



## COLORADO FISCAL POLICY INSTITUTE

Justice and Economic Security for all Coloradans

### WHAT'S NOT IN YOUR WALLET? THE EARNED INCOME TAX CREDIT IN COLORADO

#### The Numbers By Colorado State House District

Colorado's earned income tax credit (EITC) is a contingent credit, available only in years when the state collects money that exceeds the TABOR revenue limit. While the state credit is 10 percent of the federal EITC and refundable, its financing mechanism is a fatal design flaw that means when the state experiences a budget crunch and revenues decline, struggling families lose an important tax break right when they need it the most.

Equally important, Colorado communities lose a critical economic stimulus as families have less income to spend on basic needs. It is estimated that every \$1 of EITC refunds generates \$5 in local economic activity. So, for every year that Colorado's EITC is suspended, Colorado loses more than \$200 million in economic activity.

The state EITC has not been available since 2001. The passage of Referendum C, which allows the state to retain all revenues that would have been refunded during a five year timeout period ending 2010-11, eliminated the state EITC. Recent revenue projections show that unless the state EITC is made permanent, and no longer subject to excess TABOR revenue, it will not be available until at least 2013.

District	Representative	Total Tax Returns	Total EITC Returns	Percent of EITC	Federal EITC amt (\$)	State EITC amt (\$) 10%	Lost Economic Impact of NO State EITC (\$)
District 1	Labuda (D)	28,891	4,478	16%	\$7,851,945	\$785,195	\$3,925,973
District 2	Cerbo (D)	23,614	4,979	21%	\$8,799,154	\$879,915	\$4,399,577
District 3	McGihon (D)	30,904	2,936	10%	\$3,943,248	\$394,325	\$1,971,624
District 4	Frangas (D)	24,045	4,950	21%	\$8,793,552	\$879,355	\$4,396,776
District 5	Judd (D)	29,325	4,731	16%	\$7,279,726	\$727,973	\$3,639,863
District 6	Romanoff (D)	34,471	3,426	10%	\$4,337,305	\$433,731	\$2,168,653
District 7	Carroll, T. (D)	33,489	6,194	18%	\$11,680,438	\$1,168,044	\$5,840,219
District 8	Marshall (D)	29,778	4,878	16%	\$7,714,707	\$771,471	\$3,857,353
District 9	Borodkin (D)	33,782	3,629	11%	\$5,366,243	\$536,624	\$2,683,122
District 10	Madden (D)	31,621	2,389	8%	\$2,458,197	\$245,820	\$1,229,099
District 11	Pommer (D)	33,265	3,489	10%	\$5,383,020	\$538,302	\$2,691,510
District 12	Wiessmann (D)	32,869	3,420	10%	\$5,315,554	\$531,555	\$2,657,777
District 13	Levy (D)	31,959	2,528	8%	\$2,823,172	\$282,317	\$1,411,586
District 14	Lambert (R)	33,134	2,783	8%	\$4,506,590	\$450,659	\$2,253,295
District 15	Cadman (R)	37,123	5,122	14%	\$8,858,714	\$885,871	\$4,429,357
District 16	Liston (R)	29,348	4,373	15%	\$7,191,840	\$719,184	\$3,595,920
District 17	Hicks (R)	25,586	6,551	26%	\$12,648,319	\$1,264,832	\$6,324,160
District 18	Merrifield (D)	29,880	4,940	17%	\$7,872,320	\$787,232	\$3,936,160
District 19	Looper (R)	30,749	5,142	17%	\$9,134,003	\$913,400	\$4,567,001

District 20	Stephens (R)	33,998	1,939	6%	\$2,956,075	\$295,607	\$1,478,037
District 21	Gardner, B (R)	29,108	3,758	13%	\$6,211,930	\$621,193	\$3,105,965
District 22	Summers (R)	30,202	2,381	8%	\$3,621,092	\$362,109	\$1,810,546
District 23	Green (D)	29,413	2,950	10%	\$4,465,756	\$446,576	\$2,232,878
District 24	Jahn (D)	29,052	4,143	14%	\$6,605,594	\$660,559	\$3,302,797
District 25	Witwer (R)	32,633	1,792	5%	\$2,389,935	\$238,994	\$1,194,968
District 26	Kerr, A (D)	31,992	3,470	11%	\$5,442,604	\$544,260	\$2,721,302
District 27	Gagliardi (D)	30,865	2,849	9%	\$4,515,813	\$451,581	\$2,257,906
District 28	Kerr, J (R)	31,198	1,806	6%	\$2,675,469	\$267,547	\$1,337,734
District 29	Bennefield (D)	32,105	2,726	8%	\$4,141,408	\$414,141	\$2,070,704
District 30	Hodge (D)	28,242	5,538	20%	\$10,359,235	\$1,035,923	\$5,179,617
District 31	Solano (D)	38,241	3,821	10%	\$6,158,514	\$615,851	\$3,079,257
District 32	Cass (D)	31,008	6,185	20%	\$11,355,254	\$1,135,525	\$5,677,627
District 33	Primavera (D)	35,298	2,722	8%	\$3,998,852	\$399,885	\$1,999,426
District 34	Soper (D)	28,106	4,746	17%	\$8,191,901	\$819,190	\$4,095,951
District 35	Peniston (D)	27,781	4,242	15%	\$7,425,203	\$742,520	\$3,712,601
District 36	Carroll, M. (D)	31,416	4,737	15%	\$8,324,271	\$832,427	\$4,162,136
District 37	Swalm (R)	35,113	1,904	5%	\$2,730,118	\$273,012	\$1,365,059
District 38	Rice (D)	33,053	2,702	8%	\$4,064,373	\$406,437	\$2,032,187
District 39	Balmer (R)	38,699	2,746	7%	\$4,446,804	\$444,680	\$2,223,402
District 40	Stafford (R)	34,320	3,355	10%	\$5,616,728	\$561,673	\$2,808,364
District 41	Todd (D)	31,887	4,271	13%	\$6,998,240	\$699,824	\$3,499,120
District 42	Garcia (D)	25,120	5,574	22%	\$10,350,929	\$1,035,093	\$5,175,465
District 43	McNulty (R)	34,453	1,375	4%	\$1,956,145	\$195,614	\$978,072
District 44	May, M (R)	38,931	1,897	5%	\$2,849,953	\$284,995	\$1,424,977
District 45	Mitchell, V (R)	40,974	2,849	7%	\$4,370,358	\$437,036	\$2,185,179
District 46	Butcher (D)	27,133	6,610	24%	\$11,872,372	\$1,187,237	\$5,936,186
District 47	McFadyen (D)	26,780	4,546	17%	\$8,033,582	\$803,358	\$4,016,791
District 48	Vaad (R)	35,827	4,505	13%	\$7,779,838	\$777,984	\$3,889,919
District 49	Lundberg (R)	34,305	3,411	10%	\$5,040,334	\$504,033	\$2,520,167
District 50	Riesberg (D)	28,799	6,288	22%	\$11,871,981	\$1,187,198	\$5,935,990
District 51	Marostica (R)	34,239	3,830	11%	\$6,080,634	\$608,063	\$3,040,317
District 52	Kefalas (D)	34,680	3,377	10%	\$4,676,122	\$467,612	\$2,338,061
District 53	Fischer (D)	26,984	2,833	10%	\$3,823,626	\$382,363	\$1,911,813
District 54	King (R)	33,531	5,126	15%	\$8,444,187	\$844,419	\$4,222,094
District 55	Buescher (D)	30,748	5,235	17%	\$8,821,163	\$882,116	\$4,410,582
District 56	Gibbs (D)	34,248	3,070	9%	\$4,018,039	\$401,804	\$2,009,019
District 57	White (R)	32,711	3,770	12%	\$5,596,563	\$559,656	\$2,798,282
District 58	Rose (R)	30,970	5,040	16%	\$8,289,839	\$828,984	\$4,144,919
District 59	Roberts (R)	33,368	4,787	14%	\$7,414,155	\$741,416	\$3,707,078
District 60	Massey (R)	28,916	4,349	15%	\$6,967,537	\$696,754	\$3,483,768
District 61	Curry (D)	33,179	3,153	10%	\$4,115,403	\$411,540	\$2,057,702
District 62	Gallegos (D)	25,438	6,868	27%	\$12,574,987	\$1,257,499	\$6,287,493
District 63	Garnder, C (R)	25,796	4,749	18%	\$8,460,840	\$846,084	\$4,230,420
District 64	McKinley (D)	24,660	5,812	24%	\$10,510,308	\$1,051,031	\$5,255,154
District 65	Sonnenberg (R)	29,364	4,770	16%	\$8,380,864	\$838,086	\$4,190,432
					State		
					Totals:	\$42,695,298	\$213,476,489

Source: The Brookings Institution, Metropolitan Policy Program, February 2007  
Data from tax year 2004

Lost economic impact is 10 percent federal EITC multiplied by 5.

