

Argument in Favor of Measure _____

Please vote yes on Measure _____, the marijuana business tax.

In 1996, California voters authorized the legal use of medical marijuana. As a result, California tax authorities estimate that the state currently collects \$58 million to \$105 million in sales taxes on \$700 million to \$1.3 billion in annual retail sales of medical marijuana.

Currently, the City of Needles ("City") of over 4,800 people, is not collecting any revenue from retail sales of medical marijuana. In order for the City to collect revenue, you need to vote "yes" to tax these facilities as other cities and states have done. All revenues collected will be deposited in the general fund and subject to existing independent financial audits, with all revenue controlled by the City.

Today, there are no financial audits of these facilities and/or retail sales of medical marijuana. Just as over-the-counter drugs from pharmacies are subject to taxation, so too is medical marijuana. With a yes vote on Measure _____, facilities selling medical marijuana will be required to have financial audits and pay taxes like everyone else. Voting yes on Measure _____ will bring revenue to the City to help balance the budget and fund City services like road paving, libraries, police, fire, parks and senior programs.

The United States Supreme Court has ruled that as a general matter, the unlawfulness of an activity does not prevent its taxation. Therefore, in California, sales of medical marijuana, including illegal marijuana, are subject to tax. Voting yes on Measure _____ does not legalize or otherwise permit marijuana businesses in the City.

Vote yes on Measure _____, the marijuana business tax.

A full text of the measure is available at cityofneedles.com or contact the City Clerk at ndlsclerk@citlink.net or 760-326-2113 and a full text of the measure will be sent to you.

Linda Kidd, Councilmember

/s/ Linda Kidd, Councilmember

Dated 7-3-2012

ARGUMENTS

FORM OF STATEMENT TO BE FILED BY AUTHORS OF ARGUMENTS

All arguments concerning measures filed pursuant to Division 9, Chapter 3 (beginning with § 9200) of the Elections Code shall be accompanied by the following form statement **to be signed** by each proponent, and by each author, if different, of the argument:

The undersigned proponent (s) or author(s) of the primary argument in favor of ballot proposition Marijuana Business Tax at the General Municipal Election for the City of Needles to be held on November 6, 2012 hereby state that the argument is true and correct to the best of (his/her/their) knowledge and belief.

Print <u>Linda Kidd</u>	Name	Signature <u>Linda Kidd</u>
Title <u>Council member</u>		Date <u>7-3-2012</u>
Print _____	Name	Signature _____
Title _____		Date _____