

DENVER METROPOLITAN SCIENTIFIC AND CULTURAL FACILITIES DISTRICT

**RESOLUTION DETERMINING MATTERS RELATED TO THE
TAXATION OF RETAIL MARIJUANA SALES PURSUANT TO
SENATE BILL 18-088 AND SECTION 39-26-729(2), C.R.S.**

WHEREAS, Senate Bill 18-088, Concerning Clarification that Retail Marijuana Sales Are Subject to Sales Taxes Levied by Certain Limited Purpose Governmental Entities (“SB 18-088”), was signed into law on February 22, 2018; and

WHEREAS, pursuant to SB 18-088, as enacted at Section 39-26-729(1)(a), C.R.S., any special district or other limited purpose governmental entity that was levying sales tax on retail sales of marijuana under part 1 of Article 26, Title 39, C.R.S. before July 1, 2017 retains its authority to continue levying sales tax upon retail sales of marijuana under Article 26, Title 39, C.R.S.; and

WHEREAS, pursuant to SB 18-088 and Section 39-26-729(2), C.R.S., the governing body of any special district or limited purpose governmental entity that was levying sales tax upon retail marijuana sales before July 1, 2017 shall determine whether the levying of such sales tax complies with the Colorado Constitution and applicable decisions of the Colorado Supreme Court and Colorado Court of Appeals and, if the governing body determines that additional voter approval is required to levy sales tax upon retail sales of marijuana, the special district or limited purpose governmental entity shall not resume levying sales tax upon such sales until voter approval is obtained; and

WHEREAS, the Denver Metropolitan Scientific and Cultural Facilities District (the “District”) is a special statutory district and limited purpose governmental entity established pursuant to the provisions of Section 32-13-101-107.5, C.R.S.; and

WHEREAS, pursuant to Section 32-13-107(1)(a), C.R.S., the Board of Directors of the District (the “Board”) has the power to levy such uniform sales and use taxes throughout the District upon every transaction or other incident with respect to which a sales and use tax is levied by the State of Colorado, pursuant to the provisions of Article 26 of Title 39, C.R.S.; and

WHEREAS, at a general election held on November 8, 1988, the District’s registered electors approved the District’s authority to impose a sales and use tax of 0.1% to be distributed according to law (the “District Sales Tax”); and

WHEREAS, District’s registered electors have voted in favor of extending the District Sales Tax at elections held on November 8, 1994 (extending the District Sales Tax until June 30, 2006) and November 2, 2004 (extending the District Sales Tax until June 30, 2018); and

WHEREAS, most recently, at an election held on November 8, 2016, the registered electors of the District approved an extension of the District Sales Tax until June 30, 2030 (the “Election”); and

WHEREAS, prior to the Election, and therefore before July 1, 2017, the District Sales Tax was levied upon retail sales of marijuana; and

WHEREAS, pursuant to applicable decisions of the Colorado Court of Appeals and the Colorado Supreme Court, including, but not limited to, *TABOR Found. v. Reg'l Transportation Dist.*, 2016 COA 102, *cert. granted in part*, No. 16SC639, 2017 WL 280826 (Colo. Jan. 23, 2017) and *TABOR Foundation v. Reg'l Transportation Dist.*, 2018 CO 29, the District's authority to levy the District Sales Tax pursuant to Section 32-13-107(1)(a), C.R.S. and the voter approval obtained at the Election and prior elections, the District has received voter approval in advance to levy District Sales Tax on retail marijuana sales in compliance with Article X, § 20 of the Colorado Constitution and does not require additional voter approval to levy the District Sales Tax upon retail marijuana sales; and

WHEREAS, the District desires to set forth its determination regarding the taxation of retail sales of marijuana, as required pursuant to SB 18-088 and Section 39-26-729(2), C.R.S.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE DENVER METROPOLITAN SCIENTIFIC AND CULTURAL FACILITIES DISTRICT HEREBY RESOLVES AS FOLLOWS:

1. The Board hereby determines that the District Sales Tax shall be levied upon any and all retail sales of marijuana upon which the retail marijuana sales tax is imposed pursuant to Section 39-28.8-202, C.R.S. that may occur now and in the future in the District.

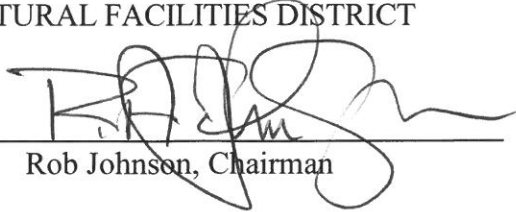
2. The Board hereby determines that the District Sales Tax complies with the Colorado Constitution and applicable decisions of the Colorado Supreme Court and Colorado Court of Appeals and that no additional voter approval is required to levy the District Sales Tax upon retail sales of marijuana.

3. This Resolution shall be filed with the Department of Revenue and shall be effective until amended, modified, or rescinded by the Board. The Board shall retain full authority to amend, modify, or rescind this Resolution in its discretion. Any amendment, modification, or recession shall be reported forthwith to the Department of Revenue.


(Signatures Begin on Next Page.)

ADOPTED AND APPROVED THIS 26th DAY OF APRIL, 2018.

DENVER METROPOLITAN SCIENTIFIC AND
CULTURAL FACILITIES DISTRICT

By: 
Rob Johnson, Chairman

ATTEST:

By: 
Its: SCFD Secretary



