

TESTIMONY
BEFORE THE SENATE FINANCE COMMITTEE ON THE
HB 21-1312: INSURANCE PREMIUM PROPERTY SALES SEVERANCE TAX

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Lindsey Vigoda

Small Business Majority

Thank you Chairwoman Petterson, Vice Chairman Bridges, and Members of the Committee:

My name is Lindsey Vigoda and I'm the Colorado Director for Small Business Majority, a small business organization with offices nationwide, including here in Colorado. Our mission is to empower entrepreneurs to build a thriving and equitable economy. I am here to express my support for House Bill 21-1312, which would provide tax relief for small business owners through the Business Personal Property Tax Reform and eliminate wasteful tax loopholes that don't benefit our economy.

Colorado small businesses were already struggling prior to the pandemic, so you can imagine how devastating and detrimental COVID-19 has been for our job creators. And for far too long, Colorado's tax code has provided relief and loopholes for large companies, while leaving small businesses at a disadvantage. Additionally, these tax loopholes do not create jobs or grow our economy and aren't broadly beneficial to all Coloradans.

It's prime time for Colorado lawmakers to take action and modernize the wasteful, antiquated structure of our system and think about what is best for our communities and our economy. The COVID-19 pandemic has demonstrated that our communities thrive when we put small businesses at the front and center of our policymaking, and we need to pass legislation that boost our small business community, not hinder their economic success.

House Bill 21-1312 would do this by increasing the threshold for filing business personal property tax exemption to \$50,000 starting this year, thus providing extensive relief for small business owners who had to adapt their businesses and spent large sums of funds setting up home offices, purchasing equipment, and adapting their businesses to weather the pandemic.

What's more, the legislation would increase and expand access to the state Earned Income Tax Credit and fund the Colorado Child Tax Credit, further helping advance equity and support our working families. This legislation will increase the percentage of the state Earned Income Tax Credit (EITC) to 20% of the federal credit, while also allowing Coloradans 18 and older to be eligible to participate.

Colorado small business owners need your support during these challenging times, and passing this legislation will provide much-needed relief to help them thrive and boost their economic recovery. I strongly encourage you to support HB 21-1312 and support Colorado small businesses.

Thank you for your time.

Lindsey Vigoda
Colorado Director, Small Business Majority