



LINCOLN COUNTY MONTANA

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STATE OF MONTANA LINCOLN COUNTY

RECORDED: 07/26/2023 11:55 KOI: RESOLUTION

CORRINA BROWN CLERK AND RECORDER

FEE: \$0.00 BY: *Michelle Byrd Deputy*

FOR: LINCOLN COUNTY BOARD OF COMMISSIONERS 512 CALIFORNIA AVE,

Resolution 2023-22

A Resolution of Intent To Hold A Special Election For The Purpose Of Adopting Or Rejecting A Local-Option Tax Of Three Percent (3%) On Recreational and/or Medical Marijuana Sales Within Lincoln County

THE BOARD OF COUNTY COMMISSIONERS FOR LINCOLN COUNTY, MONTANA FINDS:

WHEREAS, the 2021 Montana Legislature passed House Bill (HB) 701 regulating operation and taxation of marijuana businesses and sales; and

WHEREAS, Sections 94-98 of HB 701 allows for a county to submit to qualified electors the question of local- option marijuana excise tax of up to three percent (3%); and

WHEREAS, Lincoln County wishes to call a Special Election pursuant to MCA 13-1-101 et seq for the purpose of approving or rejecting a local-option marijuana excise tax of up to three (3) percent; and

WHEREAS, Lincoln County estimates total revenue from three percent local-option marijuana tax would be approximately \$126,000 annually; and

WHEREAS, HB 701 mandates that revenue from a local-option marijuana tax, if approved by voters, would be split with fifty percent (50%) of the revenue going to Lincoln County, forty-five percent (45%) to the cities of Troy, Libby and Eureka based on population, and five percent (5%) of the revenue retained by the Montana Department of Revenue; and

WHEREAS, local governments have limited alternatives for taxing authority, and a new local option marijuana excise tax would help diversify local revenue generation; and

WHEREAS, HB 701 allows local-option marijuana excise tax to be used for any activity, undertaking, or administrative service that the municipality is authorized by law to perform; and





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WHEREAS, if passed, the marijuana excise tax will be assessed on retail sales of marijuana products sold at adult-use dispensaries or medical marijuana dispensaries, effective January 1, 2024; and

WHEREAS, Lincoln County and incorporated municipalities may appropriate and expend revenue derived from a local-option marijuana excise tax for any activity, undertaking, or administrative service that the municipality is authorized by law to perform, including costs resulting from the imposition of the tax or due to administrative burdens imposed on the municipality as a result of licensing or regulatory requirements imposed in this chapter.

WHEREAS, a public hearing will be held on August 16, 2023, at 11:00 am in the Commissioners Chamber located at 512 California Avenue, Libby MT for the purpose of taking public comment; and

WHEREAS, the board of county commissioners will consider written and verbal comments

THE BOARD RESOLVES:

That the Board of Lincoln County Commissioners adopt a resolution to submit to the people of Lincoln County a referendum for authorization of a local-option marijuana excise tax in the amount of three percent (3%) on the retail value of all marijuana and marijuana products sold at adult-use dispensaries within Lincoln County.

THE BOARD FURTHER RESOLVES:

That the Board of Lincoln County Commissioners hereby refers the following question to qualified electors of Lincoln County:

“Shall Lincoln County impose a 3% local-option marijuana excise tax on the retail value of all marijuana and marijuana products sold at adult-use dispensaries and medical marijuana dispensaries within Lincoln County?”

FOR a 3% (three percent) Marijuana Local-Option Excise Tax
AGAINST a 3% (three percent) Marijuana Local-Option Excise Tax”

THE BOARD FURTHER RESOLVES:

1. If a provision of this resolution conflicts with a provision of a previously adopted resolution, this resolution will prevail.
2. This resolution and its various sections, clauses and paragraphs are severable. If any part, sentence, clause, or phrase is adjudged to be unconstitutional or invalid, the remainder of the





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resolution will not be affected.

- 3. This resolution will be effective immediately upon adoption, in accordance with § 7-5-123, MCA.
- 4. This Board directs that this resolution be entered into the minutes and signed by the Chair of the Board in accordance with § 7-5-121, MCA.

END OF RESOLUTION

Approved as to Form:

Marcia Boris, County Attorney

Date presented to the Board 7/26/23

Approved Disapproved [] Amended []

Adopted this 26 day of July 2023.

LINCOLN COUNTY BOARD OF COMMISSIONERS

Josh Letcher, Chair

ATTEST:

Corrina L. Brown, Clerk of the Board

