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	589	(\$27,128)	\$7	\$7	\$113	378	(\$35,669)	\$3	\$8	\$273
\$ 0 to \$ 5,000	2,701	6,925	10	10	138	1,044	2,651	7	5	116
\$ 5,000 to \$ 10,000	4,433	32,448	12	12	429	1,426	10,294	2	1	254
\$ 10,000 to \$ 15,000	5,306	63,557	244	243	1,174	1,607	19,277	80	78	468
\$ 15,000 to \$ 20,000	5,371	89,484	739	739	2,228	1,586	26,477	208	205	747
\$ 20,000 to \$ 25,000	4,838	104,059	1,222	1,219	3,206	1,509	32,399	392	386	1,110
\$ 25,000 to \$ 35,000	7,872	224,825	3,625	3,615	10,076	2,346	66,778	1,044	1,029	2,977
\$ 35,000 to \$ 50,000	8,445	340,290	7,028	6,998	21,001	2,249	90,609	1,842	1,785	5,324
\$ 50,000 to \$ 75,000	8,986	534,485	13,056	12,967	43,679	2,270	134,005	3,190	3,036	10,218
\$ 75,000 to \$ 100,000	5,473	455,060	12,679	12,541	43,341	1,083	89,679	2,503	2,354	8,578
\$ 100,000 to \$ 250,000	5,459	708,219	23,301	22,889	95,319	1,100	146,214	4,922	4,402	20,990
\$ 250,000 and over	460	220,002	8,820	8,230	51,343	160	73,155	2,938	2,242	16,895
Total	59,933	\$2,752,225	\$70,744	\$69,470	\$272,048	16,757	\$655,870	\$17,129	\$15,531	\$67,951

Region 7 contains Pueblo county.

Region 8 contains Rio Grande, Conejos, Alamosa, Saguache, Costilla, and Mineral counties.

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.6	0.2	0.0	0.0	0.1	6.4	0.4	0.0	0.0	0.2
\$ 5,000 to \$ 10,000	7.5	1.2	0.0	0.0	0.2	8.7	1.5	0.0	0.0	0.4
\$ 10,000 to \$ 15,000	8.9	2.3	0.3	0.3	0.4	9.8	2.8	0.5	0.5	0.7
\$ 15,000 to \$ 20,000	9.1	3.2	1.0	1.1	0.8	9.7	3.8	1.2	1.3	1.1
\$ 20,000 to \$ 25,000	8.2	3.7	1.7	1.8	1.2	9.2	4.7	2.3	2.5	1.6
\$ 25,000 to \$ 35,000	13.3	8.1	5.1	5.2	3.7	14.3	9.7	6.1	6.6	4.4
\$ 35,000 to \$ 50,000	14.2	12.2	9.9	10.1	7.7	13.7	13.1	10.8	11.5	7.9
\$ 50,000 to \$ 75,000	15.1	19.2	18.5	18.7	16.1	13.9	19.4	18.6	19.6	15.1
\$ 75,000 to \$ 100,000	9.2	16.4	17.9	18.1	15.9	6.6	13.0	14.6	15.2	12.7
\$ 100,000 to \$ 250,000	9.2	25.5	32.9	33.0	35.1	6.7	21.1	28.7	28.4	31.0
\$ 250,000 and over	0.8	7.9	12.5	11.8	18.9	1.0	10.6	17.2	14.4	25.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$46,080)	\$12	\$12	\$193	(\$94,321)	\$8	\$22	\$723
\$ 0 to \$ 5,000	2,564	4	4	51	2,541	7	4	111
\$ 5,000 to \$ 10,000	7,320	3	3	97	7,219	1	1	178
\$ 10,000 to \$ 15,000	11,978	46	46	221	11,998	50	48	291
\$ 15,000 to \$ 20,000	16,660	138	138	415	16,692	131	129	471
\$ 20,000 to \$ 25,000	21,509	253	252	663	21,470	260	256	735
\$ 25,000 to \$ 35,000	28,559	461	459	1,280	28,471	445	439	1,269
\$ 35,000 to \$ 50,000	40,293	832	829	2,487	40,286	819	794	2,367
\$ 50,000 to \$ 75,000	59,483	1,453	1,443	4,861	59,039	1,405	1,338	4,502
\$ 75,000 to \$ 100,000	83,144	2,316	2,291	7,919	82,773	2,310	2,173	7,917
\$ 100,000 to \$ 250,000	129,738	4,268	4,193	17,461	132,980	4,476	4,004	19,090
\$ 250,000 and over	478,216	19,172	17,889	111,604	458,532	18,415	14,055	105,899
Average	\$45,922	\$1,180	\$1,159	\$4,539	\$39,141	\$1,022	\$927	\$4,055

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 9					Region 10				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	909	(\$75,740)	\$9	\$15	\$284	1,120	(\$90,413)	\$5	\$5	\$491
\$ 0 to \$ 5,000	1,497	3,722	6	6	164	1,691	4,182	17	17	173
\$ 5,000 to \$ 10,000	2,210	16,195	26	25	382	2,351	17,191	5	5	434
\$ 10,000 to \$ 15,000	2,542	30,321	145	143	856	2,804	33,485	148	146	906
\$ 15,000 to \$ 20,000	2,616	43,806	453	445	1,544	2,802	46,777	443	438	1,625
\$ 20,000 to \$ 25,000	2,405	51,752	715	702	2,309	2,608	55,844	719	711	2,285
\$ 25,000 to \$ 35,000	4,161	119,043	2,127	2,085	6,753	4,370	124,773	2,073	2,053	6,621
\$ 35,000 to \$ 50,000	4,596	185,575	3,972	3,809	12,741	4,759	192,470	3,921	3,830	12,189
\$ 50,000 to \$ 75,000	5,393	318,556	7,428	6,931	27,456	5,426	323,168	7,698	7,503	25,520
\$ 75,000 to \$ 100,000	3,602	300,007	7,932	7,307	29,564	3,246	269,386	7,452	7,278	24,855
\$ 100,000 to \$ 250,000	4,435	606,681	19,072	16,987	84,273	3,197	422,701	13,651	12,980	55,363
\$ 250,000 and over	792	448,460	18,171	13,896	98,195	478	270,150	10,786	9,481	54,941
Total	35,158	\$2,048,380	\$60,054	\$52,349	\$264,520	34,852	\$1,669,713	\$46,918	\$44,447	\$185,403

Region 9 contains La Plata, Montezuma, Archuleta, San Juan, and Dolores counties.

Region 10 contains Delta, Montrose, Gunnison, San Miguel, Ouray, and Hinsdale counties.

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.4	0.2	0.0	0.0	0.1	5.0	0.2	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	6.5	0.8	0.0	0.0	0.1	7.0	1.0	0.0	0.0	0.2
\$ 10,000 to \$ 15,000	7.4	1.4	0.2	0.3	0.3	8.3	1.9	0.3	0.3	0.5
\$ 15,000 to \$ 20,000	7.6	2.1	0.8	0.9	0.6	8.3	2.7	0.9	1.0	0.9
\$ 20,000 to \$ 25,000	7.0	2.4	1.2	1.3	0.9	7.7	3.2	1.5	1.6	1.2
\$ 25,000 to \$ 35,000	12.2	5.6	3.5	4.0	2.6	13.0	7.1	4.4	4.6	3.6
\$ 35,000 to \$ 50,000	13.4	8.7	6.6	7.3	4.8	14.1	10.9	8.4	8.6	6.6
\$ 50,000 to \$ 75,000	15.7	15.0	12.4	13.2	10.4	16.1	18.4	16.4	16.9	13.8
\$ 75,000 to \$ 100,000	10.5	14.1	13.2	14.0	11.2	9.6	15.3	15.9	16.4	13.4
\$ 100,000 to \$ 250,000	12.9	28.6	31.8	32.5	31.9	9.5	24.0	29.1	29.2	29.9
\$ 250,000 and over	2.3	21.1	30.3	26.6	37.2	1.4	15.3	23.0	21.3	29.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$83,298)	\$9	\$17	\$313	(\$80,735)	\$4	\$4	\$439
\$ 0 to \$ 5,000	2,486	4	4	110	2,473	10	10	103
\$ 5,000 to \$ 10,000	7,329	12	11	173	7,312	2	2	185
\$ 10,000 to \$ 15,000	11,930	57	56	337	11,944	53	52	323
\$ 15,000 to \$ 20,000	16,748	173	170	590	16,694	158	156	580
\$ 20,000 to \$ 25,000	21,523	297	292	960	21,414	276	273	876
\$ 25,000 to \$ 35,000	28,606	511	501	1,623	28,550	474	470	1,515
\$ 35,000 to \$ 50,000	40,373	864	829	2,772	40,442	824	805	2,561
\$ 50,000 to \$ 75,000	59,067	1,377	1,285	5,091	59,560	1,419	1,383	4,703
\$ 75,000 to \$ 100,000	83,288	2,202	2,029	8,207	82,991	2,296	2,242	7,657
\$ 100,000 to \$ 250,000	136,792	4,300	3,830	19,001	132,202	4,270	4,060	17,315
\$ 250,000 and over	566,560	22,956	17,555	124,054	565,542	22,579	19,848	115,015
Average	\$58,263	\$1,708	\$1,489	\$7,524	\$47,909	\$1,346	\$1,275	\$5,320

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 11					Region 12				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	1,504	(\$142,385)	\$18	\$40	\$726	1,789	(\$339,142)	\$31	\$96	\$1,965
\$ 0 to \$ 5,000	3,599	9,090	19	19	297	1,719	4,289	12	13	298
\$ 5,000 to \$ 10,000	4,946	35,869	23	23	714	2,778	20,255	11	11	599
\$ 10,000 to \$ 15,000	6,149	73,471	339	337	1,657	3,515	42,014	255	258	1,472
\$ 15,000 to \$ 20,000	6,287	105,259	1,017	1,009	3,083	4,066	68,117	846	840	2,732
\$ 20,000 to \$ 25,000	6,005	129,032	1,740	1,728	4,931	4,322	93,366	1,535	1,522	4,434
\$ 25,000 to \$ 35,000	10,807	309,667	5,509	5,459	15,592	7,998	229,364	4,899	4,874	14,071
\$ 35,000 to \$ 50,000	12,384	501,834	10,992	10,877	31,928	8,839	357,270	9,101	9,029	26,747
\$ 50,000 to \$ 75,000	14,922	888,178	22,487	22,148	71,663	8,513	504,380	13,755	13,598	44,156
\$ 75,000 to \$ 100,000	10,142	846,624	24,324	23,881	79,309	5,312	443,402	12,761	12,570	42,345
\$ 100,000 to \$ 250,000	11,511	1,522,220	51,120	49,802	201,439	8,043	1,124,950	36,152	35,052	146,094
\$ 250,000 and over	1,569	1,008,316	42,130	36,417	240,275	2,240	1,974,105	78,536	66,619	407,104
Total	89,825	\$5,287,174	\$159,718	\$151,740	\$651,614	59,136	\$4,522,370	\$157,896	\$144,483	\$692,017

Region 11 contains Mesa, Garfield, Moffat, and Rio Blanco counties.

Region 12 contains Routt, Eagle, Grand, Pitkin, Jackson, and Summit counties.

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.1	0.2	0.0	0.0	0.0	3.0	0.1	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	5.6	0.7	0.0	0.0	0.1	4.8	0.4	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	7.0	1.4	0.2	0.2	0.3	6.1	0.9	0.2	0.2	0.2
\$ 15,000 to \$ 20,000	7.1	1.9	0.6	0.7	0.5	7.1	1.4	0.5	0.6	0.4
\$ 20,000 to \$ 25,000	6.8	2.4	1.1	1.1	0.8	7.5	1.9	1.0	1.1	0.6
\$ 25,000 to \$ 35,000	12.2	5.7	3.4	3.6	2.4	13.9	4.7	3.1	3.4	2.0
\$ 35,000 to \$ 50,000	14.0	9.2	6.9	7.2	4.9	15.4	7.3	5.8	6.3	3.9
\$ 50,000 to \$ 75,000	16.9	16.4	14.1	14.6	11.0	14.8	10.4	8.7	9.4	6.4
\$ 75,000 to \$ 100,000	11.5	15.6	15.2	15.7	12.2	9.3	9.1	8.1	8.7	6.1
\$ 100,000 to \$ 250,000	13.0	28.0	32.0	32.8	30.9	14.0	23.1	22.9	24.3	21.2
\$ 250,000 and over	1.8	18.6	26.4	24.0	36.9	3.9	40.6	49.7	46.1	59.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$94,650)	\$12	\$27	\$483	(\$189,550)	\$17	\$54	\$1,098
\$ 0 to \$ 5,000	2,526	5	5	83	2,494	7	8	173
\$ 5,000 to \$ 10,000	7,252	5	5	144	7,290	4	4	215
\$ 10,000 to \$ 15,000	11,948	55	55	269	11,954	73	73	419
\$ 15,000 to \$ 20,000	16,742	162	160	490	16,752	208	206	672
\$ 20,000 to \$ 25,000	21,487	290	288	821	21,602	355	352	1,026
\$ 25,000 to \$ 35,000	28,654	510	505	1,443	28,676	613	609	1,759
\$ 35,000 to \$ 50,000	40,522	888	878	2,578	40,419	1,030	1,022	3,026
\$ 50,000 to \$ 75,000	59,522	1,507	1,484	4,803	59,250	1,616	1,597	5,187
\$ 75,000 to \$ 100,000	83,476	2,398	2,355	7,820	83,468	2,402	2,366	7,971
\$ 100,000 to \$ 250,000	132,245	4,441	4,327	17,500	139,862	4,495	4,358	18,163
\$ 250,000 and over	642,685	26,853	23,211	153,148	881,202	35,057	29,738	181,723
Average	\$58,861	\$1,778	\$1,689	\$7,254	\$76,474	\$2,670	\$2,443	\$11,702

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 13					Region 14				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	588	(\$48,552)	\$6	\$3	\$145	188	(\$11,636)	\$3	\$3	\$66
\$ 0 to \$ 5,000	1,224	3,018	2	2	118	412	1,066	0	0	34
\$ 5,000 to \$ 10,000	1,778	12,983	2	2	272	625	4,571	1	1	86
\$ 10,000 to \$ 15,000	2,142	25,580	107	106	588	738	8,832	35	34	215
\$ 15,000 to \$ 20,000	2,187	36,444	308	305	1,196	692	11,462	96	95	336
\$ 20,000 to \$ 25,000	1,831	39,152	458	456	1,476	627	13,384	157	156	467
\$ 25,000 to \$ 35,000	3,273	93,423	1,417	1,400	4,611	972	27,733	418	412	1,317
\$ 35,000 to \$ 50,000	3,941	158,881	3,085	3,046	9,880	1,095	44,038	869	855	2,857
\$ 50,000 to \$ 75,000	4,429	261,852	5,897	5,794	20,824	1,080	64,147	1,549	1,512	5,297
\$ 75,000 to \$ 100,000	2,546	211,117	5,532	5,399	19,824	673	55,853	1,544	1,494	5,540
\$ 100,000 to \$ 250,000	2,438	316,366	9,954	9,589	42,028	686	88,757	2,946	2,790	12,357
\$ 250,000 and over	229	116,464	4,487	4,135	25,110	61	25,137	1,003	945	5,581
Total	26,607	\$1,226,729	\$31,256	\$30,237	\$126,072	7,849	\$333,343	\$8,620	\$8,298	\$34,155

Region 13 contains Fremont, Chaffee, Lake, and Custer counties.
Region 14 contains Las Animas and Huerfano counties.

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.7	0.2	0.0	0.0	0.1	5.4	0.3	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	6.8	1.0	0.0	0.0	0.2	8.2	1.3	0.0	0.0	0.3
\$ 10,000 to \$ 15,000	8.2	2.0	0.3	0.4	0.5	9.6	2.6	0.4	0.4	0.6
\$ 15,000 to \$ 20,000	8.4	2.9	1.0	1.0	0.9	9.0	3.3	1.1	1.1	1.0
\$ 20,000 to \$ 25,000	7.0	3.1	1.5	1.5	1.2	8.2	3.9	1.8	1.9	1.4
\$ 25,000 to \$ 35,000	12.6	7.3	4.5	4.6	3.7	12.7	8.0	4.9	5.0	3.9
\$ 35,000 to \$ 50,000	15.1	12.5	9.9	10.1	7.8	14.3	12.8	10.1	10.3	8.4
\$ 50,000 to \$ 75,000	17.0	20.5	18.9	19.2	16.5	14.1	18.6	18.0	18.2	15.5
\$ 75,000 to \$ 100,000	9.8	16.6	17.7	17.9	15.7	8.8	16.2	17.9	18.0	16.3
\$ 100,000 to \$ 250,000	9.4	24.8	31.9	31.7	33.4	9.0	25.7	34.2	33.6	36.3
\$ 250,000 and over	0.9	9.1	14.4	13.7	19.9	0.8	7.3	11.6	11.4	16.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$82,613)	\$10	\$6	\$247	(\$62,055)	\$15	\$15	\$353
\$ 0 to \$ 5,000	2,466	1	1	97	2,588	1	1	83
\$ 5,000 to \$ 10,000	7,302	1	1	153	7,308	1	1	138
\$ 10,000 to \$ 15,000	11,941	50	50	275	11,970	47	47	291
\$ 15,000 to \$ 20,000	16,661	141	139	547	16,575	138	137	486
\$ 20,000 to \$ 25,000	21,380	250	249	806	21,329	250	248	744
\$ 25,000 to \$ 35,000	28,539	433	428	1,409	28,546	430	424	1,356
\$ 35,000 to \$ 50,000	40,314	783	773	2,507	40,211	793	781	2,609
\$ 50,000 to \$ 75,000	59,125	1,332	1,308	4,702	59,391	1,435	1,400	4,904
\$ 75,000 to \$ 100,000	82,905	2,172	2,120	7,785	82,937	2,293	2,219	8,227
\$ 100,000 to \$ 250,000	129,765	4,083	3,933	17,239	129,365	4,293	4,066	18,011
\$ 250,000 and over	508,563	19,593	18,058	109,648	411,446	16,414	15,472	91,358
Average	\$46,105	\$1,175	\$1,136	\$4,738	\$42,469	\$1,098	\$1,057	\$4,351

(Table 17 continued on next page)

**Table 17 (cont'd). Federal AGI and Taxes by Planning Region
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Region 15					State Total				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	437	(\$37,813)	\$18	\$20	\$174	29,544	(\$3,408,036)	\$466	\$1,239	\$17,873
\$ 0 to \$ 5,000	925	2,232	7	7	74	75,051	184,839	598	506	6,906
\$ 5,000 to \$ 10,000	1,242	9,122	3	3	157	110,088	803,564	405	424	16,774
\$ 10,000 to \$ 15,000	1,462	17,515	90	89	399	136,559	1,634,475	7,728	7,705	41,634
\$ 15,000 to \$ 20,000	1,550	25,914	292	288	811	144,355	2,412,112	24,243	24,095	75,672
\$ 20,000 to \$ 25,000	1,522	32,691	482	477	1,283	138,462	2,979,272	41,342	41,122	114,386
\$ 25,000 to \$ 35,000	2,689	76,770	1,528	1,510	4,205	247,916	7,095,788	131,091	130,370	364,093
\$ 35,000 to \$ 50,000	2,838	115,170	2,788	2,746	8,042	281,297	11,382,870	262,726	260,712	762,525
\$ 50,000 to \$ 75,000	3,251	193,540	5,244	5,145	16,998	314,902	18,715,474	489,597	484,109	1,610,916
\$ 75,000 to \$ 100,000	1,997	166,762	4,932	4,810	16,532	209,322	17,476,965	505,933	498,968	1,721,255
\$ 100,000 to \$ 250,000	3,030	419,257	14,348	13,885	58,369	325,983	45,272,628	1,534,766	1,505,149	6,244,566
\$ 250,000 and over	487	268,161	11,113	10,048	64,353	56,197	35,580,517	1,448,098	1,322,281	7,970,094
Total	21,428	\$1,289,319	\$40,847	\$39,028	\$171,396	2,069,674	\$140,130,468	\$4,446,992	\$4,276,679	\$18,946,691

Region 15 contains those returns which could not be allocated to a region based on the address.

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.3	0.2	0.0	0.0	0.0	3.7	0.1	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	5.8	0.7	0.0	0.0	0.1	5.4	0.6	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	6.8	1.4	0.2	0.2	0.2	6.7	1.1	0.2	0.2	0.2
\$ 15,000 to \$ 20,000	7.2	2.0	0.7	0.7	0.5	7.1	1.7	0.5	0.6	0.4
\$ 20,000 to \$ 25,000	7.1	2.5	1.2	1.2	0.7	6.8	2.1	0.9	1.0	0.6
\$ 25,000 to \$ 35,000	12.5	6.0	3.7	3.9	2.5	12.2	4.9	2.9	3.0	1.9
\$ 35,000 to \$ 50,000	13.2	8.9	6.8	7.0	4.7	13.8	7.9	5.9	6.1	4.0
\$ 50,000 to \$ 75,000	15.2	15.0	12.8	13.2	9.9	15.4	13.0	11.0	11.3	8.5
\$ 75,000 to \$ 100,000	9.3	12.9	12.1	12.3	9.6	10.3	12.2	11.4	11.7	9.1
\$ 100,000 to \$ 250,000	14.1	32.5	35.1	35.6	34.1	16.0	31.5	34.5	35.2	33.0
\$ 250,000 and over	2.3	20.8	27.2	25.7	37.5	2.8	24.8	32.6	30.9	42.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$86,561)	\$42	\$45	\$397	(\$115,355)	\$16	\$42	\$605
\$ 0 to \$ 5,000	2,412	8	8	80	2,463	8	7	92
\$ 5,000 to \$ 10,000	7,347	3	3	127	7,299	4	4	152
\$ 10,000 to \$ 15,000	11,979	62	61	273	11,969	57	56	305
\$ 15,000 to \$ 20,000	16,723	189	186	523	16,710	168	167	524
\$ 20,000 to \$ 25,000	21,480	317	314	843	21,517	299	297	826
\$ 25,000 to \$ 35,000	28,554	568	562	1,564	28,622	529	526	1,469
\$ 35,000 to \$ 50,000	40,582	982	968	2,834	40,466	934	927	2,711
\$ 50,000 to \$ 75,000	59,528	1,613	1,582	5,228	59,433	1,555	1,537	5,116
\$ 75,000 to \$ 100,000	83,522	2,470	2,409	8,280	83,493	2,417	2,384	8,223
\$ 100,000 to \$ 250,000	138,383	4,736	4,583	19,266	138,880	4,708	4,617	19,156
\$ 250,000 and over	550,833	22,828	20,641	132,188	633,143	25,768	23,530	141,825
Average	\$60,170	\$1,906	\$1,821	\$7,999	\$67,707	\$2,149	\$2,066	\$9,154

**Table 18. Federal AGI and Taxes by County
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

County	Number of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Average Federal AGI	Average Colorado Gross Tax	Average Colorado Net Tax	Average Federal Tax
Adams	188,701	\$9,652,862	\$270,173	\$266,992	\$962,959	\$51,154	\$1,432	\$1,415	\$5,103
Alamosa	5,751	246,878	6,496	6,056	24,513	42,928	1,130	1,053	4,262
Arapahoe	235,562	17,578,533	575,951	552,433	2,535,318	74,624	2,445	2,345	10,763
Archuleta	4,709	220,044	5,545	4,885	25,043	46,733	1,178	1,037	5,319
Baca	1,437	50,523	1,362	1,126	5,868	35,154	948	784	4,083
Bent	1,408	52,123	1,319	1,234	5,622	37,010	937	876	3,992
Boulder	117,820	10,248,331	355,772	341,372	1,594,873	86,983	3,020	2,897	13,537
Broomfield	39,919	3,065,643	99,739	97,870	407,363	76,796	2,499	2,452	10,205
Chaffee	7,306	357,281	9,261	8,804	38,694	48,903	1,268	1,205	5,296
Cheyenne	752	39,450	1,394	1,162	5,877	52,476	1,854	1,546	7,817
Clear Creek	2,555	129,598	3,770	3,717	14,335	50,715	1,475	1,454	5,610
Conejos	2,691	92,540	2,033	1,834	7,074	34,384	755	681	2,629
Costilla	1,076	36,105	805	728	3,315	33,551	748	676	3,081
Crowley	1,008	36,347	826	782	3,065	36,042	819	775	3,040
Custer	1,591	87,323	2,306	2,187	10,764	54,889	1,449	1,375	6,766
Delta	11,659	534,003	14,077	13,227	53,324	45,802	1,207	1,134	4,574
Denver	250,002	17,037,669	573,668	548,798	2,609,218	68,150	2,295	2,195	10,437
Dolores	681	28,663	758	631	2,834	42,111	1,114	927	4,163
Douglas	112,222	12,397,675	430,534	416,845	1,925,725	110,475	3,836	3,714	17,160
Eagle	21,909	1,653,439	56,172	51,733	248,067	75,469	2,564	2,361	11,323
El Paso	221,753	13,550,315	397,576	385,806	1,622,171	61,105	1,793	1,740	7,315
Elbert	8,128	964,678	31,178	30,813	117,462	118,680	3,836	3,791	14,451
Fremont	15,075	664,770	16,544	16,157	65,172	44,097	1,097	1,072	4,323
Garfield	23,473	1,454,659	45,765	43,401	190,727	61,973	1,950	1,849	8,126
Gilpin	2,051	115,126	3,561	3,428	13,962	56,121	1,736	1,671	6,806
Grand	5,832	305,093	9,263	8,984	37,837	52,314	1,588	1,541	6,488
Gunnison	6,052	306,323	9,378	8,973	37,419	50,618	1,550	1,483	6,183
Hinsdale	318	17,684	471	420	2,155	55,651	1,483	1,322	6,783
Huerfano	2,351	90,078	2,085	2,009	8,805	38,320	887	854	3,746
Jackson	580	21,203	581	553	2,036	36,533	1,001	952	3,508
Jefferson	246,292	18,303,942	588,297	569,759	2,558,025	74,318	2,389	2,313	10,386
Kiowa	2,017	125,199	4,048	3,592	18,775	62,072	2,007	1,781	9,309
Kit Carson	3,013	150,862	4,653	3,956	20,327	50,071	1,544	1,313	6,747
La Plata	20,087	1,332,602	40,844	35,641	183,637	66,341	2,033	1,774	9,142
Lake	2,635	117,355	3,144	3,089	11,442	44,534	1,193	1,172	4,342
Larimer	122,376	7,728,344	238,994	230,948	1,004,283	63,153	1,953	1,887	8,207
Las Animas	5,498	243,265	6,535	6,289	25,350	44,243	1,189	1,144	4,610
Lincoln	1,722	78,571	2,146	1,982	7,911	45,623	1,246	1,151	4,593
Logan	7,385	394,960	11,754	10,304	48,883	53,481	1,592	1,395	6,619
Mesa	58,797	3,377,161	100,023	94,923	410,017	57,438	1,701	1,614	6,973
Mineral	328	17,102	441	371	1,909	52,109	1,344	1,131	5,817
Moffat	5,081	299,540	9,048	8,789	32,897	58,957	1,781	1,730	6,475
Montezuma	9,388	454,354	12,574	10,954	51,432	48,397	1,339	1,167	5,478
Montrose	11,720	508,252	12,753	12,253	49,315	43,366	1,088	1,046	4,208
Morgan	11,024	538,320	16,228	15,660	63,473	48,832	1,472	1,421	5,758
Otero	6,937	282,693	7,212	6,737	28,287	40,754	1,040	971	4,078
Ouray	1,718	85,090	2,770	2,487	11,979	49,539	1,613	1,448	6,974
Park	5,520	310,850	8,842	8,528	34,746	56,314	1,602	1,545	6,295
Phillips	1,816	110,125	3,349	2,861	16,688	60,644	1,844	1,576	9,190
Pitkin	7,396	953,335	38,753	33,676	176,166	128,891	5,239	4,553	23,818
Prowers	4,552	200,383	5,315	4,866	21,612	44,018	1,168	1,069	4,748
Pueblo	59,933	2,752,225	70,744	69,470	272,048	45,922	1,180	1,159	4,539
Rio Blanco	2,476	155,814	4,881	4,627	17,973	62,935	1,972	1,869	7,259
Rio Grande	4,519	197,132	5,263	4,736	22,081	43,623	1,165	1,048	4,886
Routt	10,203	746,371	25,685	23,563	110,836	73,154	2,517	2,309	10,863
Saguache	2,391	66,113	2,091	1,807	9,058	27,652	875	756	3,788
San Juan	293	12,717	332	239	1,574	43,392	1,132	814	5,370
San Miguel	3,386	218,361	7,470	7,088	31,211	64,493	2,206	2,093	9,218
Sedgwick	950	43,947	1,231	1,029	5,323	46,274	1,296	1,084	5,605
Summit	13,215	842,929	27,442	25,974	117,075	63,783	2,076	1,965	8,859
Teller	7,566	464,542	13,703	13,114	54,380	61,395	1,811	1,733	7,187
Washington	1,628	78,111	2,186	1,857	8,648	47,979	1,343	1,141	5,312
Weld	108,227	6,411,647	192,775	188,157	741,288	59,242	1,781	1,739	6,849
Yuma	3,785	203,975	6,251	5,369	25,047	53,893	1,652	1,419	6,618
Unknown	21,428	1,289,319	40,847	39,028	171,396	60,170	1,906	1,821	7,999
Total	2,069,674	\$140,130,468	\$4,446,992	\$4,276,679	\$18,946,691	\$67,707	\$2,149	\$2,066	\$9,154

**Table 19. Federal AGI and Taxes by Major County
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Denver					Jefferson				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	3,141	(\$384,762)	\$30	\$373	\$2,808	3,039	(\$299,174)	\$81	\$62	\$1,286
\$ 0 to \$ 5,000	9,782	24,035	120	46	854	8,310	20,141	95	74	726
\$ 5,000 to \$ 10,000	14,502	106,043	59	59	2,415	11,802	85,822	36	38	1,741
\$ 10,000 to \$ 15,000	18,630	223,258	1,056	1,062	6,374	14,578	174,430	849	847	4,312
\$ 15,000 to \$ 20,000	20,080	335,357	3,316	3,300	10,483	15,055	251,232	2,696	2,681	8,219
\$ 20,000 to \$ 25,000	19,591	421,918	5,900	5,875	15,605	14,228	305,883	4,485	4,468	12,564
\$ 25,000 to \$ 35,000	34,307	981,811	19,440	19,368	52,368	26,189	751,201	14,483	14,425	41,948
\$ 35,000 to \$ 50,000	37,693	1,523,044	39,582	39,385	114,043	32,097	1,300,407	30,406	30,234	92,728
\$ 50,000 to \$ 75,000	35,469	2,088,299	61,880	61,421	213,839	38,709	2,306,809	60,335	59,829	208,073
\$ 75,000 to \$ 100,000	18,779	1,563,641	49,660	49,121	185,585	27,648	2,311,383	66,203	65,539	233,396
\$ 100,000 to \$ 250,000	29,705	4,233,723	149,952	146,996	647,257	46,675	6,524,497	221,397	218,221	910,881
\$ 250,000 and over	8,323	5,921,302	242,674	221,794	1,357,586	7,961	4,571,310	187,231	173,342	1,042,150
Total	250,002	\$17,037,669	\$573,668	\$548,798	\$2,609,218	246,292	\$18,303,942	\$588,297	\$569,759	\$2,558,025

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.0	0.1	0.0	0.0	0.0	3.4	0.1	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	5.9	0.6	0.0	0.0	0.1	4.9	0.5	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	7.5	1.3	0.2	0.2	0.2	6.0	0.9	0.1	0.1	0.2
\$ 15,000 to \$ 20,000	8.1	1.9	0.6	0.6	0.4	6.2	1.4	0.5	0.5	0.3
\$ 20,000 to \$ 25,000	7.9	2.4	1.0	1.1	0.6	5.8	1.6	0.8	0.8	0.5
\$ 25,000 to \$ 35,000	13.9	5.6	3.4	3.5	2.0	10.8	4.0	2.5	2.5	1.6
\$ 35,000 to \$ 50,000	15.3	8.7	6.9	7.2	4.4	13.2	7.0	5.2	5.3	3.6
\$ 50,000 to \$ 75,000	14.4	12.0	10.8	11.2	8.2	15.9	12.4	10.3	10.5	8.1
\$ 75,000 to \$ 100,000	7.6	9.0	8.7	9.0	7.1	11.4	12.4	11.3	11.5	9.1
\$ 100,000 to \$ 250,000	12.0	24.3	26.1	26.8	24.8	19.2	35.1	37.6	38.3	35.6
\$ 250,000 and over	3.4	34.0	42.3	40.4	52.1	3.3	24.6	31.8	30.4	40.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$122,510)	\$10	\$119	\$894	(\$98,443)	\$27	\$20	\$423
\$ 0 to \$ 5,000	2,457	12	5	87	2,424	11	9	87
\$ 5,000 to \$ 10,000	7,312	4	4	167	7,272	3	3	148
\$ 10,000 to \$ 15,000	11,984	57	57	342	11,965	58	58	296
\$ 15,000 to \$ 20,000	16,701	165	164	522	16,688	179	178	546
\$ 20,000 to \$ 25,000	21,537	301	300	797	21,499	315	314	883
\$ 25,000 to \$ 35,000	28,619	567	565	1,526	28,684	553	551	1,602
\$ 35,000 to \$ 50,000	40,407	1,050	1,045	3,026	40,514	947	942	2,889
\$ 50,000 to \$ 75,000	58,876	1,745	1,732	6,029	59,593	1,559	1,546	5,375
\$ 75,000 to \$ 100,000	83,263	2,644	2,616	9,882	83,601	2,395	2,370	8,442
\$ 100,000 to \$ 250,000	142,524	5,048	4,948	21,789	139,784	4,743	4,675	19,515
\$ 250,000 and over	711,440	29,157	26,648	163,113	574,184	23,517	21,773	130,900
Average	\$68,150	\$2,295	\$2,195	\$10,437	\$74,318	\$2,389	\$2,313	\$10,386

(Table 19 continued on next page)

**Table 19 (cont'd). Federal AGI and Taxes by Major County
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Arapahoe					El Paso				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	2,472	(\$458,387)	\$24	\$229	\$2,770	2,513	(\$217,098)	\$26	\$39	\$967
\$ 0 to \$ 5,000	7,949	19,517	50	55	734	8,210	20,295	18	17	572
\$ 5,000 to \$ 10,000	11,922	87,409	36	37	1,849	12,324	89,731	43	43	1,624
\$ 10,000 to \$ 15,000	15,393	184,144	786	783	4,865	15,484	185,218	894	890	4,181
\$ 15,000 to \$ 20,000	16,594	277,363	2,589	2,580	8,332	15,815	264,401	2,744	2,734	8,062
\$ 20,000 to \$ 25,000	16,084	346,131	4,545	4,529	12,285	15,295	329,304	4,654	4,639	12,659
\$ 25,000 to \$ 35,000	29,578	847,110	15,360	15,312	40,156	26,507	757,848	13,762	13,685	37,639
\$ 35,000 to \$ 50,000	33,867	1,369,282	31,936	31,828	88,610	29,094	1,177,166	25,812	25,653	75,302
\$ 50,000 to \$ 75,000	35,713	2,119,839	56,596	56,238	182,841	33,476	1,992,514	49,241	48,787	162,890
\$ 75,000 to \$ 100,000	22,988	1,917,967	55,776	55,290	190,169	23,095	1,930,153	54,229	53,638	182,611
\$ 100,000 to \$ 250,000	35,776	4,973,252	168,451	166,050	684,042	35,719	4,910,905	162,914	160,331	661,836
\$ 250,000 and over	7,226	5,894,905	239,802	219,502	1,318,665	4,221	2,109,880	83,240	75,351	473,828
Total	235,562	\$17,578,533	\$575,951	\$552,433	\$2,535,318	221,753	\$13,550,315	\$397,576	\$385,806	\$1,622,171

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	3.4	0.1	0.0	0.0	0.0	3.7	0.1	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	5.1	0.5	0.0	0.0	0.1	5.6	0.7	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	6.6	1.0	0.1	0.1	0.2	7.1	1.3	0.2	0.2	0.3
\$ 15,000 to \$ 20,000	7.1	1.5	0.4	0.5	0.3	7.2	1.9	0.7	0.7	0.5
\$ 20,000 to \$ 25,000	6.9	1.9	0.8	0.8	0.5	7.0	2.4	1.2	1.2	0.8
\$ 25,000 to \$ 35,000	12.7	4.7	2.7	2.8	1.6	12.1	5.5	3.5	3.5	2.3
\$ 35,000 to \$ 50,000	14.5	7.6	5.5	5.8	3.5	13.3	8.6	6.5	6.6	4.6
\$ 50,000 to \$ 75,000	15.3	11.8	9.8	10.2	7.2	15.3	14.5	12.4	12.6	10.0
\$ 75,000 to \$ 100,000	9.9	10.6	9.7	10.0	7.5	10.5	14.0	13.6	13.9	11.3
\$ 100,000 to \$ 250,000	15.3	27.6	29.2	30.1	27.0	16.3	35.7	41.0	41.6	40.8
\$ 250,000 and over	3.1	32.7	41.6	39.8	52.1	1.9	15.3	20.9	19.5	29.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$185,409)	\$10	\$93	\$1,120	(\$86,384)	\$11	\$15	\$385
\$ 0 to \$ 5,000	2,455	6	7	92	2,472	2	2	70
\$ 5,000 to \$ 10,000	7,332	3	3	155	7,281	4	4	132
\$ 10,000 to \$ 15,000	11,963	51	51	316	11,962	58	57	270
\$ 15,000 to \$ 20,000	16,715	156	155	502	16,718	173	173	510
\$ 20,000 to \$ 25,000	21,520	283	282	764	21,530	304	303	828
\$ 25,000 to \$ 35,000	28,640	519	518	1,358	28,591	519	516	1,420
\$ 35,000 to \$ 50,000	40,431	943	940	2,616	40,460	887	882	2,588
\$ 50,000 to \$ 75,000	59,357	1,585	1,575	5,120	59,521	1,471	1,457	4,866
\$ 75,000 to \$ 100,000	83,433	2,426	2,405	8,273	83,575	2,348	2,322	7,907
\$ 100,000 to \$ 250,000	139,011	4,709	4,641	19,120	137,488	4,561	4,489	18,529
\$ 250,000 and over	815,750	33,184	30,375	182,480	499,866	19,721	17,852	112,258
Average	\$74,624	\$2,445	\$2,345	\$10,763	\$61,105	\$1,793	\$1,740	\$7,315

(Table 19 continued on next page)

**Table 19 (cont'd). Federal AGI and Taxes by Major County
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Boulder					Adams				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	2,444	(\$316,868)	\$75	\$163	\$1,527	1,325	(\$71,144)	\$13	\$15	\$373
\$ 0 to \$ 5,000	4,600	10,725	69	69	808	6,135	15,454	26	26	430
\$ 5,000 to \$ 10,000	6,023	43,934	36	52	1,299	10,090	74,226	22	23	1,410
\$ 10,000 to \$ 15,000	6,670	79,558	454	454	2,428	13,171	158,256	661	660	3,842
\$ 15,000 to \$ 20,000	7,224	120,834	1,432	1,421	4,440	14,715	245,858	2,162	2,157	6,984
\$ 20,000 to \$ 25,000	6,765	145,427	2,336	2,324	6,761	14,332	308,694	3,969	3,963	10,361
\$ 25,000 to \$ 35,000	12,166	348,059	7,008	6,972	20,898	26,586	760,894	13,494	13,474	34,055
\$ 35,000 to \$ 50,000	13,468	545,723	13,165	13,064	40,904	29,856	1,206,611	27,800	27,715	73,088
\$ 50,000 to \$ 75,000	15,990	952,664	25,287	25,006	89,128	30,771	1,822,525	48,814	48,596	145,873
\$ 75,000 to \$ 100,000	11,492	962,613	28,166	27,788	101,447	18,249	1,521,444	45,335	45,036	142,668
\$ 100,000 to \$ 250,000	24,971	3,628,916	124,670	122,456	517,381	21,904	2,885,263	98,702	97,570	380,142
\$ 250,000 and over	6,006	3,726,745	153,074	141,606	807,850	1,566	724,780	29,176	27,757	163,734
Total	117,820	\$10,248,331	\$355,772	\$341,372	\$1,594,873	188,701	\$9,652,862	\$270,173	\$266,992	\$962,959

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.0	0.1	0.0	0.0	0.1	3.3	0.2	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	5.2	0.4	0.0	0.0	0.1	5.4	0.8	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	5.8	0.8	0.1	0.1	0.2	7.0	1.6	0.2	0.2	0.4
\$ 15,000 to \$ 20,000	6.3	1.1	0.4	0.4	0.3	7.9	2.5	0.8	0.8	0.7
\$ 20,000 to \$ 25,000	5.9	1.4	0.7	0.7	0.4	7.6	3.2	1.5	1.5	1.1
\$ 25,000 to \$ 35,000	10.5	3.3	2.0	2.0	1.3	14.2	7.8	5.0	5.0	3.5
\$ 35,000 to \$ 50,000	11.7	5.2	3.7	3.8	2.6	15.9	12.4	10.3	10.4	7.6
\$ 50,000 to \$ 75,000	13.9	9.0	7.1	7.3	5.6	16.4	18.7	18.1	18.2	15.2
\$ 75,000 to \$ 100,000	10.0	9.1	7.9	8.1	6.4	9.7	15.6	16.8	16.9	14.8
\$ 100,000 to \$ 250,000	21.6	34.3	35.0	35.9	32.5	11.7	29.7	36.5	36.5	39.5
\$ 250,000 and over	5.2	35.3	43.0	41.5	50.7	0.8	7.5	10.8	10.4	17.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$129,650)	\$31	\$67	\$625	(\$53,687)	\$10	\$11	\$281
\$ 0 to \$ 5,000	2,332	15	15	176	2,519	4	4	70
\$ 5,000 to \$ 10,000	7,294	6	9	216	7,356	2	2	140
\$ 10,000 to \$ 15,000	11,927	68	68	364	12,016	50	50	292
\$ 15,000 to \$ 20,000	16,727	198	197	615	16,708	147	147	475
\$ 20,000 to \$ 25,000	21,498	345	344	1,000	21,539	277	277	723
\$ 25,000 to \$ 35,000	28,609	576	573	1,718	28,620	508	507	1,281
\$ 35,000 to \$ 50,000	40,519	977	970	3,037	40,414	931	928	2,448
\$ 50,000 to \$ 75,000	59,578	1,581	1,564	5,574	59,229	1,586	1,579	4,741
\$ 75,000 to \$ 100,000	83,765	2,451	2,418	8,828	83,372	2,484	2,468	7,818
\$ 100,000 to \$ 250,000	145,324	4,993	4,904	20,719	131,721	4,506	4,454	17,355
\$ 250,000 and over	620,550	25,489	23,579	134,517	462,894	18,634	17,727	104,572
Average	\$86,983	\$3,020	\$2,897	\$13,537	\$51,154	\$1,432	\$1,415	\$5,103

(Table 19 continued on next page)

**Table 19 (cont'd). Federal AGI and Taxes by Major County
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Larimer					Pueblo				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	1,958	(\$210,271)	\$17	\$19	\$809	589	(\$27,128)	\$7	\$7	\$113
\$ 0 to \$ 5,000	5,013	12,087	21	21	395	2,701	6,925	10	10	138
\$ 5,000 to \$ 10,000	7,026	51,075	25	25	913	4,433	32,448	12	12	429
\$ 10,000 to \$ 15,000	8,194	98,207	538	535	2,317	5,306	63,557	244	243	1,174
\$ 15,000 to \$ 20,000	8,831	147,429	1,738	1,728	4,739	5,371	89,484	739	739	2,228
\$ 20,000 to \$ 25,000	8,061	173,340	2,688	2,674	7,294	4,838	104,059	1,222	1,219	3,206
\$ 25,000 to \$ 35,000	13,635	390,386	7,558	7,515	21,753	7,872	224,825	3,625	3,615	10,076
\$ 35,000 to \$ 50,000	15,423	624,659	14,052	13,930	42,068	8,445	340,290	7,028	6,998	21,001
\$ 50,000 to \$ 75,000	18,576	1,106,380	27,851	27,501	92,655	8,986	534,485	13,056	12,967	43,679
\$ 75,000 to \$ 100,000	13,187	1,099,952	31,045	30,628	104,514	5,473	455,060	12,679	12,541	43,341
\$ 100,000 to \$ 250,000	19,685	2,700,873	90,850	89,035	366,265	5,459	708,219	23,301	22,889	95,319
\$ 250,000 and over	2,786	1,534,227	62,610	57,338	360,560	460	220,002	8,820	8,230	51,343
Total	122,376	\$7,728,344	\$238,994	\$230,948	\$1,004,283	59,933	\$2,752,225	\$70,744	\$69,470	\$272,048

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	4.2	0.2	0.0	0.0	0.0	4.6	0.2	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	5.8	0.6	0.0	0.0	0.1	7.5	1.2	0.0	0.0	0.2
\$ 10,000 to \$ 15,000	6.8	1.2	0.2	0.2	0.2	8.9	2.3	0.3	0.3	0.4
\$ 15,000 to \$ 20,000	7.3	1.9	0.7	0.7	0.5	9.1	3.2	1.0	1.1	0.8
\$ 20,000 to \$ 25,000	6.7	2.2	1.1	1.2	0.7	8.2	3.7	1.7	1.8	1.2
\$ 25,000 to \$ 35,000	11.3	4.9	3.2	3.3	2.2	13.3	8.1	5.1	5.2	3.7
\$ 35,000 to \$ 50,000	12.8	7.9	5.9	6.0	4.2	14.2	12.2	9.9	10.1	7.7
\$ 50,000 to \$ 75,000	15.4	13.9	11.7	11.9	9.2	15.1	19.2	18.5	18.7	16.1
\$ 75,000 to \$ 100,000	11.0	13.9	13.0	13.3	10.4	9.2	16.4	17.9	18.1	15.9
\$ 100,000 to \$ 250,000	16.3	34.0	38.0	38.6	36.5	9.2	25.5	32.9	33.0	35.1
\$ 250,000 and over	2.3	19.3	26.2	24.8	35.9	0.8	7.9	12.5	11.8	18.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$107,391)	\$9	\$9	\$413	(\$46,080)	\$12	\$12	\$193
\$ 0 to \$ 5,000	2,411	4	4	79	2,564	4	4	51
\$ 5,000 to \$ 10,000	7,269	4	4	130	7,320	3	3	97
\$ 10,000 to \$ 15,000	11,986	66	65	283	11,978	46	46	221
\$ 15,000 to \$ 20,000	16,695	197	196	537	16,660	138	138	415
\$ 20,000 to \$ 25,000	21,504	334	332	905	21,509	253	252	663
\$ 25,000 to \$ 35,000	28,630	554	551	1,595	28,559	461	459	1,280
\$ 35,000 to \$ 50,000	40,501	911	903	2,728	40,293	832	829	2,487
\$ 50,000 to \$ 75,000	59,558	1,499	1,480	4,988	59,483	1,453	1,443	4,861
\$ 75,000 to \$ 100,000	83,411	2,354	2,323	7,926	83,144	2,316	2,291	7,919
\$ 100,000 to \$ 250,000	137,204	4,615	4,523	18,606	129,738	4,268	4,193	17,461
\$ 250,000 and over	550,612	22,470	20,578	129,400	478,216	19,172	17,889	111,604
Average	\$63,153	\$1,953	\$1,887	\$8,207	\$45,922	\$1,180	\$1,159	\$4,539

(Table 19 continued on next page)

**Table 19 (cont'd). Federal AGI and Taxes by Major County
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Weld					Mesa				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	1,413	(\$185,161)	\$13	\$31	\$876	890	(\$61,723)	\$4	\$6	\$365
\$ 0 to \$ 5,000	3,604	9,125	29	29	321	2,576	6,447	3	3	181
\$ 5,000 to \$ 10,000	5,596	40,717	29	29	763	3,440	24,895	14	14	405
\$ 10,000 to \$ 15,000	7,081	84,676	382	381	1,927	4,364	52,082	241	240	1,036
\$ 15,000 to \$ 20,000	7,346	122,755	1,153	1,149	3,674	4,458	74,548	738	733	2,065
\$ 20,000 to \$ 25,000	7,100	152,799	1,943	1,937	5,279	4,115	88,368	1,215	1,208	3,304
\$ 25,000 to \$ 35,000	13,425	384,223	6,517	6,492	17,100	7,026	201,009	3,600	3,566	10,126
\$ 35,000 to \$ 50,000	15,091	610,856	13,309	13,241	36,017	7,884	319,444	6,809	6,731	20,136
\$ 50,000 to \$ 75,000	17,780	1,059,639	26,939	26,742	80,245	9,734	578,726	14,351	14,125	46,655
\$ 75,000 to \$ 100,000	12,142	1,012,472	29,273	28,999	91,545	6,311	526,236	14,900	14,609	49,610
\$ 100,000 to \$ 250,000	15,889	2,139,131	72,454	71,309	284,311	7,032	930,402	31,254	30,371	124,361
\$ 250,000 and over	1,762	980,415	40,735	37,818	219,231	966	636,727	26,896	23,318	151,773
Total	108,227	\$6,411,647	\$192,775	\$188,157	\$741,288	58,797	\$3,377,161	\$100,023	\$94,923	\$410,017

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	3.4	0.1	0.0	0.0	0.0	4.4	0.2	0.0	0.0	0.0
\$ 5,000 to \$ 10,000	5.2	0.6	0.0	0.0	0.1	5.9	0.7	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	6.6	1.3	0.2	0.2	0.3	7.5	1.5	0.2	0.3	0.3
\$ 15,000 to \$ 20,000	6.9	1.9	0.6	0.6	0.5	7.7	2.2	0.7	0.8	0.5
\$ 20,000 to \$ 25,000	6.6	2.3	1.0	1.0	0.7	7.1	2.6	1.2	1.3	0.8
\$ 25,000 to \$ 35,000	12.6	5.8	3.4	3.5	2.3	12.1	5.8	3.6	3.8	2.5
\$ 35,000 to \$ 50,000	14.1	9.3	6.9	7.0	4.9	13.6	9.3	6.8	7.1	4.9
\$ 50,000 to \$ 75,000	16.6	16.1	14.0	14.2	10.8	16.8	16.8	14.3	14.9	11.4
\$ 75,000 to \$ 100,000	11.4	15.3	15.2	15.4	12.4	10.9	15.3	14.9	15.4	12.1
\$ 100,000 to \$ 250,000	14.9	32.4	37.6	37.9	38.4	12.1	27.1	31.2	32.0	30.4
\$ 250,000 and over	1.6	14.9	21.1	20.1	29.6	1.7	18.5	26.9	24.6	37.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$131,025)	\$9	\$22	\$620	(\$69,317)	\$5	\$6	\$410
\$ 0 to \$ 5,000	2,532	8	8	89	2,503	1	1	70
\$ 5,000 to \$ 10,000	7,276	5	5	136	7,238	4	4	118
\$ 10,000 to \$ 15,000	11,958	54	54	272	11,934	55	55	237
\$ 15,000 to \$ 20,000	16,711	157	156	500	16,721	165	164	463
\$ 20,000 to \$ 25,000	21,522	274	273	744	21,475	295	293	803
\$ 25,000 to \$ 35,000	28,621	485	484	1,274	28,609	512	508	1,441
\$ 35,000 to \$ 50,000	40,479	882	877	2,387	40,518	864	854	2,554
\$ 50,000 to \$ 75,000	59,597	1,515	1,504	4,513	59,455	1,474	1,451	4,793
\$ 75,000 to \$ 100,000	83,387	2,411	2,388	7,540	83,380	2,361	2,315	7,860
\$ 100,000 to \$ 250,000	134,632	4,560	4,488	17,894	132,319	4,445	4,319	17,686
\$ 250,000 and over	556,513	23,123	21,467	124,442	659,295	27,849	24,145	157,152
Average	\$59,242	\$1,781	\$1,739	\$6,849	\$57,438	\$1,701	\$1,614	\$6,973

(Table 19 continued on next page)

**Table 19 (cont'd). Federal AGI and Taxes by Major County
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Douglas					Remainder of State				
	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	1,543	(\$249,595)	\$56	\$71	\$999	8,216	(\$926,725)	\$120	\$224	\$4,979
\$ 0 to \$ 5,000	2,472	6,072	24	25	224	13,699	34,014	134	133	1,522
\$ 5,000 to \$ 10,000	3,194	23,222	13	14	493	19,736	144,042	79	78	3,432
\$ 10,000 to \$ 15,000	3,880	46,307	275	279	1,369	23,807	284,782	1,348	1,333	7,809
\$ 15,000 to \$ 20,000	4,045	67,802	789	785	2,425	24,821	415,050	4,148	4,088	14,022
\$ 20,000 to \$ 25,000	3,913	84,321	1,245	1,242	3,615	24,141	519,028	7,140	7,045	21,451
\$ 25,000 to \$ 35,000	7,291	209,410	3,893	3,872	11,826	43,334	1,239,013	22,351	22,074	66,148
\$ 35,000 to \$ 50,000	10,073	411,272	9,360	9,307	28,084	48,305	1,954,115	43,466	42,625	130,545
\$ 50,000 to \$ 75,000	15,866	954,996	24,556	24,363	78,283	53,831	3,198,598	80,691	78,535	266,755
\$ 75,000 to \$ 100,000	14,839	1,247,556	35,352	35,033	114,817	35,118	2,928,488	83,316	80,746	281,551
\$ 100,000 to \$ 250,000	37,516	5,418,495	184,347	181,929	731,602	45,651	6,218,952	206,474	197,993	841,167
\$ 250,000 and over	7,589	4,177,818	170,624	159,924	951,987	7,331	5,082,405	203,216	176,303	1,071,386
Total	112,222	\$12,397,675	\$430,534	\$416,845	\$1,925,725	347,990	\$21,091,763	\$652,484	\$611,177	\$2,710,766

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	No. of Returns	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	2.2	0.0	0.0	0.0	0.0	4.0	0.2	0.0	0.0	0.1
\$ 5,000 to \$ 10,000	2.9	0.2	0.0	0.0	0.0	5.8	0.7	0.0	0.0	0.1
\$ 10,000 to \$ 15,000	3.5	0.4	0.1	0.1	0.1	7.0	1.3	0.2	0.2	0.3
\$ 15,000 to \$ 20,000	3.7	0.5	0.2	0.2	0.1	7.3	1.9	0.6	0.7	0.5
\$ 20,000 to \$ 25,000	3.5	0.7	0.3	0.3	0.2	7.1	2.4	1.1	1.2	0.8
\$ 25,000 to \$ 35,000	6.6	1.7	0.9	0.9	0.6	12.8	5.6	3.4	3.6	2.4
\$ 35,000 to \$ 50,000	9.1	3.3	2.2	2.2	1.5	14.2	8.9	6.7	7.0	4.8
\$ 50,000 to \$ 75,000	14.3	7.6	5.7	5.8	4.1	15.8	14.5	12.4	12.9	9.9
\$ 75,000 to \$ 100,000	13.4	9.9	8.2	8.4	6.0	10.3	13.3	12.8	13.2	10.4
\$ 100,000 to \$ 250,000	33.9	42.8	42.8	43.7	38.0	13.4	28.2	31.7	32.4	31.1
\$ 250,000 and over	6.9	33.0	39.6	38.4	49.5	2.2	23.1	31.2	28.9	39.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax	Federal AGI	Colorado Gross Tax	Colorado Net Tax	Federal Tax
Negative Income	(\$161,749)	\$36	\$46	\$647	(\$112,794)	\$15	\$27	\$606
\$ 0 to \$ 5,000	2,457	10	10	91	2,483	10	10	111
\$ 5,000 to \$ 10,000	7,269	4	5	154	7,299	4	4	174
\$ 10,000 to \$ 15,000	11,934	71	72	353	11,962	57	56	328
\$ 15,000 to \$ 20,000	16,762	195	194	600	16,722	167	165	565
\$ 20,000 to \$ 25,000	21,546	318	317	924	21,500	296	292	889
\$ 25,000 to \$ 35,000	28,723	534	531	1,622	28,592	516	509	1,526
\$ 35,000 to \$ 50,000	40,828	929	924	2,788	40,454	900	882	2,703
\$ 50,000 to \$ 75,000	60,191	1,548	1,536	4,934	59,420	1,499	1,459	4,955
\$ 75,000 to \$ 100,000	84,070	2,382	2,361	7,737	83,391	2,372	2,299	8,017
\$ 100,000 to \$ 250,000	144,432	4,914	4,849	19,501	136,227	4,523	4,337	18,426
\$ 250,000 and over	550,543	22,484	21,074	125,451	693,255	27,719	24,048	146,140
Average	\$110,475	\$3,836	\$3,714	\$17,160	\$60,610	\$1,875	\$1,756	\$7,790

**Table 20. Number of Returns Claiming Colorado Modifications
2011 Individual Income Tax Returns**

A. Number of Returns

Type of Colorado Modification										
Adjusted Gross Income Classes	Additions		Subtractions							Total
	State Addback	Other Additions	State Refund	U.S. Govt Interest	Pension Exclusion	Colo Capital Gains	Tuition Invest- ment	Qualified Contri- butions	Other Sub- tractions	
Negative Income	5,169	1,926	2,461	1,067	4,815	23	111	572	179	11,599
\$ 0 to \$ 5,000	1,750	1,068	1,786	927	7,219	2	96	2,233	156	12,683
\$ 5,000 to \$ 10,000	2,702	1,353	2,628	1,388	12,256	0	107	3,572	294	19,931
\$ 10,000 to \$ 15,000	4,692	1,610	4,508	1,795	18,508	13	134	5,266	428	29,780
\$ 15,000 to \$ 20,000	7,089	1,733	5,920	1,844	19,641	14	178	6,335	444	33,880
\$ 20,000 to \$ 25,000	10,029	1,703	7,791	1,878	19,066	16	190	6,769	495	36,200
\$ 25,000 to \$ 35,000	32,271	3,447	24,105	3,608	37,103	37	517	15,056	1,057	83,278
\$ 35,000 to \$ 50,000	74,380	5,646	54,089	5,342	49,354	79	971	21,115	1,494	138,231
\$ 50,000 to \$ 75,000	143,397	10,349	101,945	9,065	74,257	186	2,833	27,728	2,437	219,328
\$ 75,000 to \$ 100,000	131,017	9,432	90,220	8,103	54,808	179	4,250	18,070	1,907	175,086
\$ 100,000 to \$ 250,000	269,614	24,576	179,563	17,123	82,586	580	18,159	16,455	3,533	306,956
\$ 250,000 and over	53,632	13,817	25,853	6,501	13,211	371	6,411	366	1,061	55,478
Total	735,743	76,661	500,868	58,641	392,823	1,500	33,958	123,536	13,487	1,122,431

B. Percentage Distribution by Income Class

Type of Colorado Modification										
Adjusted Gross Income Classes	Additions		Subtractions							Total
	State Addback	Other Additions	State Refund	U.S. Govt Interest	Pension Exclusion	Colo Capital Gains	Tuition Invest- ment	Qualified Contri- butions	Other Sub- tractions	
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.2	1.4	0.4	1.6	1.9	0.1	0.3	1.8	1.2	1.2
\$ 5,000 to \$ 10,000	0.4	1.8	0.5	2.4	3.2	-	0.3	2.9	2.2	2.2
\$ 10,000 to \$ 15,000	0.6	2.2	0.9	3.1	4.8	0.9	0.4	4.3	3.2	3.2
\$ 15,000 to \$ 20,000	1.0	2.3	1.2	3.2	5.1	0.9	0.5	5.2	3.3	3.3
\$ 20,000 to \$ 25,000	1.4	2.3	1.6	3.3	4.9	1.1	0.6	5.5	3.7	3.7
\$ 25,000 to \$ 35,000	4.4	4.6	4.8	6.3	9.6	2.5	1.5	12.2	7.9	7.9
\$ 35,000 to \$ 50,000	10.2	7.6	10.9	9.3	12.7	5.4	2.9	17.2	11.2	11.2
\$ 50,000 to \$ 75,000	19.6	13.8	20.5	15.7	19.1	12.6	8.4	22.5	18.3	18.3
\$ 75,000 to \$ 100,000	17.9	12.6	18.1	14.1	14.1	12.1	12.6	14.7	14.3	14.3
\$ 100,000 to \$ 250,000	36.9	32.9	36.0	29.7	21.3	39.3	53.6	13.4	26.6	26.6
\$ 250,000 and over	7.3	18.5	5.2	11.3	3.4	25.1	18.9	0.3	8.0	8.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Returns Within Income Classes

Type of Colorado Modification										
Adjusted Gross Income Classes	Additions		Subtractions							Total
	State Addback	Other Additions	State Refund	U.S. Govt Interest	Pension Exclusion	Colo Capital Gains	Tuition Invest- ment	Qualified Contri- butions	Other Sub- tractions	
Negative Income	17.5	6.5	8.3	3.6	16.3	0.1	0.4	1.9	0.6	39.3
\$ 0 to \$ 5,000	2.3	1.4	2.4	1.2	9.6	0.0	0.1	3.0	0.2	16.9
\$ 5,000 to \$ 10,000	2.5	1.2	2.4	1.3	11.1	0.0	0.1	3.2	0.3	18.1
\$ 10,000 to \$ 15,000	3.4	1.2	3.3	1.3	13.6	0.0	0.1	3.9	0.3	21.8
\$ 15,000 to \$ 20,000	4.9	1.2	4.1	1.3	13.6	0.0	0.1	4.4	0.3	23.5
\$ 20,000 to \$ 25,000	7.2	1.2	5.6	1.4	13.8	0.0	0.1	4.9	0.4	26.1
\$ 25,000 to \$ 35,000	13.0	1.4	9.7	1.5	15.0	0.0	0.2	6.1	0.4	33.6
\$ 35,000 to \$ 50,000	26.4	2.0	19.2	1.9	17.5	0.0	0.3	7.5	0.5	49.1
\$ 50,000 to \$ 75,000	45.5	3.3	32.4	2.9	23.6	0.1	0.9	8.8	0.8	69.6
\$ 75,000 to \$ 100,000	62.6	4.5	43.1	3.9	26.2	0.1	2.0	8.6	0.9	83.6
\$ 100,000 to \$ 250,000	82.7	7.5	55.1	5.3	25.3	0.2	5.6	5.0	1.1	94.2
\$ 250,000 and over	95.4	24.6	46.0	11.6	23.5	0.7	11.4	0.7	1.9	98.7
Average	35.5	3.7	24.2	2.8	19.0	0.1	1.6	6.0	0.7	54.2

**Table 21. Amount of Colorado Modifications
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Type of Colorado Modification									
	Additions		Subtractions							Total
	State Addback	Other Additions	State Refund	U.S. Govt Interest	Pension Exclusion	Colo Capital Gains	Tuition Invest- ment	Qualified Contri- butions	Other Sub- tractions	
Negative Income	\$33,319	\$35,220	\$10,376	\$7,804	\$48,256	\$929	\$972	\$982	\$942	(\$1,724)
\$ 0 to \$ 5,000	2,670	3,427	1,038	658	26,811	55	646	1,876	398	(25,385)
\$ 5,000 to \$ 10,000	3,012	4,470	1,379	995	74,914	0	469	3,769	1,401	(75,446)
\$ 10,000 to \$ 15,000	4,120	4,952	2,146	1,874	171,956	42	548	5,827	2,807	(176,129)
\$ 15,000 to \$ 20,000	6,544	4,543	2,946	2,303	234,596	138	643	7,559	2,972	(240,070)
\$ 20,000 to \$ 25,000	9,168	7,286	3,985	2,126	269,372	143	599	8,374	3,664	(271,809)
\$ 25,000 to \$ 35,000	34,803	13,215	12,485	4,943	599,741	325	1,543	19,781	10,137	(600,936)
\$ 35,000 to \$ 50,000	116,902	21,858	27,662	7,067	928,483	800	2,665	29,725	18,759	(876,400)
\$ 50,000 to \$ 75,000	285,704	41,281	57,826	14,303	1,634,635	3,099	8,678	43,239	37,078	(1,471,873)
\$ 75,000 to \$ 100,000	359,050	39,516	441,453	444,322	1,373,037	4,344	14,670	29,437	29,983	(1,938,681)
\$ 100,000 to \$ 250,000	1,367,088	130,584	152,973	35,220	2,095,483	23,296	106,151	25,686	46,960	(988,098)
\$ 250,000 and over	1,492,626	278,351	117,974	41,297	310,875	23,324	114,196	697	9,876	1,152,738
Total	\$3,715,005	\$584,704	\$832,244	\$562,912	\$7,768,160	\$56,495	\$251,781	\$176,952	\$164,978	(\$5,513,814)

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Type of Colorado Modification									
	Additions		Subtractions							Total
	State Addback	Other Additions	State Refund	U.S. Govt Interest	Pension Exclusion	Colo Capital Gains	Tuition Invest- ment	Qualified Contri- butions	Other Sub- tractions	
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.1	0.6	0.1	0.1	0.3	0.1	0.3	1.1	0.2	
\$ 5,000 to \$ 10,000	0.1	0.8	0.2	0.2	1.0	-	0.2	2.1	0.9	
\$ 10,000 to \$ 15,000	0.1	0.9	0.3	0.3	2.2	0.1	0.2	3.3	1.7	
\$ 15,000 to \$ 20,000	0.2	0.8	0.4	0.4	3.0	0.2	0.3	4.3	1.8	
\$ 20,000 to \$ 25,000	0.2	1.3	0.5	0.4	3.5	0.3	0.2	4.8	2.2	
\$ 25,000 to \$ 35,000	0.9	2.4	1.5	0.9	7.8	0.6	0.6	11.2	6.2	
\$ 35,000 to \$ 50,000	3.2	4.0	3.4	1.3	12.0	1.4	1.1	16.9	11.4	
\$ 50,000 to \$ 75,000	7.8	7.5	7.0	2.6	21.2	5.6	3.5	24.6	22.6	
\$ 75,000 to \$ 100,000	9.8	7.2	53.7	80.0	17.8	7.8	5.8	16.7	18.3	
\$ 100,000 to \$ 250,000	37.1	23.8	18.6	6.3	27.1	41.9	42.3	14.6	28.6	
\$ 250,000 and over	40.5	50.7	14.4	7.4	4.0	42.0	45.5	0.4	6.0	
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

C. Average per Return

Adjusted Gross Income Classes	Type of Colorado Modification									
	Additions		Subtractions							Total
	State Addback	Other Additions	State Refund	U.S. Govt Interest	Pension Exclusion	Colo Capital Gains	Tuition Invest- ment	Qualified Contri- butions	Other Sub- tractions	
Negative Income	\$6,446	\$18,284	\$4,216	\$7,311	\$10,021	\$40,319	\$8,756	\$1,717	\$5,260	-\$149
\$ 0 to \$ 5,000	1,526	3,208	581	709	3,714	26,308	6,699	840	2,551	-2,001
\$ 5,000 to \$ 10,000	1,115	3,303	525	717	6,113	0	4,388	1,055	4,760	-3,785
\$ 10,000 to \$ 15,000	878	3,076	476	1,044	9,291	3,323	4,090	1,107	6,551	-5,914
\$ 15,000 to \$ 20,000	923	2,622	498	1,249	11,944	10,154	3,613	1,193	6,694	-7,086
\$ 20,000 to \$ 25,000	914	4,279	512	1,132	14,128	9,096	3,145	1,237	7,401	-7,508
\$ 25,000 to \$ 35,000	1,078	3,833	518	1,370	16,164	8,869	2,985	1,314	9,588	-7,216
\$ 35,000 to \$ 50,000	1,572	3,871	511	1,323	18,813	10,086	2,744	1,408	12,554	-6,340
\$ 50,000 to \$ 75,000	1,992	3,989	567	1,578	22,013	16,631	3,063	1,559	15,214	-6,711
\$ 75,000 to \$ 100,000	2,740	4,190	4,893	54,838	25,052	24,289	3,452	1,629	15,724	-11,073
\$ 100,000 to \$ 250,000	5,071	5,313	852	2,057	25,373	40,151	5,846	1,561	13,291	-3,219
\$ 250,000 and over	27,831	20,145	4,563	6,352	23,531	62,838	17,812	1,906	9,310	20,778
Average	\$5,049	\$7,627	\$1,662	\$9,599	\$19,775	\$37,675	\$7,414	\$1,432	\$12,233	-\$4,912

**Table 22. Colorado Returns by Liability Status
2011 Individual Income Tax Returns**

A. Dollar Amounts in Thousands

Adjusted Gross Income Classes	Positive Tax Liability				Zero or Negative Tax Liability			
	No. of Returns	Federal AGI	Colorado Net Tax	Amount Owed	No. of Returns *	Federal AGI	Colorado Net Tax	Amount Refunded
Negative Income	204	(\$102,345)	\$525	\$324	29,339	(\$3,305,691)	\$714	\$11,688
\$ 0 to \$ 5,000	853	1,800	305	176	74,197	183,039	201	4,194
\$ 5,000 to \$ 10,000	926	6,778	269	200	109,163	796,786	155	14,558
\$ 10,000 to \$ 15,000	11,607	140,063	1,479	1,133	124,952	1,494,412	6,226	23,898
\$ 15,000 to \$ 20,000	15,968	268,904	4,621	2,940	128,388	2,143,209	19,474	29,338
\$ 20,000 to \$ 25,000	19,147	413,538	8,153	4,360	119,315	2,565,733	32,969	32,104
\$ 25,000 to \$ 35,000	43,773	1,261,912	28,067	12,074	204,142	5,833,876	102,303	63,346
\$ 35,000 to \$ 50,000	65,971	2,693,523	64,059	23,452	215,326	8,689,347	196,654	78,859
\$ 50,000 to \$ 75,000	93,039	5,570,055	144,216	45,431	221,863	13,145,418	339,893	99,932
\$ 75,000 to \$ 100,000	73,279	6,133,276	174,591	45,837	136,043	11,343,689	324,376	71,964
\$ 100,000 to \$ 250,000	122,681	17,136,153	573,186	134,534	203,301	28,136,475	931,963	141,154
\$ 250,000 and over	22,011	12,877,206	490,041	156,183	34,186	22,703,311	832,241	65,975
Total	469,459	\$46,400,864	\$1,489,510	\$426,645	1,600,215	\$93,729,604	\$2,787,169	\$637,010

B. Percentage Distribution by Income Class

Adjusted Gross Income Classes	Positive Tax Liability				Zero or Negative Tax Liability			
	No. of Returns	Federal AGI	Colorado Net Tax	Amount Owed	No. of Returns	Federal AGI	Colorado Net Tax	Amount Refunded
Negative Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$ 0 to \$ 5,000	0.2	0.0	0.0	0.0	4.7	0.2	0.0	0.7
\$ 5,000 to \$ 10,000	0.2	0.0	0.0	0.0	6.9	0.8	0.0	2.3
\$ 10,000 to \$ 15,000	2.5	0.3	0.1	0.3	8.0	1.5	0.2	3.8
\$ 15,000 to \$ 20,000	3.4	0.6	0.3	0.7	8.2	2.2	0.7	4.7
\$ 20,000 to \$ 25,000	4.1	0.9	0.5	1.0	7.6	2.6	1.2	5.1
\$ 25,000 to \$ 35,000	9.3	2.7	1.9	2.8	13.0	6.0	3.7	10.1
\$ 35,000 to \$ 50,000	14.1	5.8	4.3	5.5	13.7	9.0	7.1	12.6
\$ 50,000 to \$ 75,000	19.8	12.0	9.7	10.7	14.1	13.5	12.2	16.0
\$ 75,000 to \$ 100,000	15.6	13.2	11.7	10.8	8.7	11.7	11.6	11.5
\$ 100,000 to \$ 250,000	26.1	36.8	38.5	31.6	12.9	29.0	33.4	22.6
\$ 250,000 and over	4.7	27.7	32.9	36.6	2.2	23.4	29.9	10.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average per Return

Adjusted Gross Income Classes	Positive Tax Liability			Zero or Negative Tax Liability		
	Federal AGI	Colorado Net Tax	Amount Owed	Federal AGI	Colorado Net Tax	Amount Refunded
Negative Income	(\$500,474)	\$2,566	\$1,582	(\$112,671)	\$24	\$398
\$ 0 to \$ 5,000	2,110	357	206	2,467	3	57
\$ 5,000 to \$ 10,000	7,321	291	217	7,299	1	133
\$ 10,000 to \$ 15,000	12,067	127	98	11,960	50	191
\$ 15,000 to \$ 20,000	16,840	289	184	16,693	152	229
\$ 20,000 to \$ 25,000	21,598	426	228	21,504	276	269
\$ 25,000 to \$ 35,000	28,828	641	276	28,578	501	310
\$ 35,000 to \$ 50,000	40,829	971	355	40,354	913	366
\$ 50,000 to \$ 75,000	59,868	1,550	488	59,250	1,532	450
\$ 75,000 to \$ 100,000	83,698	2,383	626	83,383	2,384	529
\$ 100,000 to \$ 250,000	139,680	4,672	1,097	138,398	4,584	694
\$ 250,000 and over	585,041	22,264	7,096	664,114	24,345	1,930
Average	\$98,839	\$3,173	\$909	\$58,573	\$1,742	\$398

* Includes returns where no cash was owed or refund distributed.

**Table 23. Amount and Number of Colorado Tax Checkoff Donations
2011 Individual Income Tax Returns**

Adjusted Gross Income Classes	Non-game Wildlife			Domestic Abuse			Homeless Prevention			Special Olympics			Veterans Cemetery		
	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation
Negative Income	\$482	29	\$16	\$305	32	\$9	\$293	25	\$12	\$207	24	\$9	\$96	13	\$8
\$ 0 to \$ 5,000	838	150	6	633	129	5	657	122	5	839	89	9	151	49	3
\$ 5,000 to \$ 10,000	2,566	349	7	2,029	311	7	1,833	294	6	1,260	231	5	464	125	4
\$ 10,000 to \$ 15,000	3,823	475	8	3,610	420	9	3,176	393	8	1,483	275	5	755	162	5
\$ 15,000 to \$ 20,000	3,609	479	8	3,739	463	8	3,575	397	9	2,511	326	8	771	173	4
\$ 20,000 to \$ 25,000	4,667	509	9	4,363	499	9	2,829	444	6	2,433	349	7	1,025	203	5
\$ 25,000 to \$ 35,000	8,661	1,106	8	7,443	1,027	7	7,912	933	8	5,065	730	7	1,402	375	4
\$ 35,000 to \$ 50,000	16,646	1,736	10	14,478	1,561	9	11,991	1,403	9	10,804	1,175	9	3,242	585	6
\$ 50,000 to \$ 75,000	26,425	2,516	11	22,754	2,269	10	21,572	1,989	11	17,613	1,719	10	5,628	845	7
\$ 75,000 to \$ 100,000	25,058	2,009	12	19,969	1,787	11	16,611	1,458	11	14,931	1,368	11	4,900	654	7
\$ 100,000 to \$ 250,000	56,512	3,715	15	50,255	3,305	15	42,325	2,843	15	37,040	2,691	14	9,268	1,159	8
\$ 250,000 and over	13,423	407	33	9,307	359	26	7,931	322	25	10,042	350	29	2,874	133	22
Total	\$162,712	13,479	\$12	\$138,883	12,164	\$11	\$120,704	10,624	\$11	\$104,228	9,326	\$11	\$30,575	4,475	\$7

Adjusted Gross Income Classes	Pet Overpopulation Fund			CO Healthy Rivers Fund			Alzheimer's Association			Military Family Relief			Women's Cancer's Fund		
	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation
Negative Income	\$338	27	\$12	\$166	25	\$7	\$242	24	\$10	\$231	25	\$9	\$92	18	\$5
\$ 0 to \$ 5,000	790	133	6	537	108	5	425	91	5	569	91	6	443	96	5
\$ 5,000 to \$ 10,000	1,862	318	6	1,565	253	6	1,139	202	6	1,929	238	8	1,070	232	5
\$ 10,000 to \$ 15,000	2,994	444	7	1,884	333	6	1,595	266	6	2,699	328	8	2,044	326	6
\$ 15,000 to \$ 20,000	3,987	453	9	2,056	333	6	1,896	304	6	4,417	348	13	2,589	339	8
\$ 20,000 to \$ 25,000	3,671	506	7	1,988	343	6	2,163	328	7	4,143	397	10	2,797	367	8
\$ 25,000 to \$ 35,000	9,546	1,117	9	4,701	767	6	5,272	709	7	7,573	792	10	4,467	737	6
\$ 35,000 to \$ 50,000	17,609	1,817	10	8,244	1,206	7	8,908	1,104	8	13,658	1,233	11	7,653	1,073	7
\$ 50,000 to \$ 75,000	26,408	2,397	11	14,199	1,703	8	17,270	1,717	10	28,259	1,976	14	13,268	1,535	9
\$ 75,000 to \$ 100,000	22,428	1,734	13	14,133	1,360	10	15,210	1,317	12	23,408	1,581	15	11,569	1,211	10
\$ 100,000 to \$ 250,000	43,738	2,937	15	34,030	2,624	13	34,310	2,399	14	61,937	3,123	20	29,123	2,291	13
\$ 250,000 and over	6,778	269	25	7,670	312	25	7,117	263	27	12,788	346	37	5,272	245	21
Total	\$140,151	12,153	\$12	\$91,172	9,366	\$10	\$95,549	8,725	\$11	\$161,610	10,478	\$15	\$80,386	8,470	\$9

*Total Donations: Average Donation is average amount donated per return in total.

(Table 23 continued on next page)

**Table 23. (cont'd) Amount and Number of Colorado Tax Checkoff Donations
2011 Individual Income Tax Returns**

Adjusted Gross Income Classes	Make-A-Wish Fund			211 First Call for Help Fund			Unwanted Horse Fund			Goodwill Industries Fund			Mental Health Fund		
	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation	Amt of Donation	No. of Returns	Average Donation
Negative Income	\$ 146	24	\$6	\$60	9	\$6	\$354	25	\$14	\$959	22	\$44	\$195	19	\$10
\$ 0 to \$ 5,000	635	110	6	154	38	4	695	96	7	1,395	46	30	435	81	5
\$ 5,000 to \$ 10,000	2,184	264	8	217	101	2	1,380	252	5	1,100	125	9	859	175	5
\$ 10,000 to \$ 15,000	3,008	343	9	269	122	2	2,784	333	8	1,643	158	10	1,157	216	5
\$ 15,000 to \$ 20,000	3,245	378	9	405	119	3	2,149	349	6	1,261	160	8	1,128	228	5
\$ 20,000 to \$ 25,000	2,907	412	7	302	121	2	2,810	389	7	2,309	189	12	1,416	236	6
\$ 25,000 to \$ 35,000	6,365	774	8	937	279	3	6,368	811	8	4,108	387	11	3,949	518	8
\$ 35,000 to \$ 50,000	12,235	1,206	10	1,490	401	4	10,262	1,276	8	7,396	515	14	4,970	742	7
\$ 50,000 to \$ 75,000	15,252	1,649	9	3,026	592	5	16,319	1,715	10	6,634	737	9	7,606	1,054	7
\$ 75,000 to \$ 100,000	13,503	1,353	10	2,110	425	5	13,948	1,252	11	8,715	586	15	5,957	753	8
\$ 100,000 to \$ 250,000	33,311	2,612	13	5,094	806	6	28,552	2,025	14	13,030	1,047	12	13,771	1,385	10
\$ 250,000 and over	9,021	333	27	2,082	108	19	5,251	235	22	2,089	127	16	3,865	166	23
Total	\$101,811	9,459	\$11	\$16,147	3,121	\$5	\$90,872	8,758	\$10	\$50,641	4,101	\$12	\$45,308	5,572	\$8

Adjusted Gross Income Classes	Total Donations		
	Amt of Donation	No. of Returns	Average Donation*
Negative Income	\$4,166	91	\$46
\$ 0 to \$ 5,000	9,196	465	20
\$ 5,000 to \$ 10,000	21,455	993	22
\$ 10,000 to \$ 15,000	32,925	1,349	24
\$ 15,000 to \$ 20,000	37,338	1,483	25
\$ 20,000 to \$ 25,000	39,824	1,515	26
\$ 25,000 to \$ 35,000	83,771	3,173	26
\$ 35,000 to \$ 50,000	149,586	4,852	31
\$ 50,000 to \$ 75,000	242,233	6,632	37
\$ 75,000 to \$ 100,000	212,450	5,042	42
\$ 100,000 to \$ 250,000	492,296	8,941	55
\$ 250,000 and over	105,509	943	112
Total	\$1,430,748	35,481	\$40

*Total Donations: Average Donation is average amount donated per return in total.

**Table 24. Amount and Number of Colorado Income Tax Credits Claimed
2011 Individual Income Tax Returns**

A. Refundable Credits

Adjusted Gross Income Classes	Refundable Credits					
	Child Care Credit			Alternative Fuel Vehicle Credit		
	Amount	No. of Returns	Average Credit	Amount	No. of Returns	Average Credit
Negative Income	*	*	*	\$65,924	15	\$4,495
\$ 0 to \$ 5,000	1,103	5	\$212	15,693	6	\$2,496
\$ 5,000 to \$ 10,000	1,241	6	\$198	5,457	3	\$1,736
\$ 10,000 to \$ 15,000	5,244	87	\$60	15,628	5	\$2,983
\$ 15,000 to \$ 20,000	131,931	1,215	\$109	38,166	15	\$2,605
\$ 20,000 to \$ 25,000	588,127	2,884	\$204	26,325	10	\$2,521
\$ 25,000 to \$ 35,000	1,400,096	7,843	\$179	105,765	32	\$3,271
\$ 35,000 to \$ 50,000	641,794	9,649	\$67	199,007	68	\$2,942
\$ 50,000 to \$ 75,000	341,152	6,952	\$49	489,104	157	\$3,122
\$ 75,000 to \$ 100,000	*	*	*	596,644	184	\$3,248
\$ 100,000 to \$ 250,000	205	4	\$49	1,987,597	571	\$3,483
\$ 250,000 and over	0	0	\$0	782,142	197	\$3,972
Total	\$3,111,026	28,648	\$109	\$4,327,451	1,262	\$3,428

B. Non-Refundable Credits

Adjusted Gross Income Classes	Non-Refundable Credits								
	Enterprise Zone Credits			Colorado Minimum Tax Credit			Child Care Center Credit		
	Amount	No. of Returns	Average Credit	Amount	No. of Returns	Average Credit	Amount	No. of Returns	Average Credit
Negative Income	\$99,123	31	\$3,158	\$9,318	14	\$686	0	0	\$0
\$ 0 to \$ 5,000	7,645	14	\$564	*	*	*	0	0	\$0
\$ 5,000 to \$ 10,000	3,507	12	\$305	*	*	*	*	*	*
\$ 10,000 to \$ 15,000	10,821	108	\$100	533	13	\$42	*	*	*
\$ 15,000 to \$ 20,000	25,268	123	\$205	1,147	10	\$110	1,237	10	\$118
\$ 20,000 to \$ 25,000	39,058	177	\$221	1,369	18	\$77	2,497	10	\$238
\$ 25,000 to \$ 35,000	130,294	508	\$256	5,673	45	\$127	6,277	27	\$231
\$ 35,000 to \$ 50,000	381,957	1,042	\$366	12,874	91	\$141	24,245	76	\$319
\$ 50,000 to \$ 75,000	1,003,909	2,248	\$447	39,642	225	\$176	67,723	164	\$413
\$ 75,000 to \$ 100,000	1,170,409	2,351	\$498	71,136	333	\$214	50,589	107	\$473
\$ 100,000 to \$ 250,000	4,263,179	6,996	\$609	531,757	2,475	\$215	78,112	164	\$477
\$ 250,000 and over	8,436,456	4,252	\$1,984	1,218,460	2,344	\$520	104,142	58	\$1,794
Total	\$15,571,627	17,861	\$872	\$1,892,634	5,572	\$340	\$335,072	620	\$541

Adjusted Gross Income Classes	Non-Refundable Credits								
	Child Care Contribution Credit			Long-Term Care Insurance			Gross Conservation Easement		
	Amount	No. of Returns	Average Credit	Amount	No. of Returns	Average Credit	Amount	No. of Returns	Average Credit
Negative Income	\$30,173	7	\$4,115	\$7,712	48	\$160	*	*	*
\$ 0 to \$ 5,000	*	*	*	6,843	46	\$148	0	0	\$0
\$ 5,000 to \$ 10,000	*	*	*	9,746	65	\$150	*	*	*
\$ 10,000 to \$ 15,000	259	7	\$35	22,356	180	\$124	0	0	\$0
\$ 15,000 to \$ 20,000	1,639	14	\$121	38,463	280	\$138	800	3	\$255
\$ 20,000 to \$ 25,000	897	8	\$107	41,262	319	\$129	*	*	*
\$ 25,000 to \$ 35,000	5,835	33	\$175	114,346	872	\$131	2,255	6	\$360
\$ 35,000 to \$ 50,000	17,996	92	\$196	350,148	2,466	\$142	22,483	24	\$940
\$ 50,000 to \$ 75,000	67,221	200	\$337	890,630	5,373	\$166	34,808	35	\$986
\$ 75,000 to \$ 100,000	92,486	232	\$399	983,574	4,189	\$235	83,547	50	\$1,677
\$ 100,000 to \$ 250,000	612,018	669	\$914	1,036,704	4,101	\$253	566,801	135	\$4,209
\$ 250,000 and over	2,613,886	368	\$7,101	1,093	4	\$262	12,736,026	383	\$33,242
Total	\$3,442,645	1,632	\$2,109	\$3,502,877	17,943	\$195	\$13,590,172	641	\$21,187

Adjusted Gross Income Classes	Non-Refundable Credits		
	Other Non-Refundable Credits**		
	Amount	No. of Returns	Average Credit
Negative Income	\$209,184	47	\$4,450
\$ 0 to \$ 5,000	104,654	22	\$4,778
\$ 5,000 to \$ 10,000	3,609	24	\$150
\$ 10,000 to \$ 15,000	45,496	783	\$58
\$ 15,000 to \$ 20,000	131,747	1,083	\$122
\$ 20,000 to \$ 25,000	200,386	1,179	\$170
\$ 25,000 to \$ 35,000	645,503	2,665	\$242
\$ 35,000 to \$ 50,000	1,646,418	4,685	\$351
\$ 50,000 to \$ 75,000	4,480,081	9,100	\$492
\$ 75,000 to \$ 100,000	5,767,696	8,946	\$645
\$ 100,000 to \$ 250,000	27,239,824	23,502	\$1,159
\$ 250,000 and over	110,957,567	12,986	\$8,544
Total	\$151,432,165	65,023	\$2,329

* Data is non-disclosable for taxpayer confidentiality and is included in the total.

**Other non-refundable credits include: plastic recycling investment credit, historic property preservation credit, employer child care facility investment credit, school-to-career investment credit, Colorado works program credit, contaminated land redevelopment credit, aircraft manufacturer new employee credit, job growth incentive tax credit, certified auction group license fee credit, and other carry forward credits from prior periods.

Statistics of Income Corporate Income Tax, Income Tax Year 2011

Table	Description	Page
1	Distribution of All Returns by Taxable Income Classes	<u>109</u>
2	Distribution of Intrastate Returns by Taxable Income Classes	<u>110</u>
3	Distribution of Interstate Returns by Taxable Income Classes	<u>111</u>
4	Number of Returns by Type of Credit.....	<u>112</u>
5	Type and Amount of Income Tax Credits Claimed.....	<u>113</u>
6	Number of Returns by Type of Deductions.....	<u>114</u>
7	Deductions by Taxable Income Classes	<u>115</u>

**Table 1. Distribution of All Returns by Taxable Income Classes
2011 Corporate Income Tax Returns**

A. Dollar Amounts in Thousands

Colorado Taxable Income classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Non Taxable Returns	34,449	(\$126,633,667)	(\$8,919,382)	\$0	\$0
Under \$10,000	5,837	\$6,546,496	\$16,289	\$752	\$734
\$10,000 to \$25,000	1,943	1,493,954	32,203	1,486	1,431
\$25,000 to \$50,000	1,621	5,054,598	58,838	2,712	2,552
\$50,000 to \$100,000	1,350	6,657,044	95,843	4,421	4,175
\$100,000 to \$200,000	936	15,743,344	133,243	6,169	5,903
\$200,000 to \$500,000	935	18,818,476	298,362	13,814	13,239
\$500,000 to \$1,000,000	519	27,345,630	370,961	17,175	16,632
\$1,000,000 and over	965	521,651,288	8,518,485	394,406	371,599
Subtotal	14,106	\$603,310,830	\$9,524,224	\$440,935	\$416,265
Total	48,555	\$476,677,163	\$604,842	\$440,935	\$416,265

B. Percentage Distribution by Taxable Returns

Colorado Taxable Income classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Under \$10,000	41.4	1.1	0.2	0.2	0.2
\$10,000 to \$25,000	13.8	0.2	0.3	0.3	0.3
\$25,000 to \$50,000	11.5	0.8	0.6	0.6	0.6
\$50,000 to \$100,000	9.6	1.1	1.0	1.0	1.0
\$100,000 to \$200,000	6.6	2.6	1.4	1.4	1.4
\$200,000 to \$500,000	6.6	3.1	3.1	3.1	3.2
\$500,000 to \$1,000,000	3.7	4.5	3.9	3.9	4.0
\$1,000,000 and over	6.8	86.5	89.4	89.4	89.3
Grand Total	100.0	100.0	100.0	100.0	100.0

**Table 2. Distribution of Intrastate Returns by Taxable Income Classes
2011 Corporate Income Tax Returns**

A. Dollar Amounts in Thousands

Colorado Taxable Income classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Non Taxable Returns	21,591	(\$2,310,580)	(\$1,800,778)	\$0	\$0
Under \$10,000	3,362	(\$449)	\$9,176	\$425	\$409
\$10,000 to \$25,000	1,129	5,125	18,775	869	822
\$25,000 to \$50,000	951	33,173	34,768	1,610	1,469
\$50,000 to \$100,000	730	47,475	50,966	2,360	2,147
\$100,000 to \$200,000	336	41,385	47,470	2,198	2,032
\$200,000 to \$500,000	225	36,201	69,265	3,207	2,924
\$500,000 to \$1,000,000	82	67,807	56,783	2,629	2,398
\$1,000,000 and over	89	187,945	268,659	12,439	11,773
Subtotal	6,904	\$418,662	\$555,862	\$25,737	\$23,974
Total	28,495	(\$1,891,918)	(\$1,244,916)	\$25,737	\$23,974

B. Percentage Distribution by Taxable Returns

Colorado Taxable Income classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Under \$10,000	48.7	(0.1)	1.7	1.7	1.7
\$10,000 to \$25,000	16.4	1.2	3.4	3.4	3.4
\$25,000 to \$50,000	13.8	7.9	6.3	6.3	6.1
\$50,000 to \$100,000	10.6	11.3	9.2	9.2	9.0
\$100,000 to \$200,000	4.9	9.9	8.5	8.5	8.5
\$200,000 to \$500,000	3.3	8.6	12.5	12.5	12.2
\$500,000 to \$1,000,000	1.2	16.2	10.2	10.2	10.0
\$1,000,000 and over	1.3	44.9	48.3	48.3	49.1
Grand Total	100.0	100.0	100.0	100.0	100.0

**Table 3. Distribution of Interstate Returns by Taxable Income Classes
2011 Corporate Income Tax Returns**

A. Dollar Amounts in Thousands

Colorado Taxable Income classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Non Taxable Returns	12,858	(\$13,680,401)	(\$15,141,626)	\$0	\$0
Under \$10,000	2,475	6,546,945	7,112	327	326
\$10,000 to \$25,000	814	1,488,829	13,428	617	609
\$25,000 to \$50,000	670	5,021,425	24,070	1,102	1,083
\$50,000 to \$100,000	620	6,609,569	44,876	2,062	2,028
\$100,000 to \$200,000	600	15,701,959	85,772	3,971	3,872
\$200,000 to \$500,000	710	18,782,274	229,097	10,607	10,315
\$500,000 to \$1,000,000	437	27,277,823	314,177	14,546	14,234
\$1,000,000 and over	876	521,463,343	8,249,826	381,967	359,825
Subtotal	7,202	\$602,892,167	\$8,968,358	\$415,199	\$392,292
Total	20,060	\$589,211,766	(\$6,173,268)	\$415,199	\$392,292

B. Percentage Distribution by Taxable Returns

Colorado Taxable Income classes	Number of Returns	Federal Taxable Income	Colorado Taxable Income	Colorado Gross Tax Liability	Colorado Net Tax Liability
Under \$10,000	34.4	1.1	0.1	0.1	0.1
\$10,000 to \$25,000	11.3	0.2	0.1	0.1	0.2
\$25,000 to \$50,000	9.3	0.8	0.3	0.3	0.3
\$50,000 to \$100,000	8.6	1.1	0.5	0.5	0.5
\$100,000 to \$200,000	8.3	2.6	1.0	1.0	1.0
\$200,000 to \$500,000	9.9	3.1	2.6	2.6	2.6
\$500,000 to \$1,000,000	6.1	4.5	3.5	3.5	3.6
\$1,000,000 and over	12.2	86.5	92.0	92.0	91.7
Grand Total	100.0	100.0	100.0	100.0	100.0

**Table 4. Number of Returns by Type of Credits
2011 Corporate Income Tax Returns**

A. Number of Returns

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other ¹	Other Credits ²	Total
Under \$10,000 ³	102	34	*	18	*	3	148
\$10,000 to \$25,000	66	47	*	15	*	4	108
\$25,000 to \$50,000	85	82	7	19	4	7	138
\$50,000 to \$100,000	96	88	5	19	5	8	143
\$100,000 to \$200,000	63	58	15	17	8	3	103
\$200,000 to \$500,000	81	56	9	16	7	5	102
\$500,000 to \$1,000,000	46	31	8	14	4	4	62
\$1,000,000 and over	143	121	41	43	42	14	209
Total	682	517	90	161	76	48	1013

B. Percentage Distribution by Income Class

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other ¹	Other Credits ²	Total
Under \$10,000 ³	15.0	6.6	*	11.2	*	6.3	14.6
\$10,000 to \$25,000	9.7	9.1	*	9.3	*	8.3	10.7
\$25,000 to \$50,000	12.5	15.9	7.8	11.8	5.3	14.6	13.6
\$50,000 to \$100,000	14.1	17.0	5.6	11.8	6.6	16.7	14.1
\$100,000 to \$200,000	9.2	11.2	16.7	10.6	10.5	6.3	10.2
\$200,000 to \$500,000	11.9	10.8	10.0	9.9	9.2	10.4	10.1
\$500,000 to \$1,000,000	6.7	6.0	8.9	8.7	5.3	8.3	6.1
\$1,000,000 and over	21.0	23.4	45.6	26.7	55.3	29.2	20.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Credits Within Income Classes

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other ¹	Other Credits ²
Under \$10,000 ³	68.9	23.0	*	12.2	*	2.0
\$10,000 to \$25,000	61.1	43.5	*	13.9	*	3.7
\$25,000 to \$50,000	61.6	59.4	5.1	13.8	2.9	5.1
\$50,000 to \$100,000	67.1	61.5	3.5	13.3	3.5	5.6
\$100,000 to \$200,000	61.2	56.3	14.6	16.5	7.8	2.9
\$200,000 to \$500,000	79.4	54.9	8.8	15.7	6.9	4.9
\$500,000 to \$1,000,000	74.2	50.0	12.9	22.6	6.5	6.5
\$1,000,000 and over	68.4	57.9	19.6	20.6	20.1	6.7
Total	67.3	51.0	8.9	15.9	7.5	4.7

¹ Enterprize Zone Other includes enterprise zone vacant commercial building rehabilitation credit, enterprise zone

² Other Credits includes credits for: old investment tax, crop and livestock contribution, historic property preservation, child care contribution, child care center - family care home investment, employer child care facility investment, school-to-career investment, Colorado works program, contaminated land redevelopment, low-income housing, aircraft manufacturer new employee, job growth incentive, gross conservation easement, alternative fuel refueling facility, and alternative fuel vehicle.

³ Under \$10,000 includes non taxable returns.

* Data is non-disclosable for taxpayer confidentiality and is included in the total.

**Table 5. Type and Amount of Income Tax Credits Claimed
2011 Corporate Income Tax Returns**

A. Dollar Amounts in Thousands

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other ¹	Other Credits ²	Total
Under \$10,000 ³	\$23	\$6	*	\$3	*	\$1	\$38
\$10,000 to \$25,000	25	22	*	5	*	2	56
\$25,000 to \$50,000	50	83	8	22	3	3	169
\$50,000 to \$100,000	58	161	7	11	6	7	250
\$100,000 to \$200,000	40	172	21	16	16	7	272
\$200,000 to \$500,000	62	322	42	59	22	21	528
\$500,000 to \$1,000,000	40	285	78	42	30	55	529
\$1,000,000 and over	140	11,405	1,312	164	5,885	1,016	19,922
Total	\$437	\$12,455	\$1,470	\$322	\$5,969	\$1,112	\$21,766

B. Percentage Distribution by Income Class

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other ¹	Other Credits ²	Total
Under \$10,000 ³	5.2	0.0	*	0.9	*	0.1	0.2
\$10,000 to \$25,000	5.6	0.2	*	1.4	*	0.2	0.3
\$25,000 to \$50,000	11.4	0.7	0.6	6.7	0.1	0.3	0.8
\$50,000 to \$100,000	13.3	1.3	0.5	3.4	0.1	0.7	1.1
\$100,000 to \$200,000	9.1	1.4	1.4	5.1	0.3	0.6	1.3
\$200,000 to \$500,000	14.3	2.6	2.8	18.4	0.4	1.9	2.4
\$500,000 to \$1,000,000	9.1	2.3	5.3	12.9	0.5	5.0	2.4
\$1,000,000 and over	32.0	91.6	89.2	51.0	98.6	91.3	91.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

C. Average Per Return

Colorado Taxable Income Classes	New Investment	Ent. Zone Investment	Ent. Zone Employee	Ent. Zone Contribution	Ent. Zone Other ¹	Other Credits ²	Total
Under \$10,000 ³	\$221	\$168	*	\$169	*	\$288	\$256
\$10,000 to \$25,000	373	478	*	300	*	493	522
\$25,000 to \$50,000	586	1,009	1,206	1,142	770	496	1,227
\$50,000 to \$100,000	607	1,827	1,398	585	1,164	916	1,750
\$100,000 to \$200,000	627	2,960	1,411	965	2,054	2,323	2,642
\$200,000 to \$500,000	768	5,748	4,645	3,710	3,165	4,166	5,179
\$500,000 to \$1,000,000	863	9,188	9,730	2,979	7,534	13,772	8,537
\$1,000,000 and over	978	94,254	32,002	3,825	140,124	72,566	95,322
Total	\$640	\$24,091	\$16,337	\$2,002	\$78,543	\$23,176	\$21,486

¹ Enterprise Zone Other includes enterprise zone vacant commercial building rehabilitation credit, enterprise zone research and experimental credit, enterprise zone job training credit, and rural technology enterprise zone credit.

² Other Credits includes credits for: old investment tax, crop and livestock contribution, historic property preservation, child care contribution, child care center - family care home investment, employer child care facility investment, school-to-career investment, Colorado works program, contaminated land redevelopment, low-income housing, aircraft manufacturer new employee, job growth incentive, gross conservation easement, alternative fuel refueling facility, and alternative fuel vehicle.

³ Under \$10,000 includes non taxable returns.

* Data is non-disclosable for taxpayer confidentiality and is included in the total.

**Table 6. Number of Returns by Type of Deductions
2011 Corporate Income Tax Returns**

A. Number of Returns

Colorado Taxable Income Classes	Federal Interest	Forign Source Income	CO. Source Capital Gain	Net. Oper. Loss	Other Subtractions	Total
Under \$10,000 ¹	471	392	10	7,592	1,232	9,086
\$10,000 to \$25,000	*	25	*	369	103	483
\$25,000 to \$50,000	29	23	0	255	106	374
\$50,000 to \$100,000	28	37	0	212	101	333
\$100,000 to \$200,000	41	52	3	192	98	311
\$200,000 to \$500,000	49	92	3	213	149	371
\$500,000 to \$1,000,000	*	73	*	150	125	262
\$1,000,000 and over	153	255	6	280	353	632
Total	851	949	24	9,263	2,267	11,852

B. Percentage Distribution by Income Class

Colorado Taxable Income Classes	Federal Interest	Forign Source Income	CO. Source Capital Gain	Net. Oper. Loss	Other Subtractions	Total
Under \$10,000 ¹	55.3	41.3	41.7	82.0	54.3	76.7
\$10,000 to \$25,000	*	2.6	*	4.0	4.5	4.1
\$25,000 to \$50,000	3.4	2.4	0.0	2.8	4.7	3.2
\$50,000 to \$100,000	3.3	3.9	0.0	2.3	4.5	2.8
\$100,000 to \$200,000	4.8	5.5	12.5	2.1	4.3	2.6
\$200,000 to \$500,000	5.8	9.7	12.5	2.3	6.6	3.1
\$500,000 to \$1,000,000	*	7.7	*	1.6	5.5	2.2
\$1,000,000 and over	18.0	26.9	25.0	3.0	15.6	5.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Percentage Distribution of Credits Within Income Classes

Colorado Taxable Income Classes	Federal Interest	Forign Source Income	CO. Source Capital Gain	Net. Oper. Loss	Other Subtractions
Under \$10,000 ¹	5.2	4.3	0.1	83.6	13.6
\$10,000 to \$25,000	*	5.2	*	76.4	21.3
\$25,000 to \$50,000	7.8	6.1	0.0	68.2	28.3
\$50,000 to \$100,000	8.4	11.1	0.0	63.7	30.3
\$100,000 to \$200,000	13.2	16.7	1.0	61.7	31.5
\$200,000 to \$500,000	13.2	24.8	0.8	57.4	40.2
\$500,000 to \$1,000,000	*	27.9	*	57.3	47.7
\$1,000,000 and over	24.2	40.3	0.9	44.3	55.9
Total	7.2	8.0	0.2	78.2	19.1

¹ Under \$10,000 includes non taxable returns.

* Data is non-disclosable for taxpayer confidentiality and is included in the total.

**Table 7. Deductions by Taxable Income Classes
2011 Corporate Income Tax Returns**

A. Dollar Amounts in Thousands

Colorado Taxable Income Classes	Federal Interest	Foreign Source Income	CO. Source Capital Gain	Net. Oper. Loss	Other Subtractions	Total
Under \$10,000 ¹	\$3,235,603	\$23,725,038	\$263	\$246,922	\$19,455,958	\$46,663,784
\$10,000 to \$25,000	*	292,868	*	14,862	79,516	388,370
\$25,000 to \$50,000	8,825	166,583	0	15,062	66,353	256,824
\$50,000 to \$100,000	19,881	617,288	0	18,472	177,234	832,874
\$100,000 to \$200,000	58,398	3,286,778	249	29,443	343,277	3,718,145
\$200,000 to \$500,000	92,000	1,989,875	93	38,615	828,797	2,949,381
\$500,000 to \$1,000,000	*	5,293,417	*	28,942	1,013,627	7,187,751
\$1,000,000 and over	6,591,711	57,889,498	579	62,077	35,056,502	99,600,368
Total	\$10,859,109	\$93,261,345	\$1,384	\$454,396	\$57,021,264	\$161,597,498

B. Percentage Distribution by Income Class

Colorado Taxable Income Classes	Federal Interest	Foreign Source Income	CO. Source Capital Gain	Net. Oper. Loss	Other Subtractions	Total
Under \$10,000 ¹	29.8	25.4	19.0	54.3	34.1	28.9
\$10,000 to \$25,000	*	0.3	*	3.3	0.1	0.2
\$25,000 to \$50,000	0.1	0.2	0.0	3.3	0.1	0.2
\$50,000 to \$100,000	0.2	0.7	0.0	4.1	0.3	0.5
\$100,000 to \$200,000	0.5	3.5	18.0	6.5	0.6	2.3
\$200,000 to \$500,000	0.8	2.1	6.7	8.5	1.5	1.8
\$500,000 to \$1,000,000	*	5.7	*	6.4	1.8	4.4
\$1,000,000 and over	60.7	62.1	41.8	13.7	61.5	61.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

C. Average Per Return

Colorado Taxable Income Classes	Federal Interest	Foreign Source Income	CO. Source Capital Gain	Net. Oper. Loss	Other Subtractions	Total
Under \$10,000 ¹	\$6,869,645	\$60,523,056	\$26,275	\$32,524	\$15,792,174	\$5,135,790
\$10,000 to \$25,000	*	11,714,714	*	40,275	771,996	804,079
\$25,000 to \$50,000	304,307	7,242,758	0	59,067	625,975	686,695
\$50,000 to \$100,000	710,048	16,683,446	0	87,131	1,754,787	2,501,124
\$100,000 to \$200,000	1,424,349	63,207,264	83,069	153,351	3,502,825	11,955,452
\$200,000 to \$500,000	1,877,558	21,629,075	31,092	181,293	5,562,399	7,949,815
\$500,000 to \$1,000,000	*	72,512,565	*	192,947	8,109,018	27,434,166
\$1,000,000 and over	43,083,081	227,017,639	96,472	221,704	99,310,205	157,595,519
Total	\$12,760,410	\$98,273,282	\$57,669	\$49,055	\$25,152,741	\$13,634,618

¹ Under \$10,000 includes non taxable returns.

* Data is non-disclosable for taxpayer confidentiality and is included in the total.

The amount of deductions shown in this table may include deduction amounts greater than the taxpayer's positive taxable income.