

Council Work Session 6-22-2021

Summary Marijuana Facts City of Craig

- Taxes that come into the City of Craig from Marijuana come from 3 sources
 - City Sales Tax at a rate of 4%
 - County Sales Tax- City receives 37.5% of the County's 2% sales tax
 - State Marijuana Tax- City receives 10% of the 15% tax that the state collects on marijuana
- Original Estimates 2020 by each of the 3 sources
 - \$76,000 - City Sales Tax at a rate of 4%
 - \$14,880 - County Sales Tax- City receives 37.5% of the County's 2% sales tax
 - \$25,200 - State Marijuana Tax- City receives 10% of the 15% tax that the state collects on marijuana
- Actual 2020 amounts by each of the 3 sources
 - \$110,144 - City Sales Tax at a rate of 4%
 - \$20,652 - County Sales Tax- City receives 37.5% of the County's 2% sales tax
 - \$38,185 - State Marijuana Tax- City receives 10% of the 15% tax that the state collects on marijuana
 - \$168,981 total
- Actual 2020 amounts over projections by each of the 3 sources
 - \$34,144 - City Sales Tax at a rate of 4%
 - \$5,772 - County Sales Tax- City receives 37.5% of the County's 2% sales tax
 - \$12,985 - State Marijuana Tax- City receives 10% of the 15% tax that the state collects on marijuana
 - \$52,902 – Total
- 46% higher revenue than anticipated originally
- With 1 shop open for the majority of time
- 1 additional business started reporting in August
- 1 additional business started operations in Feb 2021
- Other licenses are anticipated to start business in 2021
- Average City tax portion (4%) so far in 2021 is approx. \$15,000 per month
- Was originally budgeted to start in Feb 2020, did not start until April 2020
- Sales tax overall in all categories was up almost 12% for 2020, approx. 15% in 2021
- If City passes additional tax- projection is approx. \$50,000 in revenue for each 1% annually

2020 Original Estimate

	City 4% MARIJUANA	County Share of 37.5% of 2% MARIJUANA	State Share of 10% of 15% Also, equals 1.5% MARIJUANA	
Yrly Sales	\$2,500,000	\$2,500,000	\$2,500,000	
Yearly Tax	\$100,000	\$100,000	\$37,500	
	/12	/12	/12	TOTAL
Monthly	\$8,330	\$8,330	\$3,125	
Yr-2020				
Jan	\$0	\$0	\$0	\$0
Feb	\$2,000	\$400	\$750	\$3,150
Mar	\$4,000	\$800	\$150	\$4,950
Apr	\$6,000	\$1,200	\$300	\$7,500
May	\$8,000	\$1,560	\$3,000	\$12,560
Jun	\$8,000	\$1,560	\$3,000	\$12,560
Jul	\$8,000	\$1,560	\$3,000	\$12,560
Aug	\$8,000	\$1,560	\$3,000	\$12,560
Sep	\$8,000	\$1,560	\$3,000	\$12,560
Oct	\$8,000	\$1,560	\$3,000	\$12,560
Nov	\$8,000	\$1,560	\$3,000	\$12,560
Dec	\$8,000	\$1,560	\$3,000	\$12,560
TOTAL	\$76,000	\$14,880	\$25,200	\$116,080

Actual 2020	City 4% MARIJUANA	County Share of 37.5% of 2% MARIJUANA	State Share of 10% of 15% Also, equals 1.5% MARIJUANA	
Yrly Sales	\$2,500,000	\$2,500,000	\$2,500,000	
Yearly Tax	\$100,000	\$100,000	\$37,500	
	/12	/12	/12	TOTAL
Monthly	\$8,330	\$8,330	\$3,125	
Yr-2020				
Jan	\$0	\$0	\$0	\$0
Feb	\$0	\$0	\$0	\$0
Mar	\$0	\$0	\$0	\$0
Apr	\$3,803	\$713	\$1,633	\$6,149
May	\$17,502	\$3,282	\$2,968	\$23,752
Jun	\$11,571	\$2,170	\$3,962	\$17,702
Jul	\$12,897	\$2,418	\$4,390	\$19,705
Aug	\$14,023	\$2,629	\$4,881	\$21,533
Sep	\$14,563	\$2,731	\$5,300	\$22,594
Oct	\$12,653	\$2,372	\$5,519	\$20,544
Nov	\$11,037	\$2,069	\$4,809	\$17,915
Dec	\$12,096	\$2,268	\$4,723	\$19,086
TOTAL	\$110,144	\$20,652	\$38,185	\$168,982