

HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

February 11, 2015
Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB15-1007 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

- 1 Amend printed bill, page 3, line 2, after "TAX" insert "IN THE
- 2 UNINCORPORATED AREA OF SUCH COUNTY".
- 3 Page 3, line 3, strike "RETAILER." and substitute "RETAILER AUTHORIZED
- 4 BY THE COUNTY.".
- 5 Page 3, after line 17 insert:
- 6 "(c) NOTWITHSTANDING THE PROVISIONS OF THIS SUBSECTION (1),
- 7 A COUNTY AND ANY MUNICIPALITY THAT LIES IN WHOLE OR IN PART
- 8 WITHIN THE COUNTY MAY ENTER INTO AN INTERGOVERNMENTAL
- 9 AGREEMENT THAT AUTHORIZES THE COUNTY TO LEVY, COLLECT, AND
- 10 ENFORCE A COUNTY SALES TAX UPON ALL SALES OF RETAIL MARIJUANA
- 11 AND RETAIL MARIJUANA PRODUCTS BY A RETAILER WITHIN THE BOUNDARY
- 12 OF THE MUNICIPALITY, SUBJECT TO MUTUALLY AGREED UPON TERMS AND
- 13 CONDITIONS.".
- 14 Page 5, line 9, after "PARAPHERNALIA" insert "THAT IS CONSISTENT WITH
- 15 THIS SECTION AND".
- 16 Page 5, line 19, after "TAX" insert "IN THE UNINCORPORATED AREA OF
- 17 SUCH COUNTY".
- 18 Page 5, line 21, strike "FACILITY." and substitute "FACILITY AUTHORIZED
- 19 BY THE COUNTY.".

1 Page 6, after line 13 insert:
2 "(c) NOTWITHSTANDING THE PROVISIONS OF THIS SUBSECTION (1),
3 A COUNTY AND ANY MUNICIPALITY THAT LIES IN WHOLE OR IN PART
4 WITHIN THE COUNTY MAY ENTER INTO AN INTERGOVERNMENTAL
5 AGREEMENT THAT AUTHORIZES THE COUNTY TO LEVY, COLLECT, AND
6 ENFORCE A COUNTY EXCISE TAX UPON THE FIRST SALE OR TRANSFER OF
7 UNPROCESSED RETAIL MARIJUANA BY A RETAIL MARIJUANA CULTIVATION
8 FACILITY WITHIN THE BOUNDARY OF THE MUNICIPALITY, SUBJECT TO
9 MUTUALLY AGREED UPON TERMS AND CONDITIONS."

10 Page 8, line 2, after "FACILITY" insert "THAT IS CONSISTENT WITH THIS
11 SECTION AND".

12 page 8, after line 6 insert:

13 "SECTION 2. In Colorado Revised Statutes, 32-1-1004, add (10)
14 as follows:

15 **32-1-1004. Metropolitan districts - additional powers and**
16 **duties.** (10) (a) (I) IN ADDITION TO ANY SALES TAX IMPOSED PURSUANT TO
17 SECTION 29-2-103 AND ARTICLES 26 AND 28.8 OF TITLE 39, C.R.S., A
18 METROPOLITAN DISTRICT WITH BOUNDARIES ENTIRELY WITHIN THE
19 UNINCORPORATED AREA OF A COUNTY IS AUTHORIZED TO LEVY, COLLECT,
20 AND ENFORCE A METROPOLITAN DISTRICT SALES TAX UPON ALL SALES OF
21 RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS BY A RETAILER.

22 (II) IN ADDITION TO THE EXCISE TAX IMPOSED PURSUANT TO
23 ARTICLE 28.8 OF TITLE 39, C.R.S., A METROPOLITAN DISTRICT WITH
24 BOUNDARIES ENTIRELY WITHIN THE UNINCORPORATED AREA OF A COUNTY
25 IS AUTHORIZED TO LEVY, COLLECT, AND ENFORCE A METROPOLITAN
26 DISTRICT EXCISE TAX ON THE FIRST SALE OR TRANSFER OF UNPROCESSED
27 RETAIL MARIJUANA BY A RETAIL MARIJUANA CULTIVATION FACILITY. THE
28 TAX SHALL BE IMPOSED AT THE TIME WHEN THE RETAIL MARIJUANA
29 CULTIVATION FACILITY FIRST SELLS OR TRANSFERS UNPROCESSED RETAIL
30 MARIJUANA FROM THE RETAIL MARIJUANA CULTIVATION FACILITY TO A
31 RETAIL MARIJUANA PRODUCT MANUFACTURING FACILITY, A RETAIL
32 MARIJUANA STORE, OR ANOTHER RETAIL MARIJUANA CULTIVATION
33 FACILITY.

34 (b) IF THE BOUNDARIES OF A METROPOLITAN DISTRICT ARE WITHIN
35 A COUNTY THAT IMPOSES AN ADDITIONAL SALES TAX ON RETAIL
36 MARIJUANA AND RETAIL MARIJUANA PRODUCTS PURSUANT TO SECTION
37 29-2-114, C.R.S., OR THAT IMPOSES AN ADDITIONAL EXCISE TAX ON THE
38 FIRST SALE OR TRANSFER OF UNPROCESSED RETAIL MARIJUANA BY A

1 RETAIL MARIJUANA CULTIVATION FACILITY PURSUANT TO SECTION
2 29-2-115, C.R.S., THE SALES TAX RATE AND THE EXCISE TAX RATE
3 IMPOSED BY THE METROPOLITAN DISTRICT PURSUANT TO THIS SUBSECTION
4 (10) SHALL NOT EXCEED SUCH TAX RATES IMPOSED BY THE COUNTY.

5 (c) NO SALES OR EXCISE TAX SHALL BE LEVIED PURSUANT TO THE
6 PROVISIONS OF PARAGRAPH (a) OF THIS SUBSECTION (10) UNTIL THE
7 PROPOSAL HAS BEEN REFERRED TO AND APPROVED BY THE ELIGIBLE
8 ELECTORS OF THE METROPOLITAN DISTRICT. ANY PROPOSAL FOR THE LEVY
9 OF A SALES OR EXCISE TAX IN ACCORDANCE WITH PARAGRAPH (a) OF THIS
10 SUBSECTION (10) MAY BE SUBMITTED TO THE ELIGIBLE ELECTORS OF THE
11 DISTRICT AT A REGULAR SPECIAL DISTRICT ELECTION, ON THE DATE OF THE
12 STATE GENERAL ELECTION, OR ON THE FIRST TUESDAY IN NOVEMBER OF
13 AN ODD-NUMBERED YEAR, AND ANY ELECTION ON THE PROPOSAL MUST BE
14 CONDUCTED IN ACCORDANCE WITH THE "UNIFORM ELECTION CODE OF
15 1992", ARTICLES 1 TO 13 OF TITLE 1, C.R.S.

16 (d) (I) ANY RETAIL MARIJUANA SALES OR EXCISE TAX IMPOSED BY
17 A METROPOLITAN DISTRICT PURSUANT TO THIS SUBSECTION (10) SHALL
18 NOT BE COLLECTED, ADMINISTERED, OR ENFORCED BY THE DEPARTMENT
19 OF REVENUE, BUT SHALL INSTEAD BE COLLECTED, ADMINISTERED, AND
20 ENFORCED BY THE METROPOLITAN DISTRICT IMPOSING THE TAX OR
21 THROUGH AN INTERGOVERNMENTAL AGREEMENT WITH THE COUNTY IN
22 WHICH THE METROPOLITAN DISTRICT IS LOCATED.

23 (II) A METROPOLITAN DISTRICT IN WHICH A SALES TAX IS IMPOSED
24 PURSUANT TO THIS SUBSECTION (10) MAY AUTHORIZE A RETAIL
25 MARIJUANA STORE TO RETAIN A PERCENTAGE, TO BE DETERMINED BY THE
26 DISTRICT, OF THE RETAIL MARIJUANA SALES TAX COLLECTED PURSUANT TO
27 THIS SUBSECTION (10) TO COVER THE EXPENSES OF COLLECTING AND
28 REMITTING THE SALES TAX TO THE DISTRICT."

29 Renumber succeeding sections accordingly.

30 Page 8, line 8, strike "county or municipality" and substitute "county,
31 municipality, or metropolitan district".

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