

## **ORDINANCE NO. 1123 (2021)**

AN ORDINANCE OF THE CITY OF CRAIG, COLORADO IMPLEMENTING THE ADDITIONAL SALES TAX OF 4% ON RETAIL MARIJUANA SALES APPROVED IN ORDINANCE NO. 1098 (2019) AND ALLOCATING THE REVENUE RECEIVED BETWEEN THE MOFFAT COUNTY LIBRARY AND THE MUSEUM OF NORTHWEST COLORADO

WHEREAS, the City of Craig (the “City”) is a 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 of Craig have been duly elected and qualified;

WHEREAS, the City Council approved Ordinance No. 1098 (2019) that allows for additional sales tax, up to four percent (4%), to be collected from the retail marijuana businesses above those sales taxes that are authorized and collected pursuant to C.R.S. § 29-2-102 and Articles 26, 28.2 and 39 of the Colorado Revised Statutes;

WHEREAS, the City Council determines that it is in the best interest of the City of Craig to begin collecting the additional sales tax as permitted in Ordinance No. 1098 (2019) in the amount of four percent (4%) to support the Museum of Northwest Colorado and the Moffat County Library (Craig Branch);

WHEREAS, the City Council determines it is necessary the City will charge an administrative fee of two percent (2%) of the collected revenue to process the marijuana sales tax distribution to the Moffat County Library (Craig Branch) and the Museum of Northwest Colorado prior to allocating revenues received to either entity;

WHEREAS, the City Council determines it is necessary for the City to recover costs associated with updating the tax collection software and other initial set-up expenses from the collected revenues;

WHEREAS, the City of Craig will receive the monthly collection of the sales tax collected from the retail marijuana business located within the City and from that report the City is able to determine the amount that was collected as a result of the four percent (4%) increase in sales tax resulting from the retail marijuana sales within the City;

WHEREAS, the City will allocate the revenues to be received by the Moffat County Library (Craig Branch) directly to Moffat County on a monthly basis;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF CRAIG, COLORADO:

1. The City is authorized to begin to collect sales tax pursuant to Ordinance No. 1098 (2019) in the amount of four percent (4%) from the retail marijuana businesses located within the City of Craig, Colorado for the remainder of the five-year term, which

commenced January 1<sup>st</sup>, 2021.

2. The revenues resulting from the four percent (4%) increase in sales tax on retail marijuana shall be equally divided between the Museum of Northwest Colorado and the Moffat County Library (Craig Branch).
3. The City shall transfer the share of the revenues received as a result of the sales tax increase on retail marijuana businesses directly to Moffat County on monthly basis. If the Moffat County Library (Craig Branch) should close for any reason the City shall have the ability to retain all futures funds and use those funds to support the Museum of Northwest Colorado.
4. Prior to the monthly distribution of marijuana sales tax collections to the Museum of Northwest Colorado and the Moffat County Library (Craig Branch), the City will calculate and deduct an administrative processing fee that covers any costs incurred by the City as a direct result of the marijuana sales tax collection process at a minimum rate of two percent (2%) of the collected distribution per month.
5. The City shall be entitled to recover any costs associated with updating the tax collection software and other initial set-up costs related to collection and processing of the marijuana sales tax increase of four percent (4%).

Section 2. If any subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion of this Ordinance.

Section 3. The City Council deems it appropriate to publish the title of this ordinance, together with a summary of the ordinance and with a statement that the text is available for public inspection and acquisition in the office of the City Clerk.

Section 4. This ordinance shall be effective immediately upon passage.

READ, APPROVED AND ORDERED PUBLISHED ON FIRST READING THIS \_\_\_\_\_  
DAY OF \_\_\_\_\_, 2021, BY THE CITY COUNCIL OF THE CITY OF CRAIG,  
COLORADO.

\_\_\_\_\_  
Jarrod Ogden, Mayor

ATTEST:

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Liz White, City Clerk