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ELECTIONS / LICENSING
SECRETARY OF STATE

Final #88

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Be it Enacted by the People of the State of Colorado

THE CONSTITUTION OF THE STATE OF COLORADO IS AMENDED BY THE ADDITION OF A NEW ARTICLE TO READ:

SECTION 1. HOME ENERGY ADJUSTMENT TAX-REFUND (H.E.A.T.).

(1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES, "EXCESS TAXPAYER SURPLUS" MEANS ALL REVENUES RETAINED BY THE STATE OF COLORADO PURSUANT TO VOTER APPROVAL OF REFERENDUM C, WHICH WAS APPROVED BY VOTERS IN NOVEMBER 2005, IN EXCESS OF THE AMOUNTS THAT WERE ESTIMATED AS BEING RETAINED UNDER REFERENDUM C IN THE 2005 STATE BALLOT INFORMATION BOOKLET APPROVED BY THE LEGISLATIVE COUNCIL OF THE GENERAL ASSEMBLY FOR THE NOVEMBER 2005 STATEWIDE ELECTION FOR FISCAL YEARS 2005-06 THROUGH 2009-10, WHICH ARE THOSE DOLLARS IN EXCESS OF:

(A) FIVE HUNDRED SEVENTY-SEVEN MILLION DOLLARS FOR FISCAL YEAR 2005-06;

(B) SIX HUNDRED FORTY-SIX MILLION DOLLARS FOR FISCAL YEAR 2006-07;

(C) SEVEN HUNDRED THREE MILLION DOLLARS FOR FISCAL YEAR 2007-08;

(D) EIGHT HUNDRED TWENTY-TWO MILLION DOLLARS FOR FISCAL YEAR 2008-09;

(E) NINE HUNDRED NINETY-FIVE MILLION DOLLARS FOR FISCAL YEAR 2009-10; AND

(2) FOR THE PURPOSE OF DEFINING THE AMOUNT OF THE EXCESS TAXPAYER SURPLUS FOR SUBSEQUENT FISCAL YEARS PAST FISCAL YEAR 2009-10, IT IS NO MORE THAN NINE HUNDRED NINETY-FIVE MILLION DOLLARS, AS ADJUSTED ANNUALLY FOR CHANGES IN INFLATION AND POPULATION AS DEFINED IN SECTION 20 OF ARTICLE X OF THE COLORADO STATE CONSTITUTION.

(3) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (5) OF THIS SECTION, EXCESS TAXPAYER SURPLUS SHALL BE REFUNDED TO COLORADO TAXPAYERS ANNUALLY TO OFFSET HIGH HOME ENERGY COSTS.

(4) EACH YEAR THE TOTAL EXCESS TAXPAYER SURPLUS AMOUNT SHALL BE DIVIDED BY THE TOTAL NUMBER OF EXEMPTIONS CLAIMED ON ALL FULL-YEAR RESIDENTS' COLORADO INDIVIDUAL TAX RETURNS FILED IN THAT SAME YEAR AS REPRESENTED ON FEDERAL INCOME TAX RETURNS. THE EXCESS TAXPAYER SURPLUS AMOUNT SHALL BE SUMMED FOR EACH

HOUSEHOLD BASED ON THE NUMBER OF EXEMPTIONS PER HOUSEHOLD AND SHALL BE DISTRIBUTED TO EACH HEAD OF HOUSEHOLD VIA CHECK MAILED TO THE HEAD OF HOUSEHOLD DURING THE FIRST TWO WEEKS OF THAT OCTOBER. EACH CHECK SHALL CLEARLY STATE "THIS IS YOUR HOUSEHOLD'S HOME ENERGY ADJUSTMENT TAX-REFUND (H.E.A.T.) BASED UPON LAST YEAR'S COLORADO EXCESS TAX REVENUE."

(5) WHEN THE SINGLE EXEMPTION REFUND AMOUNT CALCULATES TO BE LESS THAN FIVE DOLLARS, REFUNDS SHALL NOT BE DISTRIBUTED DURING THAT YEAR, AND INSTEAD SHALL BE HELD AND ACCRUED UNTIL THE SINGLE EXEMPTION REFUND AMOUNT GROWS TO OVER FIVE DOLLARS.

(6) EXCESS TAXPAYER SURPLUS TAXES SHALL BE HELD IN A SEPARATE FUND NAMED THE "EXCESS TAXPAYER SURPLUS FUND". EXCESS TAXPAYER SURPLUSES ARE TO BE DEPOSITED IN THE FUND PRIOR TO JUNE 30 OF EACH YEAR. ALL INTEREST, DIVIDENDS AND RETURNS GENERATED BY THE FUND SHALL ACCRUE TO THE FUND TO BE REFUNDED.

(7) THIS ARTICLE SHALL TAKE EFFECT DECEMBER 31, 2006. EXCESS REVENUES ACCUMULATED DURING A FISCAL YEAR, STARTING IN FY 2005-06, SHALL BE REFUNDED TO COLORADO TAXPAYERS IN THE SUBSEQUENT OCTOBER.

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