



| November 5, 2019 Coordinated Election | |
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| Ballot Issue: | STATE LEGISLATURE INITIATED BALLOT ISSUE: Proposition DD |
| Proposed Ballot Question | SHALL STATE TAXES BE INCREASED BY TWENTY-NINE MILLION DOLLARS ANNUALLY TO FUND STATE WATER PROJECTS AND COMMITMENTS AND TO PAY FOR THE REGULATION OF SPORTS BETTING THROUGH LICENSED CASINOS BY AUTHORIZING A TAX ON SPORTS BETTING OF TEN PERCENT OF NET SPORTS BETTING PROCEEDS, AND TO IMPOSE THE TAX ON PERSONS LICENSED TO CONDUCT SPORTS BETTING OPERATIONS? |
| Other Considerations | Is considered a TABOR issue because it levies a new tax. |
| Chamber Position | The Chamber Board of Directors is recommending a YES vote on this issue. |
| Some Basics | <ul style="list-style-type: none"> • This measure would authorize sports betting in Colorado and create a tax of 10% on those who conduct sports betting. • The 2018 United States Supreme Court decision, <i>Murphy v. NCAA</i>, overturned a federal ban on sports betting and allowed states to legalize sports betting. • According to the fiscal impact statement for the measure, revenue from the 10% tax on sports betting proceeds is expected to generate revenue for the state of around \$10 million for Fiscal Year (FY) 2020-21 and is expected to grow to between \$13.5 to \$15.2 million for FY 2021-22. • Revenue generated from the tax on sports betting would be used to fund expenses related to the administration and regulation of sports betting in Colorado and to create and fund the Water Plan Implementation Cash Fund. • Supporters include: Colorado Cattlemen’s Association, Colorado Municipal League, Colorado River District, Environmental Defense Action Fund, Western Resource Advocates, Denver Water • Opponents include: Coloradans for Climate Justice • 8 states have approved active sports betting with an additional 6 considering the issue. • The Water Plan is important to the future of Colorado and has a direct |

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| | business impact. |
| Other Resources | https://yesondd.com/ https://ballotpedia.org/Colorado_Proposition_DD,_Legalize_Sports_Betting_with_Tax_Revenue_for_Water_Projects_Measure_(2019) |
| Where We Stand Positions | <p>FEES AND TAXATION</p> <p>BASIC PHILOSOPHY:</p> <p>Taxes are part of the obligation we all have to pay for services we collectively use and need as citizens. To that end, business is willing to pay a reasonable level of taxes and fees for essential public services assuming they are fair and reasonable and do not discourage business investment in Fort Collins. In short, tax policy should promote a healthy business and economic climate that encourages investment in capital equipment and human capital.</p> <p>CHARACTERISTICS OF A ‘GOOD TAX’:</p> <p>The Tax Foundation has identified a number of characteristics of what it considers a ‘good tax.’ Among them are:</p> <ul style="list-style-type: none"> • Transparency. A good tax system requires informed taxpayers who understand how taxes are assessed, collected and utilized. It should be clear to taxpayers who and what is being taxed, and how tax burdens affect them and the economy. Tax legislation should be based on careful economic analysis, and legislative procedures should include open hearings with ample opportunity for public comment. • Neutrality. The fundamental purpose of taxes is to raise necessary revenue for programs, not to micromanage a complex market economy with subsidies and penalties. The tax system’s central aim should be to collect that money while interfering as little as possible with the decisions of free people in the marketplace. • Simplicity. The tax system should be as simple as possible. The cost of tax compliance is a real cost to society, and complex taxes create perverse incentives to shelter and disguise legitimately earned income. • Stability. Tax law should not change continuously. A rapidly changing tax system frustrates long-term planning and increases uncertainty in the economy. • No Retroactivity. Changes in tax law should not be retroactive. As a matter of fairness, taxpayers should rely with confidence on the law as it exists when contracts are signed and transactions are made. • Low Rates, Broad Bases. It makes a difference how large a share of income is taken by government in taxes. The private sector is the source of all wealth and improvements in the standard of living. Taxes should consume as small a portion of income as possible and should be broadly based so that tax rates can be moderate at all points. • Don’t Inhibit Trade. In the case of a local community, this could |

mean: doesn't inhibit retail trade, doesn't incent businesses or people to live in another nearby community while using our roads and services.

GAMBLING:

The Chamber is opposed to casino and video terminal gambling within Larimer County, as it would dramatically change the fabric of the community while negatively impacting the quality of life of the Fort Collins area.