

ORDINANCE NO. 2275

AN ORDINANCE AMENDING THE BEND CODE TITLE XII BY ADDING CHAPTER 12.20 RECREATIONAL MARIJUANA SALES TAX

Findings:

- A. The Oregon Legislature enacted House Bill 3460 (2013) and HB 3400 (2015), the latter implementing Measure 91, which together require the Oregon Health Authority and the Oregon Liquor Control Commission to develop and implement processes to register medical marijuana dispensaries and retail marijuana dispensaries.
- B. The Oregon Legislature enacted HB 2041 (2015), which imposes a state tax on the sale of recreational marijuana at a temporary rate of 25% until December 31, 2016, and a permanent base tax rate of 17% for the sale of recreational marijuana starting January 1, 2017.
- C. ORS 475B.345 allows the governing body of a city to adopt an ordinance imposing up to a 3% local tax on the sale of recreational marijuana to be put before the voters of the city in the next statewide general election.
- D. The City Council desires to impose a 3% local tax on the sale of recreational marijuana within the City of Bend.

Based on these findings, THE CITY OF BEND ORDAINS AS FOLLOWS:

Section 1. Bend Code Chapter Title XII is amended by adding a new Chapter 12.20 Recreational Marijuana Sales Tax to read follows:

12.20.010 Definitions.

12.20.015 Recreational Marijuana Sales Tax Imposed.

12.20.010 Definitions.

The following definitions apply in this chapter:

- A. **Consumer** means a person who purchases, acquires, owns, holds, or uses marijuana items other than for the purpose of resale.
- B. **Marijuana item** means marijuana, cannabinoid products, cannabinoid concentrates, and cannabinoid extracts as defined in this chapter, Oregon State law, and any other applicable law.
- C. **Marijuana retailer** means a person licensed under ORS 47B.110 who sells marijuana items to a consumer in the State of Oregon.

D. **Recreational marijuana** means any marijuana or marijuana item intended for recreational use which meets all requirements for recreational marijuana contained in this chapter, Oregon State law, and any other applicable law.

E. **Tax administrator** means the Finance Director of the City of Bend.

12.20.015 Recreational Marijuana Sales Tax Imposed.

A. Effective January 1, 2017, each consumer shall pay a local sales tax in the amount of 3% on recreational marijuana sold. Tax amounts shall be rounded down to the nearest cent. The marijuana retailer shall maintain records of all recreational marijuana items sold and local recreational marijuana sales tax received. The amount of the local recreational marijuana sales tax shall be stated separately from any other charges on all receipts or invoices issued by the marijuana retailer.

Section 2. If approved, this Ordinance shall become effective on January 1, 2017.

First Reading: August 3, 2016

Second Reading and Adoption by Roll Call Vote: August 17, 2016


YES: Jim Clinton, Mayor
Victor Chudowsky
Sally Russell
Nathan Boddie
Casey Roats
Barb Campbell

NO: None




Jim Clinton, Mayor

ATTEST:



Robyn Christie, City Recorder

Approved as to form:



Mary A. Winters, City Attorney