



**COLORADO**  
Department of Revenue  
Enforcement Division - Marijuana  
1707 Cole Blvd., Suite 300  
Lakewood, CO 80401

May 22, 2017

Sent via email to [REDACTED]  
Rachael Z. Ardanuy, Esq.  
Law Office of Lauren C. Davis  
Attorney at Law, LLC  
217 E. 7th Avenue  
Denver, Colorado 80203

Dear Ms. Ardanuy:

This letter is in response to your request for a Statement of Position pursuant to Rule R 104(A), 1 CCR 212-2, dated September 29, 2016. Your inquiry requested a Statement of Position from the Marijuana Enforcement Division (“Division”) as to the following question:

“R 402(C) provides for quantity limitations on sales, however, a ‘single sales transaction’ is not defined. When exactly does a single sales transaction end?”

Under subsection 12-43.4-402(3)(a)(I), C.R.S. and Rule R 402(C), 1 CCR 212-2, a Retail Marijuana Store and its employees are prohibited from selling more than one ounce of Retail Marijuana flower or its equivalent in Retail Marijuana Concentrate or Product during a single sales transaction to a consumer.<sup>1</sup>

What constitutes a “single sales transaction” when determining compliance with Rule R 402(C), 1 CCR 212-2 is dependent on the facts and totality of circumstances of each individual case.

The Division will seek administrative action against licensees attempting to circumvent the statutory and rule requirement imposing the limitation of one ounce per transaction of Retail Marijuana. Sales that are structured as multiple, stand-alone transactions may be viewed by the Division as an attempt to evade quantity limitations on the sale of Retail Marijuana, resulting in recommendation for administrative action.

Further, an individual in possession of more than one ounce of Retail Marijuana or its equivalent is acting unlawfully. See § 18-18-406(5)(a)(I), C.R.S. (“a person who possesses not more than two ounces of marijuana commits a drug petty offense...”); § 18-18-406(4)(c), C.R.S., (“A person who possesses more than two ounces of marijuana

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<sup>1</sup> Rule R 402(C) uses the phrase “during a sales transaction to a consumer,” while subsection 12-43.4-402(3)(a)(I) uses the phrase “during a single transaction to a person.”

but not more than six ounces of marijuana commits a level 2 drug misdemeanor.”); § 18-18-406(4)(b), C.R.S., (“A person who possesses more than six ounces of marijuana but not more than twelve ounces of marijuana or not more than three ounces of marijuana concentrate commits a level 1 drug misdemeanor.”); § 18-18-406(4)(a), C.R.S., (“A person who possesses more than twelve ounces of marijuana or more than three ounces of marijuana concentrate commits a level 4 drug felony.”)

For the reasons given above, what constitutes a “single sales transaction” when determining compliance with Rule R 402(C), 1 CCR 212-2 must be based on the facts and totality of circumstances of each individualized case, with the Division seeking to identify attempts to evade quantity limitations of Retail Marijuana sales.

Thank you for your inquiry.

Sincerely,

A handwritten signature in black ink, appearing to read 'James Burack', written in a cursive style.

James Burack  
Director  
Marijuana Enforcement Division