TOWN OF SILVER PLUME, COLORADO
ORDINANCE NO. 339

"Marijuana Tax Ordinance"

An Ordinance providing for an excise tax on the sale within the Town of retail marijuana and retail marijuana products.

WHEREAS, the Town has recently authorized the sale of marijuana in Town pursuant to state law and Town Ordinance No. 335 (the "Marijuana Ordinance"); and

WHEREAS, the first person licensed to sell marijuana within the Town has already opened for business; and

WHEREAS, the Town desires to increase its revenues in order to enforce the Marijuana Ordinance properly and otherwise supplement the Town's revenues; and

WHEREAS, on November 4, 2014, the voters of the Town approved the following ballot question:

> Shall the Town of Silver Plume's taxes be increased, beginning in calendar year 2015, by imposing a new excise tax effective January 1, 2015, on the sale within the Town of retail marijuana and retail marijuana products as such are authorized by state law, at the rate of four percent (4%) of the price paid by the purchaser of the retail marijuana and retail marijuana products, with the rate of tax being allowed to be increased or decreased without further voter approval so long as the rate of taxation does not exceed 8% and with the resulting tax revenue being allowed to be collected and spent notwithstanding any limitations provided by law?

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF SILVER PLUME:

Section 1. Imposition. An excise tax is hereby imposed on the sale within the Town of retail marijuana and retail marijuana products as such are authorized by state and local law, at the rate of four percent (4%) of the price paid by the purchaser of the retail marijuana and retail marijuana products, with the resulting tax revenue being allowed to be collected and spent notwithstanding any limitations provided by law.

Section 2. Items taxable. The items subject to tax hereunder shall be identical to the items subject to tax under the Retail Marijuana Sales Tax provided for in Colorado House Bill 13-1318, passed and codified as Article 28.8 ("Taxes on Marijuana and Marijuana Products") of Title 39 of the Colorado Revised Statutes, as it has been heretofore or may be hereafter amended, along with any implementing rules and regulations (the "State Statute").

Section 3. Record keeping, reporting and paying the tax. Any person in the business of selling taxable items in the Town shall keep books and records and shall report its sales and remit its taxes directly to the Town on the same form, at the same times, subject to the same penalties and interest, subject to the same enforcement mechanisms, and otherwise in the same manner as provided for under the State Statute with respect to the state sales tax. The Town may require the taxpayer to make returns and remit the tax by electronic means.

Section 4. Commencement of tax. The tax shall commence with the first calendar month following the date on which the Town provides written notice of such commencement to the taxpayer subject to the tax, but in no event shall it commence earlier than January 1, 2015.

Section 5. Taxpayer Confidentiality. In order to protect the identity of the individual taxpayer(s) as required under state law, the Town shall not report, budget, or otherwise reveal to the public the amount of tax revenue generated or expected to be generated under this ordinance except as an undifferentiated part of a line item for all sales, use, and excise taxes combined.

Section 6. Severability. If any part, section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

Section 7. Emergency Declared and Effective Date. The Board of Trustees finds, determines and declares that passage of this Ordinance is necessary for the immediate protection of the health, safety and welfare of the citizens of the Town of Silver Plume because the excise tax called for herein provides additional revenues necessary for the Town to properly enforce the Marijuana Ordinance. The Board of Trustees further determines that the adoption of this Ordinance as an emergency ordinance is in the best interest of the citizens of the Town of Silver Plume. This Ordinance shall be effective upon adoption.

Adopted this 24th day of November, 2014.

Leonard Berenato, Mayor

Attest:

Tammy Sanford, Town Clerk