



Retail Marijuana Sales Tax Changes Fact Sheet

Recent statutory changes resulting from [Senate Bill 17-267](#) have led to changes in state sales taxes collected at the point of sale for retail marijuana and retail marijuana products.

- Beginning on **July 1, 2017**, the Retail Marijuana Sales Tax rate levied on retail marijuana and retail marijuana products at the point of sale *increases* from 10% to 15%.
- This legislation also *exempts* retail marijuana and retail marijuana products sold on or after **July 1, 2017**, from the State Sales Tax rate on tangible personal property of 2.9%.
- Please consult the publication [DR 1002: Colorado Sales/Use Tax Rates](#), available on the Taxation Division's website at [Colorado.gov/Tax](#), to determine if any additional tax exemptions apply based on the business location.
 - This exemption also extends to the following special districts: Regional Transportation District (RTD), Science and Cultural Facilities District (CD), Regional Transportation Authority (RTA), Multi-jurisdictional Housing Authority (MHA), Metropolitan District Tax (MDT) and Health Services District (HSD).
 - Local taxes were unaffected by this legislation and may still apply.
- **"Retail Marijuana"** and **"Retail Marijuana Products"** are defined in statute and do not include other types of tangible personal property that a retail marijuana business may offer for sale, such as apparel, glassware or rolling papers. Any sale of these other types of items are still subject to the 2.9% State Sales Tax.
- Retail marijuana businesses will still be required to file the [DR 0100: Colorado Retail Sales Tax Return](#). Taxpayers will report their overall Gross Sales and Services on line 1 (including the amount of retail marijuana and retail marijuana product sales) and, beginning with the July 2017 filing period, claim the state exemption by subtracting sales of Retail Marijuana and Retail Marijuana Product on line 10 in Part B – Exemptions Schedule of the return, which carries over to the main return, line 3b, column 1.
 - Retail marijuana businesses located within a special district that also allows this exemption should follow these instructions to claim the exemption in columns 2 or 3, too.
- To learn more, please refer to publication [FYI Sales 93: Sales Tax on Marijuana](#) available on the Taxation Division's website, [Colorado.gov/Tax](#).