

87 Graduated Income Tax

What does this amendment do?

Colorado is constitutionally required to balance its state budget every year. The state is currently facing a budget deficit, which has resulted in cuts to services, including Medicaid, and increases in fees collected by the state, such as through college tuition, to balance the budget.¹ This measure aims to address state budget shortfalls by bringing in more funding to support programs and services, “including K-12 public school education, health care, and early child care and education services.”²

Colorado gets most of its revenue from income taxes. Since 1987, all Coloradans’ income has been taxed at a flat rate, currently 4.4%.³ This measure would replace the flat tax structure with a graduated income tax beginning in 2027. This type of tax structure is commonly referred to as a progressive income tax, which means that people who fall into different income brackets would be taxed at different rates.⁴

Coloradans and businesses with taxable incomes less than \$500,000 would see no change or a reduction in their income tax rate, while Coloradans with incomes greater than \$500,000 would see an increase, as shown in the table.

Impact on Coloradans

Coloradans and businesses with incomes less than \$100,000 will see a reduction in their tax rate, which will amount to a small increase in what they’re able to keep. Approximately 44% of Coloradans live in households with incomes less than \$100,000.⁶ These Coloradans are more likely to be Hispanic or Latino or Black or African American.⁷ Additionally, these Coloradans are more likely to be enrolled in public benefit programs, which are expected to receive more funding if this measure passes. Approximately 17.5% of Coloradans in this income bracket are enrolled in the Supplemental Nutrition Assistance Program (SNAP) and 27.9% are enrolled in Medicaid.⁸ Some of these Coloradans may also benefit directly from increased funding for public programs.

Less than 3% of Coloradans have individual incomes greater than \$500,000, and they will see an increase in their income tax rate.⁹ These Coloradans are more likely to be Asian or white.¹⁰ While these Coloradans are less likely to be enrolled in certain public programs like Medicaid and SNAP due to income restrictions, they may still directly benefit from non-income restricted programs that would receive additional funding from the passage of this measure, like the Healthy School Meals for All lunch program and public K-12 education. Additionally, research suggests that public benefit programs, like food assistance programs, can improve local economies more broadly.¹¹

Income Tax Rates for Individuals and Businesses Under Current Law and Amendment 87⁵

Taxable Income	Income Tax Rate Under Current Law	Tax Rates Under Amendment 87
Up to \$25,000	4.40%	3.70%
\$25,001 to \$100,000	4.40%	4.20%
\$100,001 to \$500,000	4.40%	4.40%
\$500,001 to \$750,000	4.40%	7.40%
\$750,001 to \$1,000,000	4.40%	7.90%
\$1,000,000 and above	4.40%	8.40%



The Colorado Sun has an online tool to calculate your change in tax rate: colo.health/CS26-GIT



Amendment 87

Impact on Colorado's budget

The state Legislative Council Staff, a nonpartisan arm of the General Assembly, estimates passage of this measure would increase state tax revenue by \$963.2 million in FY 26-27 and by almost \$2 billion in FY 27-28.¹² For context, Colorado collected about \$10 billion in individual income tax revenue in FY 23-24.¹³ This revenue would be directed toward K-12 public education, healthcare, and early childcare and education services.

However, opponents argue that higher taxes could reduce or slow economic growth in the state because higher-income residents or businesses subject to higher tax rates may leave the state.¹⁴ It is difficult to estimate the exact financial impact of these changes.



Who supports?

This measure was proposed by a coalition of advocacy groups called Protect Colorado's Future. According to the coalition website, more than 30 Democratic state legislators and several nonpartisan county commissioners and mayors have also endorsed the measure. Designated representatives for the measure are from Bell Policy Center and New Era Colorado.¹⁵ Supporters of the measure typically support the expansion of publicly funded services and resources in Colorado.



Who opposes?

Many opponents of Amendment 87 support an opposition measure, Proposition 136. Representatives for this opposition measure are affiliated with the advocacy group Advance Colorado.¹⁶ As of September 4, 2026, Advance Colorado has not published a list of supporters or endorsements of the measure on its website.



Scan the code to view sources for the Amendment 87 and Proposition 136 statewide ballot measure briefs.

What happens if Amendment 87 and Proposition 136 both pass?

Amendment 87 and Proposition 136 propose some conflicting policies for the state's income tax rate. If both measures pass, the one with the most votes will take effect. The parts of both measures that don't conflict with each other will go into effect. The Colorado Supreme Court would rule on which parts of the measure with the least votes would still take effect.

However, conflicting parts of the measure, like the increased tax rates for people with higher incomes, will only go into effect if Amendment 87 receives more total votes than Proposition 136.¹⁷ This means that for either measure to be implemented in full, it not only needs to receive at least 50% of the vote share to pass, but it also needs to receive more votes than the other measure.¹⁸

Your civic participation matters

Many resources are available to help Colorado voters make informed decisions, including the [Colorado Blue Book](#) and [Local Ballot Measure Tracker](#).^{19, 20}

Visit [GoVoteColorado.com](https://govotecolorado.com) to view or update your voter registration.



Who we are

The **Colorado Health Institute** has partnered with **The Colorado Health Foundation** to develop resources that help Colorado voters make informed decisions. They include this fact sheet and its companion for Proposition 136, as well as the [Local Ballot Measure Tracker](#).²⁰ We do not take positions in support or opposition to any state or local ballot measure.

The Colorado Health Institute is a nonprofit public health institute. We work to improve the systems that influence people's health and well-being. We answer critical questions, make sense of complex issues, and support others to reach actionable solutions. Learn more at coloradohealthinstitute.org.