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DATE: Monday, June 7, 2021

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Major Tax Fairness Legislation Headed to Gov. Polis

Once signed, HB21-1311 and HB21-1312 will expand tax credits for working families and small businesses, close wasteful tax loopholes

DENVER, CO (June 7) – The biggest tax reform in Colorado in over a decade, which will make historic investments in tax credits for working families and small businesses, gained final approval from state lawmakers today.

The Tax Fairness for Coloradans package—[HB21-1311](#) and [HB21-1312](#)—sponsored by **Rep. Emily Sirota** (D-Denver), **Rep. Mike Weissman** (D-Aurora), **Sen. Chris Hansen** (D-Denver), and **Sen. Dominick Moreno** (D-Commerce City) will modernize Colorado’s tax code by expanding eligibility for and more than doubling the amount of the state Earned Income Tax Credit (EITC), finally funding the Colorado Child Tax Credit (CTC), and dramatically increasing the number of small businesses who will be exempt from Business Personal Property Tax (BPPT).

Once they become law, the bills in this package will boost incomes for hundreds of thousands of Coloradans of all races, ages, immigration statuses, and ZIP codes, and ensure thousands of Colorado small businesses will have less paperwork and lower tax bills.

These changes in the tax code are paid for by reforming or eliminating several wasteful and inefficient loopholes in the state tax code that [state analyses showed](#) are not creating jobs, boosting the economy, making us more competitive with other states, or benefiting Colorado broadly.

"Throughout the year, as a single parent, I want to make sure my kids are able to participate in social settings and be successful," said **Jasmine**

White, a Denver mom of two. "That means being able to pay for them to participate in extracurricular activities and afford new clothes and shoes as kids grow so fast. Expanding the state Earned Income Tax Credit and funding the Colorado Child Tax Credit will help families like mine all across the state."

"Colorado small businesses are the backbone of our state's economy," said **Lindsey Vigoda**, Colorado director for Small Business Majority. "By modernizing our state tax code so it's fairer for small business owners—and the workers and families who patronize their businesses—this legislation will provide a boost for them as they seek to grow or pivot their businesses on their road to recovery from the pandemic."

"I came to the United States from Sudan nearly 25 years ago for a better life for my family and to give my children a more promising future," said Fort Collins mom **Amel**. "Families like mine pay our fair share in taxes, but we're also struggling to make ends meet. That's why expanding these tax credits is so important. Making the tax code fairer for all families, no matter where we come from, will make a big difference for us."

"This is Colorado's biggest tax reform in decades. For too long, our state tax system has been written by a handful of wealthy and powerful people and corporations, while working people and families—especially Black and Brown Coloradans—pay a higher share of their income in taxes," says Colorado Fiscal Institute executive director **Carol Hedges**.

Bell Policy Center president **Scott Wasserman** continued, saying "Closing wasteful loopholes that aren't creating jobs or growing the economy and instead using our tax code to invest in workers and families is a huge win for Colorado."

[Recent polling](#) from Colorado-based Keating Research found more than 70% of Colorado voters support eliminating outdated tax exemptions and credits for corporations and wealthy individuals.

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