

CITY OF WELLINGTON

Ballot Issue 300 - ORDINANCE CONCERNING RETAIL MARIJUANA SALES TAX IN THE TOWN OF WELLINGTON, COLORADO

“SHALL THE TOWN OF WELLINGTON TAXES BE INCREASED BY \$400,000.00 IN THE FIRST FISCAL YEAR AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER, BY IMPOSING AN ADDITIONAL SALES TAX OF 3.5% ON THE SALE OF RETAIL (RECREATIONAL) MARIJUANA AND RETAIL (RECREATIONAL) MARIJUANA PRODUCTS AS DEFINED IN THE COLORADO RETAIL MARIJUANA CODE, CONDITIONED ON THE VOTERS OF THE TOWN ALLOWING THE SALE OF RETAIL (RECREATIONAL) MARIJUANA AND RETAIL (RECREATIONAL) MARIJUANA PRODUCTS BY SEPARATE ACTION, WITH THE RATE OF SUCH TAX BEING ALLOWED TO BE DECREASED OR INCREASED ON OR AFTER JANUARY 1, 2022, WITHOUT FURTHER VOTER APPROVAL SO LONG AS THE RATE OF THE TAX DOES NOT EXCEED 5%, WITH THE REVENUES DERIVED FROM SUCH TAX TO BE COLLECTED AND SPENT FOR CONSTRUCTION OF A RECREATIONAL CENTER OR GENERAL OPERATING EXPENSES AS DESIGNATED BY THE TOWN ON AN ANNUAL BASIS NOTWITHSTANDING ANY REVENUE OR EXPENDITURE LIMITATIONS CONTAINED IN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, ARTICLE 1 OF TITLE 29, COLORADO REVISED STATUTES, OR ANY OTHER LAW?”

Background: Sales of medical marijuana have been legal in Colorado since 2000, and of retail (recreational) marijuana since 2014. Currently, marijuana sales are prohibited in the Town of Wellington. If Wellington voters approve Ballot Question 2B and allow local marijuana sales to start, then this Ballot Issue (300) would create a tax on those sales.

Major Provisions:

- Increases Wellington tax revenues by \$400,000 in the first fiscal year and by whatever amounts are raised each year afterwards by imposing a 3.5% sales tax on the sale of retail (recreational) marijuana and marijuana products. This tax is in addition to any other assessed state, county or municipal tax.
- Allows the tax rate to be increased or decreased on or after January 1, 2022 without further voter approval as long as the tax rate does not exceed 5%.
- Designates that revenues from this tax be spent for construction of a Town community or recreation center, and/or other general operating expenses as designated by the Town on an annual basis, notwithstanding revenue or expenditure limitations in the Colorado Constitution or state statutes.
- If not approved, but voters pass Ballot Question 2B, there will be no additional sales tax on retail marijuana and marijuana products, although any other state, county or local taxes would continue to apply.

Pros and Cons:

At the time the League of Women Voters of Larimer County compiled this information, no formal statements of support or opposition to this measure had been published in local or county newspapers. If formal statements were filed with the County Clerk's Office, they will be included in the Larimer County Voter Information publication.