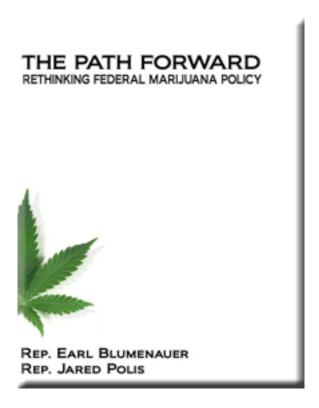
Congressmen Unveil New "The Path Forward: Rethinking Federal Marijuana Policy" Report

WASHINGTON – Congressman Jared Polis and Congressman Earl Blumenauer today introduced two pieces of legislation to de-federalize marijuana policy and create a framework for the federal taxation of cannabis. Blumenauer's Marijuana Tax Equity Act creates a federal excise tax on marijuana. Together, these bills would provide a system of regulation and taxation for marijuana in states where it is legal. Polis' Ending Federal Marijuana Prohibition Act would remove the Drug Enforcement Agency's authority over marijuana and allow states to choose whether to allow marijuana for medicinal or recreational use.



The Congressmen have also co-authored a new report "The Path Forward : Rethinking Federal Marijuana Policy.

The document reviews the history of marijuana prohibition in the US, current conflicts between state and federal law, and outlines several opportunities to reform and clarify marijuana law at the federal level.

Congressman Blumenauer has also posted a FAQ on marijuana and marijuana legislation.

"We are in the process of a dramatic shift in the marijuana policy landscape," said Blumenauer. "Public attitude, state law, and established practices are all creating irreconcilable difficulties for public officials at every level of government. We want the federal government to be a responsible partner with the rest of the universe of marijuana interests while we address what federal policy should be regarding drug taxation, classification, and legality."

The Marijuana Tax Equity Act [BILL TEXT] would create the following framework:

- This bill imposes a 50 percent excise tax on the first sale of marijuana, from the producer to the next stage of production, usually the processor;
- Similar to the rules within the alcohol and tobacco tax provisions, an occupational tax will be imposed on those operating in marijuana, with producers, importers and manufacturers facing an occupation tax of \$1,000/a year and any other person engaged in the business facing an annual tax of \$500/a year;
- Civil penalties will be imposed for failure to comply with taxing duties. Criminal penalties will be assessed for intentional efforts to defraud the taxing authorities; and,
- The bill also requires the IRS to produce a study of the industry after two years, and every five years after that, and to issue recommendations to Congress to continue improving the administration of the tax.

"This legislation doesn't force any state to legalize marijuana, but Colorado and the 18 other jurisdictions that have chosen to allow marijuana for medical or recreational use deserve the certainty of knowing that federal agents won't raid state-legal businesses," said Polis. "Congress should simply allow states to regulate marijuana as they see fit and stop wasting federal tax dollars on the failed drug war."

The **Ending Federal Marijuana Prohibition Act** follows Colorado's model of regulating marijuana like alcohol by:

- Removing marijuana from the Controlled Substances Act;
- Transferring the Drug Enforcement Administration's authority to regulate marijuana to a newly renamed Bureau of Alcohol, Tobacco, Marijuana and Firearms, which will be tasked with

regulating marijuana as it currently does alcohol;

- Requiring marijuana producers to purchase a permit, as commercial alcohol producers do, of which the proceeds would offset the cost of federal oversight; and,
- Ensuring federal law distinguishes between individuals who grow marijuana for personal use and those involved in commercial sale and distribution.

States could choose to continue to prohibit marijuana production or use in their states and it would remain illegal to transport marijuana to a state where it is prohibited.