



## **ORDINANCE 2016-003**

### **IMPOSING A THREE PERCENT TAX ON THE SALE OF MARIJUANA ITEMS BY A MARIJUANA RETAILER AND REFERRING ORDINANCE**

**WHEREAS**, section 34a of House Bill 3400 (2015) provides that a city council may adopt an ordinance to be referred to the voters that imposes up to a three percent tax or fee on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city; and

**WHEREAS**, the Sherwood City Council wants to refer the question of whether to impose a tax on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the City to the voters of the City of Sherwood;

**NOW, THEREFORE, THE CITY OF SHERWOOD ORDAINS AS FOLLOWS:**

#### **Section 1. Findings.**

After full and due consideration of the information presented, the Council finds that the text of the Sherwood Municipal Code shall be amended to adopt a marijuana tax, and the proposed amendments, if approved by the voters, shall be added as chapter 3.25 in the Revenue and Finance title of the Municipal Code.

#### **Section 2. Approval.**

The proposed amendments for the Municipal Code identified in the attached Exhibit 1, are hereby **APPROVED**.

#### **Section 3. Manager Authorized**

The City Manager is hereby directed and authorized to adopt rules and to take such other actions as may be necessary to implement this ordinance, including necessary updates to the Municipal Code.

#### **Section 4. Referral**

This ordinance shall be referred to the electors of the City of Sherwood at the next statewide general election on Tuesday, November 8, 2016. The City Attorney shall prepare a resolution for presentation to the Council referring this matter to said election and approving a ballot title and explanatory statement.

#### **Section 5. Effective Date**

This ordinance shall be effective upon certification of the election results by the City Council, if it receives the affirmative majority of the total number of votes cast thereon.

**Duly passed by the City Council this 19<sup>th</sup> day of January, 2016.**

Krisanna Clark 1/19/16  
Krisanna Clark, Mayor Date

Attest:

Sylvia Murphy  
Sylvia Murphy, MMC, City Recorder

	<u>AYE</u>	<u>NAY</u>
Brouse	<u>✓</u>	<u>  </u>
Robinson	<u>Absent</u>	<u>  </u>
Kuiper	<u>✓</u>	<u>  </u>
King	<u>✓</u>	<u>  </u>
Henderson	<u>✓</u>	<u>  </u>
Harris	<u>✓</u>	<u>  </u>
Clark	<u>✓</u>	<u>  </u>

## **EXHIBIT 1**

### **3.25 Marijuana Tax**

#### **3.25.010 Definitions**

As used in this chapter, unless the context requires otherwise:

- (1) "Marijuana Item" has the meaning given that term in Oregon Laws 2015, chapter 614, section 1.
- (2) "Recreational Marijuana Retailer" means a person who sells Marijuana Items to a consumer in this state.
- (3) "Retail Sale Price" means the price paid for a Marijuana Item, excluding tax, to a Recreational Marijuana Retailer by or on behalf of a consumer of the Marijuana Item.

#### **3.25.020 Tax Imposed**

As described in section 34a of House Bill 3400 (2015), the City of Sherwood hereby imposes a tax of three percent (3%) on the Retail Sale Price of Marijuana Items by a Recreational Marijuana Retailer in the area subject to the jurisdiction of the City.

#### **3.25.030 Collection**

The tax shall be collected at the point of sale of a Marijuana Item by a Recreational Marijuana Retailer at the time at which the retail sale occurs and remitted by each Recreational Marijuana Retailer that engages in the retail sale of Marijuana Items.