



Legislation Text

File #: 230362, Version: 1

ORDINANCE NO. 230362

Sponsor: Mayor Quinton Lucas

Amending Chapter 68, Code of Ordinances, by enacting new Section 68-451 entitled “Sales tax (adult use marijuana)”; and establishing an effective date.

WHEREAS, Missouri Constitution Article XIV, Section 2 authorizes the governing body of any local government to impose a sales tax of no more than three percent (3%) on the tangible personal property retail sales of adult use marijuana; and

WHEREAS, in an election on April 4, 2023 the qualified voters of the City authorized the imposition of a 3% sales tax on the tangible personal property retail sales of recreational (non-medicinal) adult use marijuana to be used exclusively for the purposes of providing neighborhood quality of life improvements and funding refuse and cleanup services, homeless prevention services, and violence prevention services administered by the City; and

WHEREAS, the City Council declared its intent in Resolution No. 230159 to use revenue generated by the tax for the purposes of trash pick-up, neighborhood clean-up, homelessness response efforts, and violence prevention efforts; NOW, THEREFORE

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That with approval of the qualified voters of the City, Chapter 68 of the Code of Ordinances shall be amended by enacting new Section 68-451 entitled “Sales tax (adult use marijuana) to read as follows:

Section 68-451. Sales tax (adult use marijuana).

(a) *Imposition of tax.* Pursuant to the authority granted by and subject to the provisions of Missouri Constitution Article XIV, Section 2.6(5), a tax is hereby imposed upon all sellers for the privilege of engaging in the business of selling at retail tangible personal property of recreational adult use marijuana and in the manner provided in RSMo 144.010-144.525, and the rules and regulations of the director of revenue issued pursuant thereto. The rate of the tax shall be three percent (3%) on the receipts from the sale at retail of all tangible personal property of recreational adult use marijuana. The tax shall become effective October 1, 2023 and shall be collected as provided in RSMo 94.500-94.550.

(b) *Use of proceeds.* One-third (1/3) of the revenue generated by the sale at retail of all tangible personal property of non-medicinal adult use marijuana shall be used for neighborhood clean up via the Public Works Department. One-third (1/3) of the revenue shall be used for homelessness response efforts via the Housing Department. One-third (1/3) of the revenue shall be used for violence prevention efforts via the Health Department.

Approved as to form:

Samuel E. Miller
Assistant City Attorney