

RECEIVED

Amended #1

Ballot Proposal #14 with Highlighted Changes

APR 20 2007

1:10pm

Be it Enacted by the People of the State of Colorado: ELECTIONS/LICENSING SECRETARY OF STATE

Article X of the Constitution of the State of Colorado is hereby amended BY THE ADDITION OF A NEW SECTION to read:

SECTION 22. SEVERANCE TAX ON OIL AND GAS. (1) THE PEOPLE OF THE STATE OF COLORADO HEREBY FIND THAT NONRENEWABLE NATURAL RESOURCES OF OIL AND GAS ARE A PART OF COLORADO'S TREASURE AND LEGACY AND, WHEN REMOVED FROM THE EARTH, THE VALUE OF SUCH RESOURCES TO THE STATE OF COLORADO IS IRRETRIEVABLY LOST; AND THAT IT IS APPROPRIATE AND FITTING THAT THE STATE ASSESS A TAX UPON INCOME DERIVED FROM THE EXTRACTION AND SALE OF SUCH NONRENEWABLE RESOURCES, AND DEDICATE THE REVENUES COLLECTED FOR THE BENEFIT AND WELFARE OF THE PEOPLE OF COLORADO.

Deleted: ¶

(2) IN ADDITION TO ANY OTHER TAX, THERE SHALL BE LEVIED, COLLECTED, AND PAID FOR ALL OR ANY PART OF EACH TAXABLE YEAR COMMENCING ON OR AFTER JANUARY 1, 2008, A TAX UPON THE GROSS INCOME ATTRIBUTABLE TO THE SALE OF OIL AND GAS SEVERED FROM THE EARTH IN THIS STATE. THE TAX FOR OIL AND GAS SHALL BE AT THE FOLLOWING RATES OF THE GROSS INCOME:

Deleted: , ELIMINATE THE AD VALOREM CREDIT AFFORDED PRODUCERS OF OIL AND GAS

Deleted: A PORTION OF

Deleted: AS A RESULT FOR THE PURPOSE OF CREATING LONG-TERM SUSTAINABLE ASSETS FOR

(A) UNDER THREE HUNDRED THOUSAND DOLLARS SHALL BE EXEMPT; AND (B) THREE HUNDRED THOUSAND DOLLARS AND OVER SHALL BE FIVE PERCENT OF THE ENTIRE GROSS INCOME OR AT SUCH GREATER RATE AS MAY BE DETERMINED BY THE GENERAL ASSEMBLY SUBJECT TO SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION.

Deleted: \$0 AND UNDER \$300,000 SHALL BE ZERO PERCENT (0%)

Deleted: \$300,000 AND OVER SHALL BE NO LESS THAN FIVE PERCENT

(3) THERE SHALL NOT BE ALLOWED AS A CREDIT AGAINST THE TAX CREATED BY THIS SECTION ANY AMOUNT BASED ON AD VALOREM TAXES ASSESSED ON THE VALUE OF REAL OR PERSONAL PROPERTY.

(4) ALL REVENUES RECEIVED BY OPERATION OF THIS SECTION SHALL BE EXCLUDED FROM FISCAL YEAR SPENDING, AS THAT TERM IS DEFINED IN SECTION 20 OF ARTICLE X OF THIS CONSTITUTION, AND FROM THE SPENDING LIMITS CONTAINED WITHIN SECTION 20 OF ARTICLE X, OR WITHIN ANY OTHER LAW, UPON STATE GOVERNMENT AND ALL LOCAL GOVERNMENTS RECEIVING SUCH REVENUES.

(5) THE REVENUES, INTEREST INCOME, AND INTEREST GENERATED BY OPERATION OF THIS SECTION SHALL BE APPROPRIATED ANNUALLY IN THE FOLLOWING PROPORTIONS:

Deleted: 22

(a) TWENTY-THREE PERCENT OF SUCH REVENUES SHALL BE APPROPRIATED TO THE CAPITAL CONSTRUCTION EXPENDITURES RESERVE ESTABLISHED IN SECTION 22-54-117 (1.5), COLORADO REVISED STATUTES, OR ANY SUCCESSOR RESERVE, FOR THE PURPOSES SET FORTH THEREIN.

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Deleted: ARTICLE 54 OF TITLE 22 OF THE

(b) FIFTEEN PERCENT OF SUCH REVENUES SHALL BE APPROPRIATED TO THE STATE EDUCATION FUND CREATED PURSUANT TO SECTION 17 OF ARTICLE IX OF THE COLORADO CONSTITUTION.

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(c) FIFTEEN PERCENT OF SUCH REVENUES SHALL BE APPROPRIATED TO THE CAPITAL CONSTRUCTION FUND CREATED PURSUANT TO ~~SECTION 24-75-302, COLORADO REVISED STATUTES, OR ANY SUCCESSOR FUND, FOR THE PURPOSES SET FORTH THEREIN.~~

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(d) TWENTY-THREE PERCENT OF SUCH REVENUES SHALL BE APPROPRIATED AND ~~DIRECTLY DISTRIBUTED TO COUNTIES AND MUNICIPALITIES SOCIALLY OR ECONOMICALLY IMPACTED BY THE DEVELOPMENT, PROCESSING, TRANSPORTATION, OR ENERGY CONVERSION OF THE NONRENEWABLE NATURAL RESOURCES OF OIL AND GAS.~~

Deleted: ARTICLE 75 OF TITLE 24 OF THE

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(e) TWENTY-FOUR PERCENT OF SUCH REVENUES SHALL BE APPROPRIATED AND DISTRIBUTED AS MAY BE DETERMINED BY THE GENERAL ASSEMBLY.

(6) ~~SECTION 39-29-105, COLORADO REVISED STATUTES IS HEREBY REPEALED.~~

Deleted: 105 OF ARTICLE 29 OF TITLE OF 39 OF THE

(7) THE GENERAL ASSEMBLY IS DIRECTED TO MAKE SUCH CONFORMING AMENDMENTS AND ADDITIONAL ENACTMENTS TO THE COLORADO REVISED STATUTES AS MAY BE NECESSARY AND APPROPRIATE TO REALIZE THE PURPOSES OF THIS SECTION. ~~TO THE EXTENT CONSISTENT WITH THE PURPOSES HEREOF, ALL PROVISIONS OF ARTICLE 29 OF TITLE 39 OF THE COLORADO REVISED STATUTES NOT SPECIFICALLY REPEALED HEREIN SHALL REMAIN EFFECTIVE UNLESS AND UNTIL REPEALED OR MODIFIED BY THE GENERAL ASSEMBLY.~~

(8) THIS SECTION IS EFFECTIVE JANUARY 1, 2008.