

MARIJUANA TAX

APRIL 4, 2023 • WASHINGTON, MO

3% ADDITIONAL SALES TAX ON RECREATIONAL MARIJUANA

Official Ballot Language

Shall the City of Washington, Missouri, impose a sales tax of three percent (3%) on all retail sales of adult use marijuana sold in the City of Washington, Missouri?

Yes

No

Background Information

During the statewide election of November 2022, Missouri voters approved an amendment to the state's constitution, which made the use and sale of recreational (adult use) marijuana legal in Missouri for adults over the age of 21. Additionally, the amendment placed a 6% state sales tax on purchases of recreational marijuana and authorized local governments to add a 3% sales tax.

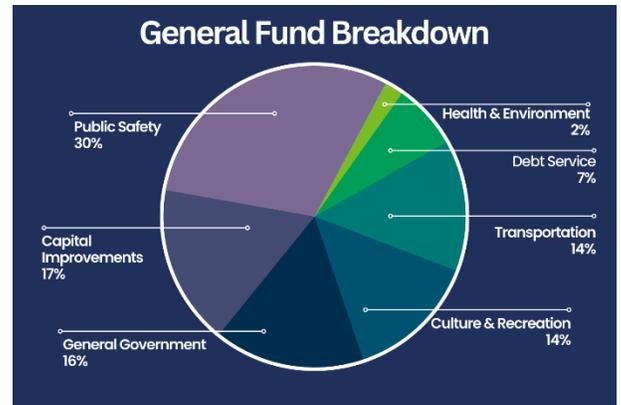
At its January 17, 2023, meeting, Washington City Council unanimously voted to put a question regarding the additional 3% sales tax on recreational marijuana on the ballot for the April 4, 2023 General Municipal Election.

Currently, more than 100 Missouri municipalities have a recreational marijuana sales tax question on the April ballot, including Kansas City, Joplin and Jefferson City. Locally, Franklin County has its own recreational marijuana sales tax question on the April ballot, as do several municipalities within the county, including Pacific, St. Clair and Union.

Marijuana Tax

Currently a sales tax of 8.85% (Washington Phoenix Center II 9.6%) is collected on all goods purchased in – or for delivery to – the City of Washington. The State of Missouri currently collects an additional 6% sales tax on purchases of recreational marijuana.

If voters approve the sales tax, the City of Washington will collect an additional 3% sales tax on purchases of recreational marijuana made within the City. The funds collected from the tax would be allocated to the City's General Fund.



What would the Marijuana Tax mean for Washington Residents?

Recreational (adult use) marijuana has only been legal in Missouri for a short time, and it is difficult to accurately estimate how much annual revenue the tax would generate.

If voters approve the marijuana tax, the tax would go into effect October 1, 2023. It is estimated that the City would collect between approximately \$100,000 to \$200,000 in additional revenue. The funds collected from the recreational marijuana sales tax would be allocated to the City's General Fund and could fund Parks and Public Safety.



PARKS



PUBLIC SAFETY

105

**MISSOURI CITIES HAVE PUT
A MARIJUANA SALES TAX
ON THE APRIL BALLOT**