



City of Boulder City Clerk's Office Licensing Division

February 24, 2014

Owners of Marijuana Businesses

RE: Clarification of "One-Time Transfer"

A tax is due only upon occurrence of a "taxable event." The city code describes the taxable events for the excise and sales tax for marijuana. The taxable event for the excise tax is when the marijuana "is sold or transferred from a recreational marijuana cultivation facility." BRC 3-14-2(a). The taxable event for the sales tax is a retail sale of marijuana or a marijuana product. BRC 3-14-2(b). The use tax is described in Section 3-2-2 of the code. Changing the name of marijuana from medical to recreational is not a taxable event. However, selling marijuana at retail under a recreational marijuana business license is a taxable event. Transferring marijuana from a grow to a MIP or a center under a recreational marijuana business license is a taxable event.

Please visit our website at: <https://bouldercolorado.gov/tax-license/tax-seminars> for the calendar of upcoming City of Boulder's Sales Tax Seminars.