

	MARIJUANA SALES TAX REGULATIONS, POLICIES AND PROCEDURES	Approval Date 5/28/15
	POLICY NUMBER 6047	Revision Date TBD

Purpose

The purpose of this policy is to account for, regulate and administer the countywide sales tax on retail marijuana and retail marijuana products in Adams County. On the November 4th, 2014 ballot for Adams County, the voters approved the imposition of a countywide sales tax on the sale of retail marijuana and retail marijuana products. The sales tax is to be used for educational programs in the county, for direct and indirect costs incurred by the county related to the licensing and regulation of the sale of such products and for other general purposes of the county.

Sales Tax Rate: 3% on applicable sales. For retail sales of marijuana or a marijuana products totaling \$1,000, \$30 in tax would be due to Adams County.

Vendor Fee: 1% of taxes collected. For the \$30 in taxes due, the vendor would keep \$0.30 (or 30 cents).

Taxing Area Includes: all Incorporated (cities and towns) and Unincorporated area of the County.

All retail marijuana vendors are required to have been licensed by the State of Colorado. If the vendor is in unincorporated Adams County, the vendor must also have any retail marijuana license that is required by the County.

Collection

Tax Rate

- The 3% retail marijuana sales taxes shall be collected monthly by the vendors in Adams County.

Tax Return

- Sales taxes are to be collected by vendors and remitted to Adams County along with the Adams County Retail Marijuana and Retail Marijuana Products Sales Tax Return form.
- Of the retail marijuana sales taxes collected, the vendor may deduct a 1% vendor fee to cover the vendor’s expense in the collection and remittance of the marijuana sales tax. The vendor fee can only be deducted if the taxes are paid to the county on time.
- The retail marijuana sales taxes are to be remitted monthly to the county on or before the 20th of the following month. For example sales taxes collected for the month of July are due to Adams County on or before the 20th of August. If the 20th falls on a weekend or holiday the due date is considered the next business day. A postmark of the 20th will be accepted as filed on time if the sales tax payment is mailed through the United States Post Office.
- The sales tax return must include any sales from the first day of the month through the last day of the month.
- Late payments will be charged interest of 0.022% per day that the late payment is outstanding.
- A late fee of \$25 will be charged on the first business day after the 20th for late payments.
- The County will also charge a returned check fee of \$20 for insufficient funds.

- Vendors should not mail cash. If the vendor wants to pay in cash, they must call the Finance Department to arrange for the taxes to be dropped off during the County's normal business hours. The phone number to schedule the appointment is 720.523.6050. The county's normal business hours are from 8 am to 4:30 pm M-F except for county holidays.
- The County will accept cash, checks and money orders. Checks and money orders may be sent in the mail to the following address:
 The Adams County Finance Department – Retail Marijuana Sales Tax
 4430 South Adams County Parkway Suite C4000A
 Brighton CO 80601-8212

Point of Sale

- The vendor must collect the retail marijuana sales tax from the purchaser of the product.
- The vendor must have a system that keeps track of the taxable sales of retail marijuana and retail marijuana products.
- The vendor's sales of retail marijuana and retail marijuana products should match the sales for the taxes for such products due to the State of Colorado for all locations in Adams County. Exceptions must be clearly noted on the sales tax return form.

Administration

- The sales tax for retail marijuana and retail marijuana products are administered by the Adams County Finance Department.
- The Finance Department will maintain a list of licensed retail marijuana vendors in Adams County.
- The Finance Department will develop the forms necessary to collect, administer and enforce the retail marijuana sales tax.
- All vendors selling retail marijuana and retail marijuana products in Adams County are required to completely fill out the Adams County Retail Marijuana Business Registration Form and submit it to the Adams County Finance Department.
- The Finance Department will monitor the filing of all licensed retail marijuana businesses in the county and maintain information on the collection of taxes from each business.
- The Finance Department will account for the retail marijuana sales taxes received and the allocations and uses of the taxes or eligible county purposes.
- Summary data on sales and taxes collected on retail marijuana and retail marijuana products will be publically available. However, Adams County will keep the financial information for individual businesses confidential.

Enforcement

- The Finance Department will coordinate with the Planning Department and the State of Colorado to determine which retail marijuana businesses are located in Adams County.
- Vendors doing business in Adams County are subject to being audited by the County.
- Vendors who do not pay on time are subject to interest payments in addition to any applicable late fees.
- Taxes are due on or before the 20th day of the month following the month in which taxes are collected. If the 20th falls on a weekend or holiday the due date is considered the next business day.