

Bond Case Briefs

Municipal Finance Law Since 1971

TAX - COLORADO

TABOR Foundation v. Colorado Bridge Enterprise

Colorado Court of Appeals, Div. II - August 14, 2014 - P.3d - 2014 COA 106

In 1992, Coloradans adopted the Taxpayer's Bill of Rights (TABOR), which limits the power of the state, its subdivisions, and its districts to levy taxes or create debt. TABOR requires voter approval for any new tax and for the issuance of debt. Enterprises, as defined by TABOR, are exempt from TABOR's voter approval requirements.

In 2009, the General Assembly created the Colorado Bridge Authority (CBE) to finance, repair, reconstruct, and replace any designated bridge in the Colorado highway system.

The TABOR Foundation (Foundation) sought injunctive relief and a declaratory judgment that the CBE's bridge safety surcharge and its issuance of bonds violated Foundation member's right to vote on new taxes and issuance of debt.

The trial court held that the CBE did not levy a TABOR-prohibited tax when it imposed a bridge safety surcharge, but instead imposed a permissible fee. It further held that the CBE operated as a TABOR-exempt enterprise and did not violate TABOR by issuing bonds without submitting the matter to voters in a statewide election. The Court of Appeals affirmed.