Colorado Individual Statistics of Income

Income tax Year 2020

Methodology

The 2020 Individual SOI publication reports income and tax data from individual income tax returns for tax year 2020. The data used in this report are drawn from a merged dataset of state and federal tax returns filed by full-year Colorado residents. Information from returns filed by part-year residents who have moved into or out of the state, as well as returns filed by nonresidents, are not included in this report.

Income tax year is generally defined by the year that a taxing period began. Most individuals file using a calendar year taxing period, but there are a small number of filers that use a fiscal year taxing period.

The IRS return data and the Colorado return data for income tax year 2020 were extracted on August 25, 2022. All tax return data is subject to change. This report represents a snapshot of the tax returns at the time the data was retrieved. Some of the IRS return data summarized in this SOI report is the "raw data" from returns, which means data as it was initially submitted by taxpayers. Therefore, subsequent adjustments to returns due to correction of errors or amended returns may not always be represented.

The tables in this publication typically use federal adjusted gross income (AGI) as a measure of the income of Colorado residents. Federal AGI is a standard measure of income and facilitates the comparison of Colorado income data to that of other states, as well as allowing comparisons with national income data. Please see the Data Sources section for a list of the specific variables included and the return lines that they come from.

Disclosure analysis was performed on each variable for each table to ensure appropriate taxpayer confidentiality. Federal guidelines specify a minimum of 10 taxpayers are necessary in a group to release state-level information. County and regional level data disclosure requires a minimum of 20 taxpayers. Additionally, it is the Department's practice to release aggregated data only when a single taxpayer does not represent more than 80% of the total. When values cannot be released due to confidentiality requirements, suppressed values are represented by "NR" in the tables. When an aggregate total is calculated and some data is being suppressed, there must be at least two suppressed values per variable.