AN ORDINANCE IMPOSING A SALES TAX AT A RATE OF THREE PERCENT ON ALL TANGIBLE PERSONAL PROPERTY RETAIL SALES OF ADULT USE MARIJUANA SOLD WITHIN THE CITY OF HOLLISTER, MISSOURI, PURSUANT TO ARTICLE XIV, SECTION 2.6(5) OF THE MISSOURI CONSTITUTION SUBJECT TO THE APPROVAL BY THE VOTERS OF THE CITY AT THE SPECIAL ELECTION TO BE HELD ON AUGUST 8, 2023; DESIGNATING THE FORM OF BALLOT; AND DIRECTING THE CITY CLERK TO PROVIDE NOTICE OF SAID ELECTION.

WHEREAS, on November 8, 2022, the electors of the State of Missouri approved Amendment 3 to the Missouri Constitution enacting Section 2 of Article XIV of the Missouri Constitution effective December 8, 2022; and

WHEREAS, the newly enacted Article XIV, section 2.6(5) of the Missouri Constitution authorizes the City of Hollister, Missouri to impose, by ordinance, an additional sales tax in amount not to exceed three percent on all tangible personal property retail sales of adult use marijuana sold in such political subdivision subject to approval by voters of the City of Hollister, Missouri; and

WHEREAS, the Board of Aldermen finds that it is in the best interests of the citizens of the City of Hollister, Missouri to impose a sales tax of three percent on all tangible personal property retail sales of adult use marijuana sold in the City of Hollister, Missouri to go to the General Fund to be used for public safety needs and to submit the same to the voters of the City for approval by a majority of those voting at the special election to be held on August 8, 2023.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMAN, MISSOURI AS FOLLOWS:

<u>SECTION 1 – ADULT USE MARIJUANA SALES TAX</u>. A sales tax at the rate of three percent on all tangible personal property retail sales of adult use marijuana sold in the City of Hollister, Missouri, as authorized by Article XIV, section 2.6(5) of the Missouri Constitution, is hereby imposed. The tax imposed hereunder shall be in addition to any and all other sales taxes allowed by law.

<u>SECTION 2 – EFFECTIVE DATE</u>. The sales tax imposed by this Ordinance shall not be effective unless approved by a majority of the votes cast by the qualified voters voting thereon at the Special Election to be held on August 8, 2023, at which election a proposal to authorize the Board of Aldermen of the City of Hollister, Missouri, to impose the tax herein provided for shall be submitted to the voters of the City of Hollister.

SECTION 3 – FORM OF BALLOT. The ballot to be used in such election shall contain the following question:

Question 1

Shall the City of Hollister Missouri, impose a sales tax of three percent (3%) on all retail sales of adult use marijuana "non-medicinal" sold in the City of Hollister, Missouri to go to the general fund and be used for public safety?

Yes

 \Box No

SECTION 4 – NOTICE OF ELECTION. The City Clerk is hereby directed to notify the County Clerk of Taney County, Missouri, of the enactment of this Ordinance no later than 5:00 p.m. on Tuesday, May 30, 2023, in accordance with the Comprehensive Election Act, Chapter 115 of the Revised Statutes of Missouri, as amended.

READ THIS FIRST AND SECOND TIME AND PASSED BY THE BOARD OF ALDERMEN OF THE CITY OF HOLLISTER, MISSOURI THIS 18th DAY OF MAY, 2023.

Lamar Patton, Mayor

ATTEST:

Bridget Epps, City Clerk