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IMMEDIATE RELEASE

Colorado Department of Revenue released Average Market Rates for retail marijuana effective January 1, 2022

DENVER, Colo. - December 13, 2021 - The Colorado Department of Revenue (CDOR) released the Average Market Rates (AMR) for retail marijuana effective January 1, 2022 until March 31, 2022.

One of the seven AMR categories increased this quarter, specifically seed (\$4). Five of the seven rates decreased, including bud (\$948), trim (\$354), bud allocated for extraction (\$345), trim allocated for extraction (\$253) and wet whole plant (\$172). One rate stayed the same, specifically immature plant (\$10).

The AMR is the median market price of each category of unprocessed retail marijuana that is sold or transferred from retail marijuana cultivation facilities to retail marijuana product manufacturing facilities or retail marijuana stores. CDOR's Office of Research and Analysis, in coordination with the Taxation Division and the Marijuana Enforcement Division (MED), calculates AMRs quarterly for use in levying the excise tax as required by Colorado statute.

In order to estimate the AMR for each of the categories and to comply with the rate-setting requirements of §39-28.8-101(1.5), C.R.S., the Department calculated the AMRs for January 1, 2022 through March 31, 2022 based on transactions from September 1, 2021 through November 30, 2021. The transactions originated from retail marijuana cultivators and were recorded in the marijuana inventory tracking system (METRC).

The AMR dataset includes transfers that meet the following criteria: 1) transfers that originated at a retail cultivator, 2) transfers to retail stores or retail infused product manufacturers (retail MIPs), 3) transfers of unprocessed marijuana, 4) transfers between unaffiliated businesses, and 5) transfers with a receiver price. For each item transferred, prices per pound (for bud, trim, bud allocated for extraction, trim allocated for extraction, and wet whole plant) and prices each (for immature plants and seeds) were calculated. The AMR for each category is the median market price (per pound or each) of all included transfers in that category.

Visit the Taxation Division's website for more information, including the methodology of the AMR calculations and current and prior AMRs: <https://tax.colorado.gov/average-market-rate>.

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