

Proposition 101
Motor Vehicle, Income, and Telecommunications Taxes and Fees

1 **Ballot Title:** An amendment to the Colorado Revised Statutes concerning limits on
2 government charges, and, in connection therewith, reducing vehicle ownership taxes
3 over four years to nominal amounts; ending taxes on vehicle rentals and leases; phasing
4 in over four years a \$10,000 vehicle sale price tax exemption; setting total yearly
5 registration, license, and title charges at \$10 per vehicle; repealing other specific vehicle
6 charges; lowering the state income tax rate to 4.5% and phasing in a further reduction
7 in the rate to 3.5%; ending state and local taxes and charges, except 911 charges, on
8 telecommunication service customer accounts; and stating that, with certain specified
9 exceptions, any added charges on vehicles and telecommunication service customer
10 accounts shall be tax increases.

11 **Text of Proposal:**

12 *Be it Enacted by the People of the State of Colorado:*

13 Title 39, article 25 of the Colorado Revised Statutes

14 **Reducing government charges**

15 **(1) Enforcement.** This voter-approved revenue change shall be strictly enforced to
16 reduce government revenue. It is self-executing, severable, and a matter of statewide
17 concern that overrides conflicting statutes and local laws. Prevailing plaintiffs only shall
18 have their legal fees and court costs repaid. The state shall audit yearly compliance with
19 this reform to reduce unfair, complex charges on common basic needs.

20 **(2) Vehicle.** Starting January 1, 2011: (a) All annual specific ownership taxes shall
21 decrease in four equal yearly steps to: New vehicles, \$2; and other vehicles, \$1. All state
22 and local taxes shall cease on vehicle rentals and leases, and on \$10,000, reached in four
23 equal yearly steps, of sale prices per vehicle. Sale rebates are not taxable.

24 (b) All registration, license, and title charges combined shall total \$10 yearly per vehicle.
25 Except those charges, and tax, fine, toll, parking, seizure, inspection, and new plate
26 charges, all state and local government charges on vehicles and vehicle uses shall cease.
27 Except the last six specific charges, added charges shall be tax increases.

28 **(3) Income.** The 2011 income tax rate shall be 4.5%. Later rates shall decrease 0.1%
29 yearly, until reaching 3.5%, in each of the first ten years that yearly income tax revenue
30 net growth exceeds 6%.

1 **(4) Telecommunication.** Starting January 1, 2011, except 911 fees at 2009 rates, no
2 charge by, or aiding programs of, the state or local governments shall apply to telephone,
3 pager, cable, television, radio, Internet, computer, satellite, or other telecommunication
4 service customer accounts. Added charges shall be tax increases.