

3.3 – Excise Tax and Escalator

The Task Force recommends that the General Assembly consider and introduce a statutory referendum consistent with Amendment 64 (5)(d) and TABOR that should be voted on during the November 2013 state- wide election and be effective on January 1, 2014 if passed.

The referendum should give the voters the opportunity to approve a 15% excise tax **with a cap of 15% and permit the legislature to set and adjust the tax at any rate below the cap. The excise tax should be** calculated at the transaction point that a marijuana cultivation facility transfers any product to a marijuana production facility or retail store. As per Amendment 64, the referendum should further direct the first \$40 million in revenue raised annually to the Building Excellent Schools Today (BEST) program for school capital construction. The excise tax should be measured by an average market rate to be determined by the Colorado Department of Revenue on a bi-annual basis.

~~The Task Force further recommends that any referendum considered and introduced by the General Assembly in 2013 for an excise tax on marijuana should include a reasonable escalation clause that would take effect after 2017.~~