

CHAPTER 397

TAXATION

HOUSE BILL 26-1409

BY REPRESENTATIVE(S) Brown and Sirota, Taggart, Carter
also SENATOR(S) Bridges and Kirkmeyer, Amabile.

AN ACT**CONCERNING THE DISTRIBUTION OF MONEY COLLECTED FROM THE RETAIL MARIJUANA SALES TAX.**

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 39-28.8-203, **amend** (1)(a)(I) and (1)(b)(I.6); and **add** (1)(b)(I.7) as follows:

39-28.8-203. Disposition of collections - definitions.

(1) The proceeds of all money collected from the retail marijuana sales tax are initially credited to the old age pension fund created in section 1 of article XXIV of the state constitution in accordance with sections 2 (a) and 2 (f) of article XXIV of the state constitution and thereafter are transferred to the general fund in accordance with section 7 of article XXIV of the state constitution. For each fiscal year in which a tax is collected pursuant to this part 2, an amount shall be appropriated or distributed from the general fund as follows:

(a) (I) Before July 1, 2017, an amount equal to fifteen percent of the gross retail marijuana sales tax revenue collected by the department is apportioned to local governments. On and after July 1, 2017, but before July 1, 2025, an amount equal to ten percent of the gross retail marijuana sales tax revenue collected by the department is apportioned to local governments. On and after July 1, 2025, BUT BEFORE JULY 1, 2026, an amount equal to three and one-half percent of the gross retail marijuana sales tax revenue collected by the department is apportioned to local governments. The city or town share is apportioned according to the percentage that retail marijuana sales tax revenue collected by the department within the boundaries of the city or town bear to the total retail marijuana sales tax revenue collected by the department. The county share is apportioned according to the percentage that retail marijuana sales tax revenue collected by the department in the unincorporated

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area of the county bear to total retail marijuana sales tax revenue collected by the department.

(b) (I.6) On and after July 1, 2025, BUT BEFORE JULY 1, 2026, of the ninety-six and one-half percent of the gross retail marijuana sales tax revenue in the general fund remaining after the allocation to local governments required by subsection (1)(a)(I) of this section is made, the state treasurer shall retain fourteen and fifty-one one-hundredths percent in the general fund for use for any lawful purpose and shall transfer from the general fund:

(I.7) ON AND AFTER JULY 1, 2026, THE STATE TREASURER SHALL RETAIN FOURTEEN PERCENT OF THE GROSS RETAIL MARIJUANA SALES TAX REVENUE IN THE GENERAL FUND FOR USE FOR ANY LAWFUL PURPOSE AND TRANSFER:

(A) SEVENTY-THREE AND SEVENTEEN ONE-HUNDREDTHS PERCENT TO THE MARIJUANA TAX CASH FUND;

(B) ELEVEN AND THIRTY-THREE ONE-HUNDREDTHS PERCENT TO THE STATE PUBLIC SCHOOL FUND CREATED IN SECTION 22-54-114 (1) FOR USE AS SPECIFIED IN SECTION 22-54-139 (3); AND

(C) ONE AND FIFTY ONE-HUNDREDTHS PERCENT TO THE MARIJUANA CASH FUND CREATED IN SECTION 44-10-801 (1)(a).

SECTION 2. In Colorado Revised Statutes, 39-28.8-501, **add** (5)(c) as follows:

39-28.8-501. Marijuana tax cash fund - creation - distribution - legislative declaration - repeal.

(5) (c) ON JUNE 30, 2027, AND ON EACH JUNE 30 THEREAFTER, THE STATE TREASURER SHALL TRANSFER FROM THE FUND TO THE STATE PUBLIC SCHOOL FUND CREATED IN SECTION 22-54-114 (1) AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN THE BALANCE OF THE FUND AND:

(I) FIFTEEN PERCENT OF THE AMOUNT THAT THE GENERAL ASSEMBLY APPROPRIATED FROM THE FUND IN THE APPLICABLE FISCAL YEAR; AND

(II) THE AMOUNT OF THE FUND, IF ANY, DESIGNATED BY THE GENERAL ASSEMBLY IN THE GENERAL APPROPRIATION BILL OR BY SEPARATE BILL TO CONSTITUTE ALL OR A PART OF THE EMERGENCY RESERVE PURSUANT TO SECTION 24-77-104 (2) FOR THE APPLICABLE STATE FISCAL YEAR.

SECTION 3. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: June 4, 2026