

**VOTE ON ELECTION DAY -
NOVEMBER 1, 2011**

**Proposition 103
Raising Taxes for Public Education**

An initiated amendment to article 77 of title 24 of the Colorado Revised Statutes adding a new section which would raise the state sales tax and state income tax for a period of five years for the purpose of funding public education.

Major Provisions:

- Increases the state income tax to 5% for a period of five years beginning on January 1, 2012.
- Increases the state sales tax to 3% for a period of five years beginning on January 1, 2012.
- Provides that all new revenue shall be applied to the costs of public education for preschool through 12th grade and also for public higher education.

Background:

The state income tax is 4.63%. It was reduced to that figure from 5% in 2000. The state income tax is the primary source of state revenue. All households and corporations pay state income tax.

The state sales tax is 2.9%. It was reduced from 3% in 2000. The sales tax is applied to most items purchased in Colorado. Some items are exempt such as food from grocery stores, prescription drugs, electricity and heat. Many local governments also have local sales taxes on items. Items exempt from local sales tax may differ from items exempted by the state. Local tax rates are not affected by this proposal.

Those in favor say:

1. Investing in public education will lead to a stronger and quicker economic recovery. For Colorado to thrive, we need a well-educated workforce and good public schools that can attract quality businesses and good-paying jobs. Businesses value a robust public education system that provides an educated workforce, and employees want to live in communities with good schools for their children.
2. Our schools have experienced irresponsible and short-sighted cuts for three years, raising class sizes and reducing the educational opportunities for students. Our schools are now being asked to do more with less. Districts have been forced to close schools and lay off teachers, hurting education services and the local economy. Even before the recent budget cuts, Colorado ranked at the bottom of education funding, spending \$1,781 less than the national average on k-12 students. The funding cuts to higher education have forced tuition to increase rapidly. Average tuition has increased 43 % over five years, making college less accessible for lower and middle-class families.
3. Now is the time to stop the drastic cuts and start reinvesting in our local schools and colleges to make Colorado competitive. Proposition 103 is a modest proposal which provides much needed relief from further education funding cuts, allowing policy makers, including voters, time to implement a long-term solution. By temporarily restoring the tax rates we had throughout the economic times of the 1990s and directing the revenue to education, Proposition 103 will provide the resources to begin reinvesting in our children's future.

Those opposed say:

1. In this poor economy, the last thing families and small businesses can handle is yet another tax and fee burden. Proposition 103 presents an 8% increase in income taxes for individuals and corporations and a 3.4% increase in sales taxes over current levels –approximately a 7% increase in the government budget at a time when the economy is growing at less than 1%. The increased fees would also apply to monthly telephone and energy bills. Raising sales taxes burdens lower-income consumers the most because they spend a higher percentage of their overall budget on everyday necessities that are subject to sales tax. Finally, Proposition 103 is a job killer with an estimated 30,500 jobs lost over the next six years. Higher taxes on businesses mean less money to hire new employees, or to pay higher wages and benefits.
2. The petition was sold deceptively as a “rollback” to 1999 levels, but taxes were higher then. This theme of deception also tells taxpayers the money will go to education, but the increased taxes actually are deposited in the General Fund, which legislators may direct as they see fit. Finally, this scheme is sold as a “temporary” tax. Who believes that?
3. Until we really reform our educational system to meet the needs of the 21st century, it's foolish to continue to throw the scarce resource of hard-earned money into a failing system. More money for schools has not improved student performance. We're just paying more for teacher pensions and administration.

AMENDMENT TO THE REVISED STATUTES

This proposal appearing on the statewide ballot is an initiated statutory proposal. Citizens have gathered the required number of signatures (five percent of the total number of votes cast for Secretary of State in the previous general election). Although approved by voters, amendments to the Colorado Revised Statutes may subsequently be changed by the legislature. These proposals are called **propositions** and are changes to the statutes.

VOTING REQUIREMENTS

Identification is required for voting at all polling places. One of the following forms is required:

- Valid Colorado driver's license;
- Valid Colorado identification card;
- Valid U.S. passport;
- Valid U.S. military card;
- Copy of current utility bill or paycheck or government check showing name and current address;
- FAA photo pilot's license;
- Certified naturalization document;
- Valid Medicare or Medicaid card;
- Certified copy of birth certificate; or
- Valid student ID card with photo.

If you have difficulty voting at your polling place, see an election judge about obtaining a provisional ballot.

October 3 – Deadline to register to vote in 2011.

THE LEAGUE OF WOMEN VOTERS OF COLORADO EDUCATION FUND has prepared this pamphlet as a public service to promote civic responsibility by providing nonpartisan information about the issue that citizens will be asked to vote on at the **November 1, 2011 election**.

THE LEAGUE OF WOMEN VOTERS OF COLORADO EDUCATION FUND promotes informed participation in government by providing non-partisan educational information on topics of public concern and on the processes of government.

Contact the League's **VOTER HOTLINE** at **303-863-VOTE (8683)** for:
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***THE LEAGUE OF WOMEN VOTERS OF COLORADO EDUCATION FUND** is not responsible for the accuracy or fairness of the arguments of either side. The pro and con statements are a compilation of the material submitted by proponents and opponents of each ballot issue.*

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BALLOT ISSUES 2011



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