



GALLATIN COUNTY COMMISSION

Media Release

311 West Main Street

Bozeman, Montana 59715

For immediate release: July 26, 2022

Gallatin County Voters To Decide On Local Marijuana Taxes

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After a clerical error negated the results of two local-option marijuana tax ballot questions in the June primary election, Gallatin County voters will be again asked to decide on the two taxes, but this time as part of the November general election.

On Tuesday, July 26, the Gallatin County Commission unanimously voted to add the following two questions to the November ballot for Gallatin County voters' consideration:

- A 3% local-option sales tax on all non-medical (recreational) marijuana products sold in Gallatin County.
- A 3% local-option sales tax on all medical marijuana products sold in Gallatin County.

In June, the commissioners put the same two questions on the primary election ballot and [both measures were passed by voters](#).

However, the county failed to meet the unique notice requirements obligated by the Montana Legislature for local-option marijuana tax ballot questions. Due to this error, commissioners did not certify the election results of these two ballot questions as part of the post-election canvass.

So while the two ballot questions will be identical to what voters saw on their June ballots, they are NOT in addition to any other local taxes as they were not certified in June.

"It seems very straight-forward and common sense to put these on the ballot again," said Gallatin County Commissioner Zach Brown.

In November 2020, Montana voters passed Initiative Measure 190, which allowed for the operation of various categories of marijuana businesses and taxation of marijuana retail sales in Montana counties in which a majority of voters approved the initiative. The initiative passed in Gallatin County with 65.6% of the vote.

State law does not allow county governments to impose similar taxes on any other product. The state already imposes a 20% tax on recreational marijuana and a 4% percent tax on medical marijuana.

If voters in an eligible county pass a local-option marijuana tax, 50% of the tax must be retained by the county, 45% apportioned to the cities and towns in the county based on population, and the remaining 5% given to the Montana Department of Revenue to defray state costs associated with the tax.

State law allows counties or cities and towns that receive local-option sales tax revenue for any activity, undertaking or administrative service authorized by law, including costs resulting from the imposition of the tax.

If passed, the local-option taxes would go into effect on March 1, 2023. Gallatin County Commissioners say that, if passed, they will use the county's portion of the local taxes to fund mental health services.

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