

Measure 18-105
Explanatory Statement

Ballot Measure 18-105 would amend County ordinance 36.07 to allow State-licensed cannabis businesses to operate within Klamath County.

Currently, ordinance 36.07 prohibits all cannabis-related businesses within Klamath County, including retail sales and all four types of licensing (producer, processor, wholesaler and retailer).

If passed, the measure would require Klamath County to allow State-approved licenses, allowing medical dispensaries, retail farms and retail sales to conduct business within the County.

Currently Klamath County does not collect any State tax from retail sales of cannabis. If passed, recreational retail sales only, not medical cannabis dispensaries, would be taxed in Klamath County. Retail stores would be required to pay a 25% sales tax through December 31, 2016 and permanent 17% sales tax thereafter to the State of Oregon. Klamath County will have the option to add an additional 3% local sales tax. The cost of the retail sales tax program is paid for by tax dollars from retail sales.

Revenue from the retail sales tax would be distributed to:

- Common School Fund
- Mental Health, Alcoholism, and Drug Services Account (ORS 430.380)
- State Police
- Cities, for local law enforcement
- Counties, for local law enforcement
- Oregon Health Authority, for alcohol and drug abuse prevention, early intervention, and treatment services

Visit www.oregon.gov/dor/marijuana for more State tax information.

Committee Members:

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*Member dissents (does not concur with explanatory statement)