



**COLORADO**  
**Department of Revenue**

Taxation Division

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**Colorado Department of Revenue**  
**Statement of Emergency Justification and Adoption**  
**Emergency Regulations 39-28.8-101 and 39-28.8-302**

Pursuant to §§ 24-4-103(6), 39-21-112(1), 39-28.8-101, 39-28.8-302, and 39-28.8-308 C.R.S., I, Michael S. Hartman, Executive Director of the Department of Revenue, hereby adopt emergency Regulations 39-28.8-101 and 39-28.8-302.

Section 24-4-103(6), C.R.S., authorizes the Executive Director to adopt a temporary or emergency regulation if the Executive Director finds that the immediate adoption of the regulation is imperatively necessary to comply with a state law or for the preservation of public health, safety, or welfare and that compliance with the requirements of section 24-4-103, C.R.S. regarding promulgation of a permanent regulation would be contrary to the public interest.

I find that the immediate adoption of the amendments to these regulations is necessary to provide guidance to Colorado taxpayers in light of statutory changes made by the Colorado General Assembly in Senate Bill 18-259, which created an additional method for calculating the retail marijuana excise tax for transfers of retail marijuana harvested for sale or for extraction between unaffiliated retail marijuana cultivation facilities. Defined terms have also been updated in Regulation 39-28.8-101 to add more clarity to the legislative changes. Permanent rulemaking proceedings are underway, but the legislative changes to the affected statute will be effective January 1, 2019. Thus, emergency regulations are necessary to provide guidance to taxpayers until promulgation of permanent regulations. As a result, I find that compliance with the requirements of § 24-4-103, C.R.S., would be contrary to the public interest under the circumstances.

**Statutory Authority**

The statutory authority for the amendments to the existing regulation is cited above.

**Purpose**

To conform the existing regulations to the statutory changes made in the 2018 legislative session.

### Adoption

For the reasons set forth above, I hereby adopt emergency Regulations 39-28.8-101 and 39-28.8-302 C.R.S., which are attached to this Statement and shall be effective on the date of its adoption and shall apply prospectively. These emergency regulations shall be in force and effect for a period of one hundred and twenty days from the date of this notice, unless sooner terminated or replaced by permanent rules adopted in accordance with § 24-4-103, C.R.S.

Adopted this 15<sup>th</sup> day of December, 2018.



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Michael S. Hartman  
Executive Director  
Colorado Department of Revenue