COLORADO
Department of Revenue

Average Market Rates (Median Market Prices): April 1 – June 30, 2022

Average Market Rates

The Average Market Rates (AMRs) are the median market prices of each category of unprocessed retail marijuana that is sold or transferred from retail marijuana cultivation facilities[1] to retail marijuana product manufacturing facilities or retail marijuana stores. The Office of Research and Analysis (ORA), in coordination with the Taxation Division and the Marijuana Enforcement Division in the Colorado Department of Revenue (Department), calculates AMRs quarterly for use in levying the excise tax as required by §39-28.8-101(1.5), C.R.S.

The AMRs for April 1 – June 30, 2022 are:

Bud ($/lb)	Trim ($/lb)	Bud Allocated for Extraction ($/lb)	Trim Allocated for Extraction ($/lb)	Immature Plant ($/ea)	Wet Whole Plant ($/lb)	Seed ($/ea)
$799	$275	$228	$180	$10	$130	$4

AMR Calculations

In order to estimate the AMR for each of the categories (see next page) and to comply with the rate-setting requirements of §39-28.8-101(1.5), C.R.S., the Department calculated the AMRs for April 1, 2022 through June 30, 2022 based on transactions from December 1, 2021 through February 28, 2022. The transactions originated from retail marijuana cultivators and were recorded in the Marijuana Enforcement Tracking Reporting Compliance 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.

[1] Starting August 9, 2017, the AMR is required for transfers between affiliated businesses, whereas, the contract price is required for transfers between unaffiliated businesses.

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AMR Category Definitions

The Department's Taxation Division determined that the excise tax upon wholesale sales of Retail Marijuana can effectively be levied upon seven product categories (sources: Department of Revenue Retail Marijuana Rules 1 CCR 212-2 and 1 CCR 201-18):

1. Bud (product in the flowering stage);
2. Trim (any part of a plant other than the Bud or Wet Whole Plant);
3. Bud Allocated for Extraction (bud that is designated for the extraction of Retail Marijuana Concentrate and not for direct sale to consumers);
4. Trim Allocated for Extraction (bud that is designated for the extraction of Retail Marijuana Concentrate and not for direct sale to consumers);
5. Immature Plants (nonflowering plants that are no taller than eight inches and no wider than eight inches produced from a cutting, clipping or seedling);
6. Wet Whole Plants (plants that are cut off just above the roots and are not trimmed, dried, or cured; the plant must be weighed within 2 hours of the plant being harvested and without any further processing);
7. Seeds (the seeds of the marijuana plant).

Significant Changes to the AMR Methodology (since the prior AMR)

There were no significant changes.

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AMR Dataset: Summary Statistics

Summary statistics related to the distribution of prices in each category in the AMR dataset are shown in the table below. The AMR is the median (highlighted in gray).

Descriptive Statistics							
	Bud ($/lb)	Trim ($/lb)	Bud Allocated for Extraction ($/lb)	Trim Allocated for Extraction ($/lb)	Immature Plant ($/ea)	Wet Whole Plant ($/lb)	Seed ($/ea)
Median	$799	$275	$228	$180	$10	$130	$4
Median Absolute Deviation [1]	$614	$219	$212	$115	$0	$66	$1
Number of records	47,777	3,013	8,303	13,332	361	3,172	350

[1] The median absolute deviation is a robust measure of how spread out the values are, relative to the median.

If you have questions about this AMR methodology document, please contact ORA at dor_ora@state.co.us.

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