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

SB18-259 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:


Page 2, line 14, strike "section." and substitute "section AND A COUNTY WHICH, BEFORE NOVEMBER 1, 2018, OBTAINED THE APPROVAL OF THE ELIGIBLE ELECTORS OF THE COUNTY AS REQUIRED BY SUBSECTION (1)(b) OF THIS SECTION TO LEVY ONLY A COUNTY EXCISE TAX ON THE FIRST SALE OR TRANSFER OF UNPROCESSED RETAIL MARIJUANA BY A RETAIL MARIJUANA CULTIVATION FACILITY THAT IS CALCULATED BASED UPON THE AVERAGE MARKET RATE OF UNPROCESSED RETAIL MARIJUANA AND IN WHICH THE ELIGIBLE ELECTORS THEREAFTER REJECTED A PROPOSED AMENDMENT TO ALLOW THE TAX TO BE CALCULATED BASED ON THE CONTRACT PRICE FOR TRANSACTIONS BETWEEN UNAFFILIATED RETAIL MARIJUANA BUSINESSES MAY CONTINUE TO COLLECT THE TAX ON SUCH TRANSACTIONS BASED ON AN AVERAGE MARKET RATE CALCULATION UNTIL DECEMBER 31, 2020.".
Page 3, strike lines 1 and 2.

Page 3, line 3, strike "marijuana." and substitute "Such excise tax must be calculated based on the average market rate of the unprocessed retail marijuana."

Page 3, strike lines 7 though 10 and substitute "cultivation facility. The tax rate imposed pursuant to this subsection (1)(a) may not exceed five percent of the average market rate, as determined by the department of revenue pursuant to section 39-28.8-101 (1), of the unprocessed retail marijuana."

Page 3, strike lines 16 through 18 and substitute "marijuana cultivation facility at a rate of up to five percent of the average market rate, as determined by the department of revenue pursuant to section 39-28.8-101 (1), of the unprocessed retail marijuana if the transaction is between affiliated retail marijuana business licensees and at a rate of up to five percent of the contract price, as defined in section 39-28.8-101 (2.5), for unprocessed retail marijuana if the transaction is between unaffiliated retail marijuana business licensees; except that a municipality which, before November 1, 2018, obtained the approval of the eligible electors of the municipality as required by subsection (2)(b) of this section to levy only a municipal excise tax on the first sale or transfer of unprocessed retail marijuana by a retail marijuana cultivation facility that is calculated based upon the average market rate of unprocessed retail marijuana and in which the eligible electors thereafter rejected a proposed amendment to allow the tax to be calculated based on the contract price for transactions between unaffiliated retail marijuana businesses may continue to collect the tax on such transactions based on an average market rate calculation until December 31, 2020. Such excise tax must be calculated based on the average market rate of the unprocessed retail marijuana. The tax shall be imposed at the time".

Page 3, line 22, strike "The tax rate imposed".

Page 3, strike lines 23 through 27 and substitute "The tax rate imposed by any statutory municipality pursuant to this subsection (2)(a) may not exceed five percent of the average market rate, as determined by the
department of revenue pursuant to section 39-28.8-101 (1), of the
unprocessed retail marijuana.

(7) If a retail marijuana cultivation facility uses a retail
marijuana transporter, as defined in section 12-43.4-103 (21.5), to
transport unprocessed retail marijuana being sold or
transferred by the retail marijuana cultivation facility to a
retail marijuana product manufacturing facility, a retail
marijuana store, or another retail marijuana cultivation
facility, the transportation of the unprocessed retail marijuana
by the retail marijuana transporter is not a transfer of
unprocessed retail marijuana for the purpose of levying any
excise tax imposed pursuant to this section.".

Page 4, strike lines 1 through 10.

Page 4, line 13, strike "metropolitan".

Page 4, strike line 14 and substitute "metropolitan district that levies a
genereal uniform sales tax as authorized by section 32-1-1106 (1),
health".

Page 4, line 15, after "levies" insert "a general uniform".

Page 4, line 16, after "levies" insert "a general uniform".

Page 4, line 17, after "levy" insert "its general uniform".

Page 4, line 19, after "levying" insert "any".

Page 4, line 23, strike "metropolitan district," and substitute "metropolitan
district, ".

Page 4, line 25, after "levy" insert "a general uniform".

Page 5, strike lines 7 through 16.

Renumber succeeding sections accordingly.

Page 6, line 7, after "licensees." insert "retail marijuana excise tax
shall also be calculated as fifteen percent of the contract
price when the first transfer of retail marijuana that has been
HARVESTED FOR SALE AT A RETAIL MARIJUANA STORE OR EXTRACTION BY A RETAIL MARIJUANA PRODUCT MANUFACTURING FACILITY IS BETWEEN UNAFFILIATED RETAIL MARIJUANA CULTIVATION FACILITIES."

Page 6, line 10, strike "facility, or".

Page 6, strike lines 11 and 12 and substitute "facility or a retail marijuana store.".

Page 6, strike lines 13 through 22 and substitute:

"SECTION 4. Act subject to petition - effective date. This act takes effect January 1, 2019; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2018 and, in such case, will take effect on January 1, 2019, or on the date of the official declaration of the vote thereon by the governor, whichever is later.".

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