



MESSAGE FROM MARSHA

AMDENDMENT 58-TAX INCREASE ON OIL & GAS

October 21, 2008

Many people from HD19 are getting weary of political adds asking for more of their hard earned money by increasing taxes. During this time of economic uncertainty, one of the last things we should be doing is forcing a \$321 million tax increase on an industry that employs over 70,000 Colorado men and women. A tax increase that will ultimately be passed onto the families of Colorado.

The proponents of Amendment 58 **proudly** state this amendment will raise taxes on the oil & gas industry by up to \$1 billion dollars in four years. Since a portion of the gasoline sold in Colorado is refined in the state and utility companies purchase this gas to meet their demands, it is clear that the higher costs of this measure could be passed on in monthly heating bills and higher gasoline taxes. Colorado families are already facing higher utility costs, and unfortunately with the passage of Amendment 52, hard working families will see even higher energy costs in the upcoming years.

The oil & gas industry of Colorado pays severance and property taxes for their operations. I would agree their severance tax is less than most energy producing states, but their property taxes are three times higher than any other business property. Property taxes that go directly back to the energy impacted areas like Rifle, Walsenburg, Durango and Grand Junction. When severance taxes are combined with property taxes, many experts say the oil & gas industry in Colorado is already paying higher taxes than most states.

At the same time, proponents of Amendment 58 are wearing this tax increase as a badge of honor, the Colorado Oil & Gas Commission is recommending the most sweeping regulatory oil and gas changes in Colorado's history. Many of the proposed rules will negatively affect private property rights and restrict the production of oil & gas for up to six months. Rules that will increase the cost and regulatory burden of the oil & gas industry, and costs that will ultimately be passed onto the consumer in the form of higher utility and energy prices.

It was reported in the Denver post on 8/20/8, by a Meg Collins in a Guest Editorial, that over 1 billion dollars of energy investment in Colorado has fled to other states because of the over aggressive punitive regulatory proposals by the current administration. Now, because of the administration's harsh attitude towards Colorado's fossil fuels industry we see state revenues from the oil & gas industry falling to the tune of tens of millions of dollars.

When the citizens of HD19 add up the \$321 million dollar tax increase, the proposed regulatory burdens from the Oil & Gas Commission and renewable energy mandates, this equates to higher energy costs that are going to be **unreasonable and unreachable!** Families from Ramah to Rush, Calhan to Colorado Springs and Falcon to Fountain are currently struggling to pay their mortgages, food, medical and energy bills! The last thing the families of Colorado **need** is a \$321 million dollar energy tax increase! I STRONGLY OPPOSE Amendment 58 because of its broad and over bearing cost to the citizens of HD19.

As your proud legislator, and a member of the Colorado Ag., Livestock & Natural Resources Committee I will remain committed to solutions that provide economic growth in the form of new and higher

paying jobs and energy solutions that all Colorado families can AFFORD! If you are interested in reviewing the State of Colorado Ballot Information Booklet (BLUE BOOK), the financial impact to the state and taxpayers and review my opinion of these ballot initiatives visit WWW.GOMARSHA.ORG, and click on Messages. Thank you for or the opportunity to serve you!

Respectfully,

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Colorado State Representative HD#19

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