

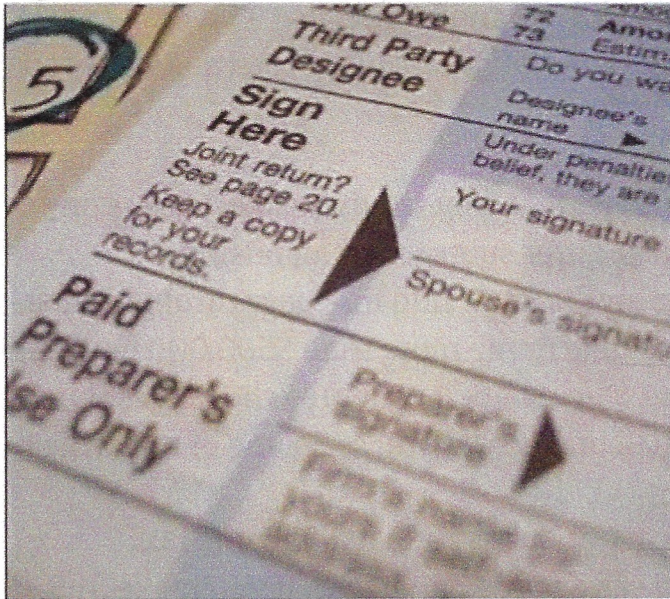
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Graduated tax pushes back on growing inequality

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The Denver Gazette · 19 Sep 2026 · B2 · Chris deGruy Kennedy is president and CEO of the Bell Policy Center and co-chair of Protect Colorado's Future, the coalition pushing for a graduated income tax

When you don't have the facts on your side, a tried and true political tactic is to engage in fearmongering and create so much smoke that the truth becomes the first casualty.



That's exactly what Michael Fields, president of Advance Colorado, has attempted to do in his op-ed defaming the graduated income tax measure — now Amendment 87 — that will be on the November ballot.

The central problem for him is that the policy is popular, with seven out of 10 voters believing we need a fairer tax code where the wealthy pay their share. Amendment 87, the Income Tax Fairness Act, cuts taxes for the 97 percent of Coloradans making less than \$500,000 a year, including seniors, veterans, and small businesses and only raises taxes on wealthy individuals and large corporations making more to bring in an estimated \$2 billion annually for much-needed healthcare, childcare and K-12.

It would also take a big step toward making our tax system fairer. And if this sounds too good to be true, let me just point out that the average income of the top 3 percent of Colorado taxpayers is \$3.35 million per year and they're paying a smaller percentage of their income in state and local taxes right now than the middle class.

Graduated income taxes are far from radical. They're used in 28 other states, including 11 red states. Colorado is the outlier as one of only 14 states that still uses a flat income tax.

But Fields knows that he needs to distract voters from these simple facts to protect low tax rates for the very rich. That's why he has resorted to untruths and unsupported speculation.

Let's get specific.

1. Fields says businesses will "head for the exits."

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They said the same thing in Massachusetts in 2022, before voters approved a 4 percent surtax on income over a million dollars per year. While a few millionaires made a lot of noise and left, the overall millionaire population grew significantly and the Massachusetts business community is thriving, according to a 2025 report by the Institute for Policy Studies.

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2. Fields says "state tax breaks on Social Security, pensions and military retirement payments could be ended."

This is a blatant lie, and Fields stretches the limits of interpreting the English language to justify it. The truth is that Amendment 87 has literally no impact on tax deductions, exemptions or credits for seniors, veterans or anyone else. The only seniors or veterans who will pay more are those who make more than \$500,000 per year. That means that 99.5 percent of seniors and 99.2 percent of veterans will get a tax cut if Amendment 87 passes.

3. Fields says our measure will "slam small businesses."

We must have different definitions of "small," because Amendment 87 only raises business taxes on corporations making more than \$500,000 in net profit per year (after subtracting all business expenses including salaries, benefits, offices, manufacturing inputs, etc.). And for "pass through" businesses like LLCs and S-corps, a business owner would need to take home more than \$500,000 per year in combined salary and share of profit before they'd pay more. The reality is that only the biggest businesses will have to pay more under Amendment 87, while small businesses will see some of the lowest tax rates in the country.

4. When you understand these facts, there's really nothing scary about a graduated income tax.

Even the wealthiest 3 percent of Colorado taxpayers will only see a modest increase. If you make \$1.5 million per year, your taxes will go up from \$66,000 (4.4 percent) to \$101,925 (6.8 percent). Remember that even a millionaire only pays the higher rate for the portion of their income that falls within the higher bracket. That's the essence of a marginal tax rate.

Meanwhile, a family bringing home \$50,000 to \$100,000 per year will get a couple hundred bucks back in their pocket each year, in addition to better schools and more affordable child care. I wish I could say that the new healthcare funding will bring down costs, but the reality is it barely replaces the cuts from Trump's "big beautiful bill," so the best I can say is that we'll have a bit more stability in our healthcare system than we do right now.

A significant number of wealthy Coloradans understand and support what Amendment 87 is trying to do. They are willing to pay a bit more to invest in the next generation.

But there are a few who see this as a threat to their own bottom line, and they're paying Michael Fields handsomely to say whatever it takes to persuade voters to oppose a fairer income tax system. They've even bankrolled a rival ballot measure, Proposition 136, which would cap the income tax rate at 4.4 percent. What they don't tell you is that if Prop 136 passes with more votes than Amendment 87, not only will it keep their taxes low, but it will take away your tax cut, too. Not to go too deep down the rabbit hole, but this is because the tax rate changes in Amendment 87 are a package deal and the cuts and increases cannot be "severed" from one another.

The support for the graduated income tax has exceeded our expectations. We had over 900 volunteers collecting signatures for this measure, over 100 organizations supporting it, and ended up submitting 163,000 signatures — the majority of which were collected by volunteers.

The truth is that it's exactly the kind of policy that is needed in Colorado to push back on growing inequality, which threatens our economy, democracy and the American dream. Don't take my word for it — find where you sit on the income table on your ballot.

