



“Voice of the Western Slope since 1953”
A coalition of counties, communities, businesses & individuals

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SEVERANCE TAX RATE REDUCTION-COAL INDUSTRY

WHEREAS: Legislation has been introduced in the State Legislature to reduce State Severance Taxes for the Colorado coal industry, and

WHEREAS: The Colorado coal industry faces stiff competition from production in other Rocky Mountain States with a downward price trend, and

WHEREAS: The last time in 1988 when the Legislature reduced the Severance Tax Rate along with other tax incentives, other revenues from coal taxes increased enough to offset any Severance Tax loss, and

WHEREAS: A projection by the Associated Governments of Northwest Colorado (AGNC) indicates that maintaining Colorado's current share of the coal market will again provide sufficient revenues for state and local programs dependent upon coal tax revenues like the Local Government Energy Impact Program, and the Department of Natural Resources Operational and Water Project loan programs.

NOW THEREFORE BE IT RESOLVED that CLUB 20 supports legislation that would lower coal severance taxes in order to help the Colorado coal industry maintain a competitive position in relation to coal produced in other Rocky Mountain States.

Adopted March 5, 1999