



**2026 Legislative Priority Proposal**  
**Updated: 7/17/25**

<b>Granting Excise Tax Authority with Voter Approval to Counties</b>	
<b>Boulder County (Commissioner Ashley Stolzmann)</b>	
Preferred Contact:	astolzmann@bouldercounty.gov (also available by phone)
Co-Sponsoring Counties/Commissioners:	Open to all.
Who is your subject matter expert?	I have a DOR expert contact info, but they are not available for contact. Our County Attorney can weigh in as can I as one of the few elected officials in the state that has implemented an excise tax.
Has this proposal been approved by your BoCC?	Yes.
Have you reviewed the CCI Instructional Memo?	Yes.
Describe the problem your proposal will solve.	Counties have more limited taxation authorities than municipalities in the state. Counties mainly rely on state and federal funds in addition to local sales and property tax. In many areas, state and federal grants are being reduced or cut altogether, but the services needed still remain. Many counties are unable to make up the difference with existing local taxes and in many areas across the board sales and property taxes are unacceptable to the community members that must vote them in. Cities have excise taxing authority and there are a few examples where cities have effectively been able to target a product or service with a tax that the community supported taxing in order to provide tax revenue. Empowering counties with the authority to ask their voters if they would like to impose excise taxes is a matter of financial pragmatism. As counties continue to play a pivotal role in the lives of their residents, equipping them with the necessary tools and resources is essential for building resilient and thriving communities.
Areas of Impact:	Day-to-day operations of the county; Functionality of county programs or services; Power/Authority/Mandate of county government; General community advancement; Overall good vibes.

What is the ultimate source of this problem?	funding shortfalls and ill-conceived structure of authority for counties.
What is your initial proposal to solve this problem?	<p><b>The Case for Granting Excise Tax Authority to Counties</b></p> <p>Empowering counties with the authority to ask their voters if they would like to impose excise taxes is a matter of financial pragmatism. One of the most compelling reasons for granting excise tax authority to counties (with voter approval) is to enhance their fiscal autonomy. Counties face unique challenges and demands that require tailored solutions. By having the power to levy excise taxes, counties can generate revenue that is directly linked to their specific needs and initiatives. This fiscal autonomy allows counties to become more self-reliant and less dependent on state and federal transfers, which are often subject to political fluctuations and budgetary constraints. In Colorado, Cities already have excise taxing authority.</p> <p>There are a few examples of voter approved excise taxes that are already in place in our state. Counties are at the forefront of addressing local issues such as infrastructure development, public health, human services, justice and public safety, and other local issues as identified by each area. Excise taxes provide a targeted revenue stream that can be earmarked for specific projects and programs that directly benefit the community. Typical examples that come to mind for most would be something like, excise taxes on fuel can be allocated to road maintenance and transportation infrastructure, while taxes on tobacco and alcohol can fund public health initiatives and addiction treatment programs. Excise taxes can also be on levied on services or different targeted goods. Many of these typical excise tax examples have specific state law and federal preemption or additional restrictions and they are not actually the focus of this discussion. Excise tax as discussed here is simply a specific tax levied on certain goods, services, or activities. Being able to target the taxes to the specific local situation can make this an attractive option for addressing local needs.</p> <p>One of the primary arguments for allowing counties to tax services (through excise tax authority) is the diversification of revenue streams. Traditionally, local governments have relied heavily on property taxes and sales taxes on goods to fund essential services. However, as the service sector continues to grow and dominate the economy (particularly as Colorado is rapidly aging), this reliance on goods-based taxation becomes increasingly unsustainable. By taxing services, counties can create a more stable and diverse revenue base that reflects the modern economic landscape.</p>

	<p>In conclusion, granting excise tax authority to counties is a prudent and forward-thinking policy that empowers local governments to address their unique challenges and priorities. By enhancing fiscal autonomy, promoting fiscal responsibility, and providing targeted revenue for local initiatives, excise tax authority strengthens local governance and fosters community development. As counties continue to play a pivotal role in the lives of their residents, equipping them with the necessary tools and resources is essential for building resilient and thriving communities.</p>
Please provide sample language for this solution.	<p><b>Insert the following language into C.R.S. 29-2 into a new section:</b></p> <p>29-2-XXX. Countywide excise tax</p> <p>Each county in this state is authorized to levy a county excise tax in accordance with the provisions of this article. "No proposal for a county excise tax shall become effective until approved by a majority of the registered electors of the county voting on such proposal pursuant to section 29-2-104." Such a proposal for excise tax upon approval by a majority of the registered electors voting thereon, may be effective throughout the incorporated and unincorporated portions of the county or in the entire unincorporated portion of the county only.</p> <p>And insert the word "excise tax" into 29-2-104 to extend the procedure to excise taxes</p>
Are there any solutions that do not require state-level legislation? Has your county explored these alternatives?	No.
Has CCI or any other organizations sought a solution to this problem before?	Yes, action was punted.
What possible organization(s) would <b>support</b> your proposed solution?	Public health related organizations, environmental organizations, transportation organizations; anyone who wants something funded.
What possible organization(s) would <b>oppose</b> your proposed solution?	Chambers of commerce, hotels, service industries.

Have you spoken with any legislators about your proposed solution? If so, what was their response?	Kyle Brown is interested in the concept and is likely to run a bill on this. If CCI supports this, he is more than likely locked in.
What are the financial implications of this <b>problem</b> to your county?  Are there any financial implications to this <b>solution</b> either?	This permissive proposal will have no fiscal impact on counties that choose not to use it and a positive impact on those who do when their proposals pass.
What are the financial implications of this <b>problem</b> to any other impacted parties?  What are the financial implications of this <b>solution</b> to any other impacted parties? <i>Please consider any relevant Colorado State Departments.</i>	Failure to run county programs creates numerous societal effects and quantifying the cost is not practical for this application.