Colorado

Current policy: Once revenue targets are met (possibly as early as 2015), a fully refundable state EITC worth 10% of the federal EITC will be phased-in over 3 years.

<table>
<thead>
<tr>
<th>Income Group</th>
<th>Low 20%</th>
<th>2nd 20%</th>
<th>Mid 20%</th>
<th>4th 20%</th>
<th>Next 15%</th>
<th>Next 4%</th>
<th>Top 1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Range</td>
<td>Less than $21,000</td>
<td>$21,000 – $39,000</td>
<td>$39,000 – $59,000</td>
<td>$59,000 – $97,000</td>
<td>$97,000 – $186,000</td>
<td>$186,000 – $480,000</td>
<td>Or More</td>
</tr>
<tr>
<td>Average Income in Group</td>
<td>$11,500</td>
<td>$28,900</td>
<td>$48,400</td>
<td>$74,900</td>
<td>$128,600</td>
<td>$272,000</td>
<td>$1,345,400</td>
</tr>
</tbody>
</table>

Current Distribution of Colorado’s State & Local Taxes*

1) First Fix: Fund Refundable 10% Credit

2) Increase Credit to 16% Refundable

3) Increase Credit to 20% Refundable

4) Increase Credit to 30% Refundable

5) Increase Credit to 40% Refundable

6) Increase Credit to 50% Refundable

*The baseline distribution of taxes used in this report has not been modified from the published Who Pays? results to reflect EITC and Child Tax Credit that Colorado lawmakers enacted in 2013. This is because the implementation of these provisions is conditional on revenue growth and passage of federal legislation allowing Colorado to collect sales taxes on online purchases. The figures represent total state and local taxes as a share of income, post-federal offset. Due to rounding, the new tax distributions shown may not always precisely equal the current distribution minus the EITC offset.