

**CITY OF RIFLE, COLORADO  
ORDINANCE NO. 12  
SERIES OF 2014**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIFLE, COLORADO, SUBMITTING TO THE REGISTERED ELECTORS OF THE CITY OF RIFLE, COLORADO, AT THE GENERAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2014, THE ISSUE OF WHETHER THE CITY OF RIFLE SHOULD IMPOSE AN EXCISE TAX OF 5% ON THE SALE OR TRANSFER OF RETAIL MARIJUANA FROM A RETAIL MARIJUANA CULTIVATION FACILITY IN THE CITY.

WHEREAS, Section 16 of Article XVIII of the Colorado Constitution and the Colorado Retail Marijuana Code under C.R.S. §§ 12-43.4-101 et seq. authorizes a system of state and local licensing for business engaged in the cultivation, testing, manufacturing, and retail sale of marijuana; and

WHEREAS, the City of Rifle (the “City”) permits and regulates retail marijuana cultivation facilities in Article IX of Chapter 6 of the Rifle Municipal Code; and

WHEREAS, the City Council finds that it is appropriate to propose to the qualified electors of the City at the next general election the question whether to impose an excise tax on the sale or transfer of retail marijuana from a retail marijuana cultivation facility in the City as set forth in the ballot question contained in this ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF RIFLE THAT:

1. Recitals. The above recitals are incorporated as findings by the City of Rifle.
2. Purpose. The purpose of this Ordinance is to approve the imposition of an excise tax of 5% of the market rate of retail marijuana sold or transferred by a retail marijuana cultivation facility within the City to a retail marijuana product manufacturing facility, a retail marijuana store, another retail marijuana cultivation facility or any other purchaser or transferee, as further provided in the ballot question set forth below.
3. Ballot Question. The City Clerk shall cause a notice of election for the following ballot question to be published as part of the general election publication published in The Citizen Telegram in substantially the following form at least 30 days prior to the election, on or before October 3, 2014:

***NOTICE OF BALLOT QUESTION CONCERNING AN INCREASE IN TAXES BY THE IMPOSITION OF A 5% EXCISE TAX ON THE SALE OR TRANSFER OF RETAIL MARIJUANA FROM A LICENSED MARIJUANA CULTIVATION FACILITY AS FURTHER PROVIDED IN THE BALLOT QUESTION SET OUT BELOW.***

***NOTICE IS HEREBY GIVEN that an election will be held on Tuesday, November 4, 2014, between the hours of 7:00 a.m. and 7:00 p.m. at the polling places established for Rifle, Colorado. At this election, the following question will be submitted to the registered voters of the City of Rifle:***

**“SHOULD THE CITY OF RIFLE’S TAXES BE INCREASED BY \$250,000, BEGINNING JANUARY 1, 2015, AND BY SUCH AMOUNTS THAT ARE RAISED ANNUALLY THEREAFTER, BY IMPOSING AN EXCISE TAX IN THE AMOUNT OF 5% OF THE MARKET RATE OF RETAIL MARIJUANA, UPON THE SALE OR TRANSFER OF RETAIL MARIJUANA FROM A RETAIL MARIJUANA CULTIVATION FACILITY WITHIN THE CITY OF RIFLE TO A RETAIL MARIJUANA PRODUCT MANUFACTURING FACILITY, A RETAIL MARIJUANA STORE, ANOTHER RETAIL MARIJUANA CULTIVATION FACILITY OR ANY OTHER PURCHASER OR TRANSFEREE, WITHIN OR WITHOUT THE CITY OF RIFLE; WITH THE MARKET RATE OF MARIJUANA TO EQUAL, IN ANY EVENT, THE AVERAGE MARKET RATE FOR RETAIL MARIJUANA UNDER C.R.S. § 39-28.8-101, AS THAT CODE SECTION MAY BE AMENDED; WITH THE RESULTING TAX REVENUES TO BE COLLECTED BY THE CITY AS A VOTER APPROVED REVENUE CHANGE, NOTWITHSTANDING ANY APPLICABLE REVENUE OR EXPENDITURE LIMITATION IMPOSED BY ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?”**

4. Implementation Ordinance. If this ordinance is approved by the registered electors of the City voting at the regular election to be held on November 4, 2014, it will become effective January 1, 2015 and incorporated into Chapter 4 of the Rifle Municipal Code, subject to any implementing ordinances that the City Council may enact.

5. Severability. If any clause or provision of this ordinance is held to be invalid or unenforceable, the invalidity or unenforceability of the clause or provisions will not affect the validity of any of the remaining clauses or provisions of this ordinance, which, upon the date that it is to take effect, will become, and remain thereafter, in full force and effect.

6. TABOR Notice. At least 30 days prior to the election, on or before October 3, 2014, the City Clerk shall mail at the least cost, a titled notice or set of notices addressed to “All Registered Voters” at each address of one or more active registered voters concerning the ballot question referenced in this Ordinance No. 12, Series of 2014. The notice will be entitled “NOTICE OF ELECTION TO INCREASE TAXES.” The notice shall also include all

information required by Article X, Section 20 (3)(b) of the Colorado Constitution, also known as “The Taxpayer’s Bill of Rights.”

7. Invalidity. If this ordinance does not for any reason become effective, or is declared invalid by a court, the provisions of this ordinance will have no force or effect, and all other acts, orders, or ordinances of the City will continue to be effective as if this ordinance was never adopted.

INTRODUCED on August 6, 2014, read by title, passed on first reading, and ordered published as required by the Charter.

INTRODUCED a second time at a regular meeting of the Council of the City of Rifle, Colorado, held on August 20, 2014, continued until September 3, 2014, passed with amendment, approved, and ordered published in full as required by the Charter.

Dated this \_\_\_ day of \_\_\_\_\_, 2014.

CITY OF RIFLE, COLORADO

BY \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk