MEASURE _____

EXPLANATORY STATEMENT:

If approved, this measure would result in the establishment of a three percent tax on the sale of marijuana items by a marijuana retailer within the city of Salem.

Approval of this measure would establish a three percent tax on the sale of recreational marijuana items by a marijuana retailer within the city of Salem. The tax would apply only to the retail sale of recreational marijuana items, and would not apply to wholesale of marijuana items, or to the sale or transfer of medical marijuana. If approved, the revenues from this tax are estimated to be $100,000 for 2017. All funds derived from the collection of the tax on the sale of marijuana items shall be credited to the general fund. Revenue from the tax will first be expended to pay the costs to administer and enforce the tax. All remaining proceeds from the tax after all administrative and enforcement costs have been paid will be allocated to the City of Salem Police Department.

Oregon law provides that the Oregon Liquor Control Commission has the duty and power to license the retail sale of recreational marijuana within the state. Oregon law further provides that a city council may adopt an ordinance imposing up to a three percent tax on the sale of marijuana items (which include marijuana concentrates, extracts, edibles, and other products intended for human consumption and use) by retail licensees in the city, but the council must refer that ordinance to the city voters at a statewide general election.   The City of Salem city council has adopted an ordinance imposing a three percent tax on the sale of marijuana items by a retail licensee in the city, and, as a result, has referred this measure to the voters.

Additional information regarding the proposed tax is available for public review at the Salem City Hall, City Recorder's Office, 555 Liberty Street SE, Room 205, Salem, Oregon, and on the City's web site www.cityofsalem.net/Departments/CityRecorder/Pages/default.aspx

Word Limit: 500
Word Count: 282