

Marijuana Taxes | File


Sales Taxes

NEW: [Retail Marijuana Sales Tax Changes Fact Sheet \(effective July 1, 2017\)](#)

- **State Sales Tax:** The state sales tax rate on all tangible personal property, including marijuana, is 2.9%. These taxes are charged on the final consumer purchase price. **As of July 1, 2017**, retail marijuana and retail marijuana products are exempt from state sales tax. The tax will still apply to medical marijuana and medical marijuana products.
- **Local and Special Districts Tax Rates:** See the [DR 1002](#) for current

and applicable rates.

- **State Retail Marijuana Sales Tax Rate:** There is a 15% retail marijuana sales tax on all sales of retail marijuana and retail marijuana-infused products in the state charged on the final consumer purchase price. This tax rate increased from 10% to 15% on **July 1, 2017.**

 [How do I file my sales taxes with the Department?](#)

Excise Tax

Excise tax is imposed on the first sale or transfer from a retail marijuana cultivation facility to a retail marijuana store or retail marijuana product manufacturing facility. Medical marijuana is not subject to the 15% state

retail marijuana excise tax.
Beginning August 9, 2017,
sales or transfers between
licensed cultivation facilities
are exempt from state excise
tax.

State Retail Marijuana Excise
Tax Rate: Retail marijuana is
subject to a 15% excise tax on
the Average Market Rate
(AMR) or contract price of
retail marijuana. The excise
tax is based on the average
market rate for Bud, Trim,
Immature Plant, Wet Whole
Plant, Seed, Bud Allocated for
Extraction and Trim Allocated
for Extraction. One marijuana
excise tax return is required
for each retail marijuana
cultivation facility.

[Senate Bill 17-192](#), emergency
Rule 1 CCR 201-18 sections [39-](#)
[28.8-101](#) and [39-28.8-302](#)
amended the definition of the
AMR, modifying how the

excise tax on retail marijuana is calculated, how frequently the AMR is recalculated, and created two new AMR categories and rates, while discontinuing one existing AMR category and rate.

- Effective August 9, 2017:
Affiliated retail marijuana businesses and unaffiliated retail marijuana businesses who do not have a contract price at the time of the sale will calculate their excise tax at 15% of the AMR. Unaffiliated retail marijuana businesses with a contract price at the time of sale will calculate their excise tax at 15% of the contract price.
- Effective January 1, 2018:
Contaminated Retail Marijuana Product Allocated for Extraction is

discontinued and replaced
by two new AMR
categories and rates, Bud
Allocated for Extraction
and Trim Allocated for
Extraction.

See: [Summary of Recent Retail
Marijuana Excise Tax
Changes](#) (Updated Dec. 22,
2017)

– Average Market Rate for
Unprocessed Retail
Marijuana

Period Rate: July 1 to
September 30, 2018

Retail Bud Rate	\$846 per pound
Retail Trim Rate	\$404 per pound
Retail Immature	\$1 per

Plant Rate	plant
Wet Whole Plant Rate	\$150 per pound
Seed Rate	\$5 per seed
Trim Allocated for Extraction Rate	\$300 per pound
Bud Allocated for Extraction Rate	\$230 per pound

- [Average Market Rate - Recommendations and Methodology](#)
- [Average Market Rate - Fact Sheet](#)
- [Prior Period Rate Information](#)

+ [What is contract price?](#)

+ [How do I file my excise taxes with the Department?](#)

Read more:

- [FYI Sales 93: Sales Tax on Marijuana](#)
- [FYI Excise 23: Excise Tax on Retail Marijuana](#)
- [Protest Rights](#)