

ORDINANCE NO. 1106 (2020)

AN ORDINANCE TO LEVY AND ESTABLISH THE PERCENTAGE RATE FOR ADDITIONAL SALES TAX ON THE SALE OF RETAIL MARIJUANA AND MARIJUANA PRODUCTS IN THE CITY OF CRAIG, COLORADO

RECITALS:

WHEREAS, the City of Craig (the “City”) is a Colorado home rule city duly organized and existing under the laws of the State of Colorado;

WHEREAS, the members of the City Council of the City (the “City Council”) have been duly elected and qualified:

WHEREAS, Article X, Section 20 of the Colorado Constitution, also referred to as the Taxpayer’s Bill of Rights (“TABOR”) requires voter approval for any new tax, any increase in any tax rate, the creation of any debt extension of an expiring tax and the spending of certain funds above limits established by TABOR;

WHEREAS, the Craig City Council referred a ballot measure for the coordinated election on November 5, 2019, which authorized the establishment and operation of retail marijuana businesses, which ballot measure was passed by the registered electors of the City of Craig;

WHEREAS, the City Council determined that if the retail marijuana store measure were approved by the voters that there could be additional sales tax revenues derived from sales conducted by retail marijuana stores above those sales taxes which are already authorized and collected pursuant to Section 29-2-102, C.R.S. and Articles 26 and 28.2 of Title 39, C.R.S.;

WHEREAS, the City Council proposed an additional sales tax in the amount of up to four (4%) percent on the sale of retail marijuana and retail marijuana products by retail marijuana stores within the City Craig and referred a ballot measure for the November 5, 2019 coordinated election, which ballot measure was passed by the registered electors of the City of Craig;

WHEREAS, the ballot measure approved by the registered electors designated that the funds from the collection of the additional sales tax was to be committed and used by the City to fund the existing Moffat County Library (Craig branch) and existing Museum of Northwest Colorado in Craig for five (5) budget years;

WHEREAS, pursuant to the approved ballot measure the City Council at their sole discretion may levy by ordinance from time to time the exact level, of the additional sales tax of no more than 4%, which ordinance can be changed by the City Council or a future City Council as may be expedient;

WHEREAS, by this ordinance, the City Council hereby levies the additional sales tax on the sale of retail marijuana and marijuana products at the rate of _____ (___%) percent.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CRAIG, COLORADO, AS FOLLOWS:

1. The City Council adds a new Section 3.16.056 of the Craig Municipal Code to state as follows:

3.16.056 Additional sales tax on retail marijuana and marijuana products

There is levied and imposed upon all retail sales and purchases of marijuana and marijuana products as defined in the *Colorado Retail Marijuana Code* found in Article 12 of Title 44, C.R.S., as the same may be hereafter amended, and any rules or regulations promulgated thereunder, an additional sales tax of _____ (___%) of sales which shall be effective _____.

2. The officers and employees of the City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this ordinance. Upon approval on second reading, the City Clerk shall certify the ballot content to the Moffat County Clerk for inclusion on the ballot for the November 5, 2019 coordinated election.
3. If any portion of this ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance.
4. This Ordinance shall take effect ten (10) days after passage and upon publication of such ordinance after passage.
5. The City Council deems it appropriate to publish the title of this Ordinance, together with a summary of the Ordinance and with the statement that the text is available for public inspection and acquisition in the office of the City Clerk.

READ, APPROVED AND ORDERED PUBLISHED ON FIRST READING THIS _____ DAY OF _____, 2020 BY THE CITY COUNCIL OF THE CITY OF CRAIG, COLORADO.

Jarrod Ogden, Mayor

ATTEST:

Liz White, City Clerk

**PASSED, APPROVED, AND ADOPTED AFTER HEARING ON SECOND
READING THIS _____ DAY OF _____, 2020 BY THE CITY
COUNCIL OF THE CITY OF CRAIG, COLORADO.**

Jarrod Ogden, Mayor

ATTEST:

Liz White, City Clerk