



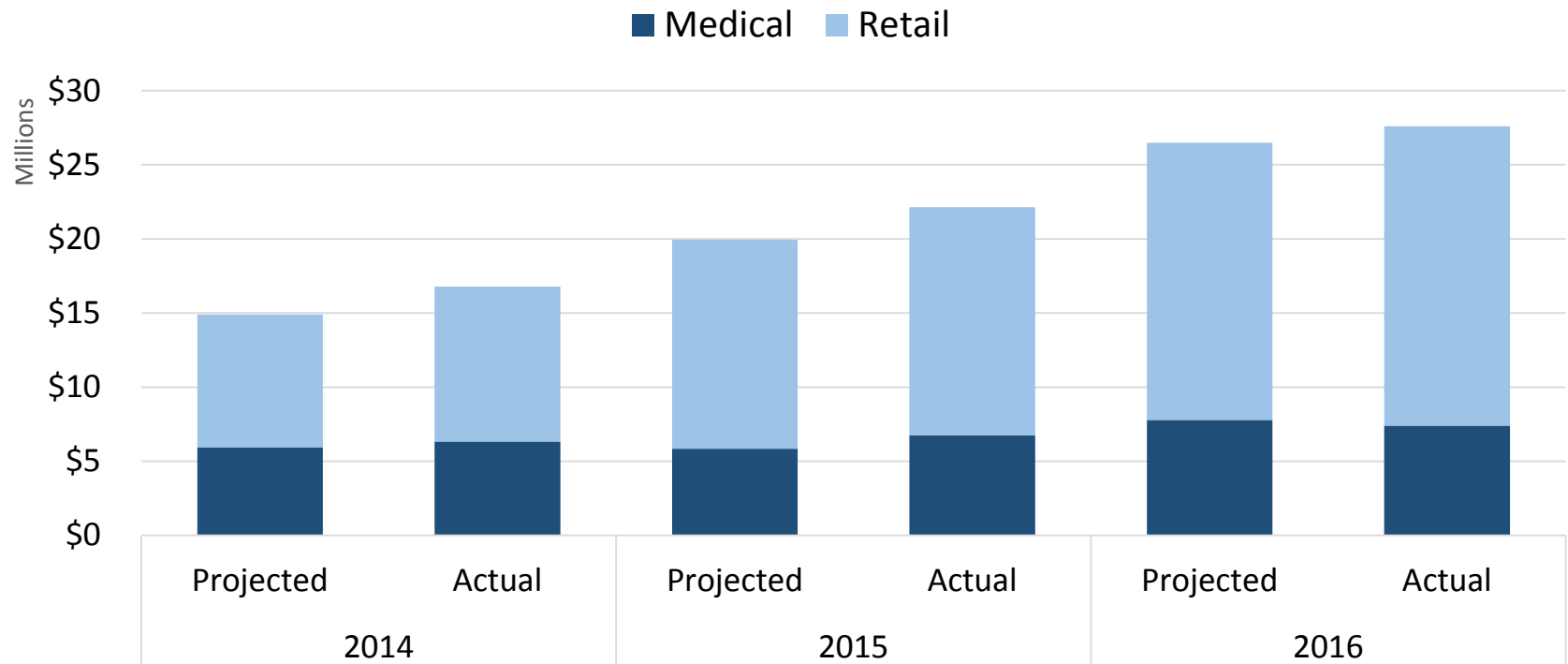
DENVER
THE MILE HIGH CITY

Estimated Marijuana Tax Revenue for Denver from Expanded MJ Store Hours

Presented by
the Budget and Management Office
to the City Council Marijuana
Special Issues Committee
April 3, 2017

Historical Marijuana Revenues: Projections vs. Actuals

Denver's Projected and Actual Marijuana Sales Tax Revenues,
2014 to 2016
(\$ in millions)



Retail MJ sales tax revenue includes the standard 3.5% sales tax that supports the General Fund and the special retail MJ sales tax (3.5%). Retail & medical sales tax revenues exclude the Denver Preschool Program (DPP) share. State Shareback is excluded. Projections are revised.

Additional Retail Sales Required for Tax Revenue Increases

			Estimated Increases from Expanded Hours				
	2016 Act*	2017 Est.	2.5%	5%	10%	18%	20%
Retail Sales	\$288.3M	\$312.2M	\$7.8M	\$15.6M	\$31.2M	\$56.2M	\$62.4M
Retail Tax Revenue	\$24.5M	\$26.6M	\$664k	\$1.3M	\$2.7M	\$4.8M	\$5.3M
Estimated Transactions	9.0M	9.8M	244k	488k	976k	1.8M	2.0M
Estimated Transactions per Store	60.0k	65.0k	1.6k	3.3k	6.5k	11.7k	13.0k

*2016 retail MJ sales and tax revenue are actuals; 2016 transactions are estimated.

Additional Notes: Retail taxes include 3.5% sales tax (excludes DPP), the 3.5% special retail MJ tax, and the State Shareback (Denver's share of the State's retail tax). All estimated transactions assume \$32 per transaction.

Transactions per store assume 150 stores sell retail marijuana.