

D R A F T

SUMMARY

Specifies that marijuana retailer may not collect tax from consumer of marijuana item if consumer is registry identification cardholder or designated primary caregiver who is purchasing marijuana item for registry identification cardholder.

Takes effect 91 days after adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to the sale of marijuana items by marijuana retailers to certain
3 consumers who are authorized to possess marijuana under the Oregon
4 Medical Marijuana Act; creating new provisions; amending ORS 475B.345;
5 and prescribing an effective date.

6 **Be It Enacted by the People of the State of Oregon:**

7 **SECTION 1. Section 2 of this 2016 Act is added to and made a part**
8 **of ORS 475B.700 to 475B.760.**

9 **SECTION 2. (1) As used in this section, “designated primary**
10 **caregiver,” “registry identification card” and “registry identification**
11 **cardholder” have the meanings given those terms in ORS 475B.410.**

12 **(2) Notwithstanding ORS 475B.705:**

13 **(a) A tax is not imposed upon the retail sale of marijuana items in**
14 **this state to a registry identification cardholder or to a designated**
15 **primary caregiver who is purchasing a marijuana item for a registry**
16 **identification cardholder; and**

17 **(b) A marijuana retailer may not collect the tax imposed under ORS**
18 **475B.705 from a consumer if, at the time at which the retail sale of the**
19 **marijuana item occurs, the consumer provides proof to the marijuana**

1 **retailer that the consumer:**

2 **(A) Holds a registry identification card; or**

3 **(B) Holds an identification card issued pursuant to ORS 475B.415**
4 **(5)(b) and is purchasing the marijuana item for a registry identifica-**
5 **tion cardholder.**

6 **(3) The Department of Revenue:**

7 **(a) Shall adopt rules establishing procedures by which a marijuana**
8 **retailer shall document that a consumer holds a registry identification**
9 **card or an identification card issued pursuant to ORS 475B.415 (5)(b);**
10 **and**

11 **(b) May adopt rules establishing procedures by which the depart-**
12 **ment may verify that a marijuana retailer collects the tax imposed**
13 **under ORS 475B.705 on all consumers of marijuana items other than**
14 **registry identification cardholders and designated primary caregivers.**

15 **SECTION 3.** ORS 475B.345 is amended to read:

16 **475B.345. (1) As used in this section, “designated primary**
17 **caregiver” and “registry identification cardholder” have the meanings**
18 **given those terms in ORS 475B.410.**

19 **[(1)(a)] (2)(a)** Except as expressly authorized by this section, the authority
20 to impose a tax or fee on the production, processing or sale of marijuana
21 items in this state is vested solely in the Legislative Assembly.

22 **(b)** Except as expressly authorized by this section, a county, city or other
23 municipal corporation or district may not adopt or enact ordinances impos-
24 ing a tax or fee on the production, processing or sale of marijuana items in
25 this state.

26 **[(2)] (3)** Subject to subsection **[(4)] (5)** of this section, the governing body
27 of a city or county may adopt an ordinance to be referred to the electors of
28 the city or county as described in subsection **[(3)] (4)** of this section that
29 imposes a tax or a fee on the sale of marijuana items that are sold in the
30 area subject to the jurisdiction of the city or the unincorporated area subject
31 to the jurisdiction of a county by a person that holds a license under ORS

1 475B.110.

2 [(3)] (4) If the governing body of a city or county adopts an ordinance
3 under this section, the governing body shall refer the measure of the ordi-
4 nance to the electors of the city or county for approval at the next statewide
5 general election.

6 [(4)] (5) An ordinance adopted under this section may not impose a tax
7 or fee:

8 (a) In excess of three percent[.]; or

9 (b) **On a registry identification cardholder or on a designated pri-
10 mary caregiver who is purchasing a marijuana item for a registry
11 identification cardholder.**

12 **SECTION 4. This 2016 Act takes effect on the 91st day after the date
13 on which the 2016 regular session of the Seventy-eighth Legislative
14 Assembly adjourns sine die.**

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