



AUMC'S JUSTICE IN ACTION COMMITTEE RECOMMENDS A "YES" VOTE ON AMENDMENT 87

Approved by committee vote on September 15, 2026

AMENDMENT 87 – Establishing a Graduated Income Tax

WHAT THIS INITIATIVE WOULD DO

If passed, this initiative would amend the Colorado Constitution to change the current state income tax rate from a flat 4.4% rate applicable to all individual and corporate taxpayers to a graduated income tax rate that varies depending on taxpayer income. The new tax rates would be as follows:

Income Bracket	Tax Rate
\$0-\$25,000	3.7%
\$25,001-\$100,000	4.2%
\$100,001-\$500,000	4.4% (current rate)
\$500,001-\$750,000	7.4%
\$750,001-\$1,000,000	7.9%
Above \$1,000,000	8.4%

Each tax rate applies to each taxpayer in a graduated step fashion (otherwise known as marginal tax rates, similar to federal income taxes). So a person making \$60,000 would have the first \$25,000 of that income taxed at 3.7%, and then the remaining \$35,000 taxed at 4.2%. A person making \$200,000 would have their first \$100,000 taxed in the same way as the previous taxpayer and then would be taxed at 4.4% for the next \$100,000.

The revenue generated by this change, estimated to be \$2-3 billion per year, would be directed into the Colorado Futures Account and spent for K-12 education funding, health care funding, and early childcare funding.

Because this measure would amend the state constitution, it must receive 55% of the vote to pass. If both this measure and Proposition 136 (which would set the current 4.4% flat tax rate at a cap) pass, the measure receiving the higher percentage of votes will govern any conflict.

[Text](#) of the initiative (previously referred to as Initiative #195)

ARGUMENTS FOR THE INITIATIVE

Our current tax system taxes everyone the same, regardless of income. However, this results in a regressive taxation system, where people earning more actually pay less of their income in total state and local taxes and people earning less pay more of their income toward these taxes. For example, in Colorado, a taxpayer making over \$850,000 will pay approximately 7% of their income towards all state and local taxes (including income, sales, and

property taxes), while a taxpayer making between \$25,000 and \$150,000 will typically pay 9-10% of their income towards these taxes. Regressive tax systems are unfair, because they penalize people who make less money.

At the same time, the provisions of TABOR, which restrict state revenue, mean that there is a persistent structural deficit in the state budget. As costs go up, the state struggles to fund essential services such as education and health care. Families can't afford childcare. By raising taxes only on taxpayers making more than \$500,000, Amendment 81 offers the opportunity to fix our regressive tax system, generate more funding for the public services we need, and actually cut taxes for the 95% of people and businesses in Colorado that make less than \$500,000.

Supporters: [Protect Colorado's Future](#); see endorsements [here](#).

ARGUMENTS AGAINST THE INITIATIVE

Colorado's budget has increased from \$28.8 billion to \$44 billion over the last eight years, while the state population only grew by about 6%. This measure, the largest tax hike in Colorado history, would create a new slush fund not subject to TABOR limits and without restrictions to make sure the money is spent responsibly. People making over \$200,000 in Colorado already pay their fair share by generating nearly half of the state's income tax revenue. We should maintain our stable and predictable flat tax rate and encourage these people to stay in Colorado and keep our economy strong.

Opponents: [Advance Colorado](#)

WHERE TO GET MORE INFORMATION

2026 Colorado Election Blue Book – Amendment 87 (mailed to voters)

[Ballotpedia](#)

JUSTICE IN ACTION COMMITTEE POSITION ON THIS INITIATIVE

As a committee and pursuant to a consensus vote, **we support this initiative and urge United Methodists to vote for it.**

OUR REASONS FOR THIS POSITION

As United Methodists, we believe that economies should be designed in such a way as to ensure justice, equity, and care for the vulnerable, and we support the use of taxation to achieve as a society what we could not do as individuals. Our [Book of Resolutions](#) calls us to evaluate tax reform proposals using the following principles:

- All tax decisions must be judged by their impact on children, low-income families, the elderly, people with disabilities, and other vulnerable populations.
- Systems should strengthen and uphold values of our common life together and should enable government to provide for the needs of the common good.
- The burdens and benefits of a nation's common life should be shared equitably and proportionally.

In this case, the additional tax revenue generated by this proposal will flow to children, those in need of health care, and families needing childcare. Our education system requires additional funding to serve children from low-income and disadvantaged backgrounds, as discussed in our review of Proposition NN. Colorado's childcare costs

are astronomical and out of reach for many families. And recent federal cuts to health care mean that the state must step up to provide more funding in this area, to the tune of \$14 billion over the next decade just to backfill the cuts. Finally, a system that taxes those who make more at a higher rate (a progressive tax system such as that envisioned by Amendment 87) is generally understood to be fairer, to most effectively raise revenue, and to reduce inequality.

We would rather not have our tax system enshrined in the state constitution, but this is the only policy direction available given TABOR’s place in our constitution.

WHAT WE CONSIDERED IN TAKING THIS POSITION

UMC sources considered:

- Relevant provisions of the Social Principles of the United Methodist Church (attached)
- UMC Book of Resolutions #4063. “[A Call for Just Tax Structures.](#)”
- Committee discussions

External sources considered:

- [History](#) and [text](#) of the ballot initiative available from the Colorado Secretary of State
- [Ballotpedia resources and analysis](#)
- Legislative Council Staff, September 3, 2026. “[Memorandum – REVISED TABOR Fiscal Information for Amendment 87.](#)”
- Ramey, E. “[Fiscal Impact Statement – Initiative 195.](#)” Colorado Legislative Council, 3/9/26.
- Ramey, E. “[Fiscal Summary – Initiative 195.](#)” Colorado Legislative Council, 1/20/26
- Reports and analyses:
 - GovFacts. “[How Tax Systems Work: Progressive, Regressive, and Flat Taxes Explained.](#)” May 2025.
 - Colorado Fiscal Institute, [Tax Primer 2025.](#)
 - Bell Policy Center, September 2, 2026. “[Graduated Income Tax: Frequently Asked Questions.](#)”
 - Colorado Fiscal Institute blog, August 10, 2026. “[Alternative Tax Facts Have Entered the Chat.](#)”
 - Caven, E. “[The Progressive Income Tax: Is It Right for Colorado?](#)” Advance Colorado Institute, February 2026.
 - Economic Policy Institute. “[Child Care Costs in the United States – Colorado.](#)” Updated July 2026.
- Media reports:
 - Colorado Sun, September 3, 2026. “[Calculate how your income tax bill would change if Initiative 195 passes.](#)”
 - Brooks, R. and B. Razon, May 13, 2026. “[Colorado’s health care cuts are painful – what comes next could be worse.](#)” Colorado Politics.

UMC SOCIAL PRINCIPLES 2025-28 – EXCERPTS RELEVANT TO AMENDMENT 87

Para. 161 **II. THE ECONOMIC COMMUNITY**

PREFACE

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As United Methodists, we profess that all we are and all that we possess, belong to God. We are temporary stewards of the resources and material goods that we have accumulated. In our financial dealings and relationships no less than other aspects of discipleship, we are compelled to serve God and neighbor in all we do.

Few biblical themes are as prominent or as numerous as the scriptural injunctions to stand in solidarity with “the least of these,” including the poor, the orphan, the widow, the stranger, and all other vulnerable members of society (Amos 5:7-13; Matthew 25:3-46; James 2:15-16). Accordingly, we pledge ourselves to the establishment of just, equitable, and sustainable economies that work for all.

ECONOMIC CHALLENGES

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B. Poverty and Income Inequality – As United Methodists, we follow in the footsteps of our founder, John Wesley, who sought to improve the lives of those who suffered from debilitating conditions such as poverty, starvation, illiteracy, imprisonment, slavery, addictions, and disease.

We decry the widening gap between the rich and the poor and the concentration of wealth in the hands of ever smaller percentages of the global population ...

We reject religious teachings that view the accumulation of wealth as a sign of God’s favor and poverty as a sign of God’s disfavor ...

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ECONOMIC JUSTICE

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Our commitment to achieving economic justice is rooted in the covenantal understanding that God’s creation is meant to be shared by all humans and sentient beings. Just as the *oikos* or household served as the heart of the economy in ancient times, our belief in the inclusive nature of God’s global household motivates our pursuit of just, equitable, and sustainable economies.

As members of God’s *oikos* and followers of Jesus, who taught that we must “give to those who ask and not turn away from those who want to borrow,” we embrace our charge to share the abundance of God’s creation in just and equitable ways (Matthew 5:42). We, therefore, urge governments, businesses, and civic associations to ensure that individuals, families, and communities not only survive, but thrive.

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Para. 163 **IV. THE POLITICAL COMMUNITY**

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Our involvement in political systems is rooted in the gospel imperative to love our neighbors, to do justice, and to care for the vulnerable. As United Methodists, we acknowledge that love requires responsible political action and engagement aimed at the betterment of society and the promotion of the common good.

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GOVERNMENT RESPONSIBILITIES

A. Church and Governments –

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We affirm that every form of government stands under God’s judgment and must therefore be held accountable for protecting the innocent, guaranteeing basic freedoms and liberties, protecting the natural world, and establishing just, equitable, and sustainable economies.

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BASIC RIGHTS AND FREEDOMS

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A. Health Care – We affirm health care as a basic human right and vow to work toward expanded access to all forms of medical treatment, including preventative, therapeutic, and palliative care...[W]e urge United Methodists to join efforts aimed at creating systems that provide comprehensive health protections for all.

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B. Children and Young People – We call on church and society to support and advocate for the well-being of all children and young people and for their safety, nurture, agency, education, and participation in church and community life....