

TOWN OF PALMER LAKE, COLORADO

ORDINANCE NO. 5-2023

**AN ORDINANCE AMENDING TITLE 3 OF THE PALMER LAKE TOWN CODE
BY ADDING A NEW CHAPTER, CHAPTER 3.25 ESTABLISHING A SPECIAL
RETAIL MARIJUANA SALES TAX ON RETAIL MARIJUANA AND
MARIJUANA PRODUCTS SOLD BY RETAIL MARIJUANA STORES WITHIN
THE TOWN OF PALMER LAKE**

WHEREAS, on November 6, 2012 the voters of the State of Colorado approved Amendment 64 adding Section 16 to Article XVIII of the Colorado Constitution a limited exemption from criminal liability under Colorado law for people 21 and over to possess and cultivate marijuana for recreational use, and to establish the licensing and regulation of marijuana establishments in a manner similar to alcohol as described in Amendment 64; and

WHEREAS, the Palmer Lake Board of Trustees (the “Board of Trustees”) subsequently passed Regulations in Title 5 of the Town Code relating to the licensing and regulation of marijuana establishments pursuant to the authority granted by Article XVIII, Section 16 of the Colorado Constitution, allowing for medical marijuana facilities but not retail marijuana facilities; and

WHEREAS, the Board of Trustees then submitted to the Voters of the Town of Palmer Lake asking the Voters of the Town whether they want to permit up to two marijuana stores in existing marijuana business locations and the Voters voted in favor of permitting such retail marijuana stores; and

WHEREAS, the Voters have previously voted to approve a tax on the sale of retail marijuana and the Board now desires to adopt regulations establishing such sales tax.

**NOW THEREFORE BE IT ORDAINED BY THE TOWN BOARD OF
TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO AS FOLLOWS:**

1. Title 3 of the Town of Palmer Lake Municipal Code is hereby amended by adding a new Chapter, Chapter 3.25, with such new Chapter to read in its entirety as indicated below.

3.25.010. - Administration and enforcement.

The special retail marijuana sales tax imposed pursuant to this Chapter 3.25 shall be administered and enforced in accordance with the provisions of this Title 3, and in a manner consistent with the administration and enforcement of other Town sales taxes, including, without limitation, any penalties for failure to make any return or to collect or pay any tax.

3.25.020. - Definitions.

(a) The following words and phrases when used in this Chapter, unless the context otherwise requires, shall have the meanings given to them below:

(1) "Consumer" means a person twenty-one (21) years of age or older who purchases retail marijuana or retail marijuana products for personal use be person twenty-one (21) years of age or older but not for resale to others.

(2) "Retail marijuana" means all or parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marijuana concentrate. "Retail marijuana" does not include industrial hemp, nor does it include fiber produced from the stalks, oil, cake made from the seeds of the plant, sterilized seed of the plant that is incapable of germination, or the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other product.

(3) "Retail marijuana products" means concentrated retail marijuana products and retail marijuana products that are comprised of retail marijuana and other ingredients and are intended for use or consumption, such as but not limited to, edible products, ointments, and tinctures.

(4) "Retail marijuana sales tax" means the tax imposed on the sale of retail marijuana and retail marijuana products pursuant to this Chapter 3.25.

(5) "Retail marijuana store" means an entity licensed by the Colorado Department of Revenue to sell retail marijuana and retail marijuana products to consumers pursuant to section 16 of article XVIII of the Colorado Constitution and the "Colorado Retail Marijuana Code," Article 10 of Title 44, C.R.S., and licensed pursuant to Chapter 5 of the Palmer Lake Town Code.

3.25.030. - Imposition of tax.

(a) In addition to the sales tax imposed elsewhere by the Town of Palmer Lake Code, beginning March 1, 2023 there is imposed upon all sales of retail marijuana and retail marijuana products to a consumer by a retail marijuana store a special marijuana sales tax at the rate of five percent (5%) of the amount of the sale.

(b) Nothing in this section shall be construed to impose a tax on the sale of marijuana or marijuana products to any person by a medical marijuana center licensed by the Colorado Department of Revenue to sell medical marijuana and medical marijuana-infused products pursuant to the Colorado Medical Marijuana Code, article 10 of Title 44, C.R.S., and licensed by the Town pursuant to Chapter

5 of the Town Code. To the extent any retail marijuana store exists at the same location and under common ownership with a licensed medical marijuana center, the retailer shall strictly segregate and account for sales of retail marijuana distinct from medical marijuana in accordance with all applicable state and city laws and regulations governing collocation of retail marijuana stores and medical marijuana centers.

2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Ordinance is held to be unconstitutional or invalid for any reason such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The Town Board of Trustees hereby declares that it would have passed this ordinance and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

3. Repeal. Existing ordinances or parts of ordinances covering the same matters as embraced in this ordinance are hereby repealed and all ordinances or parts of ordinances inconsistent with the provisions of this ordinance are hereby repealed, except that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the taking effect of this ordinance.

INTRODUCED, PASSED AND ADOPTED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 23RD DAY OF FEBRUARY 2023.

ATTEST:

TOWN OF PALMER LAKE, COLORADO



Dawn A. Collins
Town Administrator/Clerk

BY: 

Grant Havenar
Mayor