



State can make money even without legalizing marijuana

Running Rampant

By Dan Ehl

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It's kind of surreal hearing about the legalization of marijuana in Washington and Colorado where you can get it in various forms, from hard candy and butter to cheesecake and even Gummy Bears.

It appears other states are considering legalization, including Rhode Island as well as our national capitol, Washington, D.C. Some state governments are looking enviously at the financial aspect of legalization. The libertarian Cato Institute, co-authored by Harvard's Miron, forecast that if all 50 states legalized marijuana, an average of \$17.4 billion would be realized annually from reduced drug enforcement costs and increased tax revenue.

But Iowa doesn't have to legalize marijuana to make an additional revenue source. It's right under our noses.

I'd always wondered who designs the Iowa drug tax stamps — artists who can't draw ducks? I was curious having never seen a drug stamp. There was a young, clean-cut Elvis on a U.S. Postage stamp. Did state drug tax stamps feature the King as a bloated, witless, pill-popping debaucher in a sequined leisure suit?

For those of you who have never read about drug arrests in Iowa, drug dealers get fined extra if they haven't paid state taxes on illegal drugs through the tax stamps. One must have a \$5 tax stamp for every gram of marijuana, \$250 per gram of other illegal drugs and \$750 in paid taxes on a marijuana plant. If a drug is not sold by weight, such as LSD, the tax stamp costs \$400 per 10 units. The drug tax stamp must be permanently affixed to the substance as proof the tax was paid. According to an online order form from the Iowa Department of Revenue, one marijuana plant requires a \$750 tax stamp.

Government can't make anything simple. Here's just one sentence from the code, "If a taxable substance consists of a mixture containing both marijuana and another substance or combination of substances listed in the definition of taxable substance in section 453B.1 the taxable substance shall be taxed under section 453B.7, subsection 2."

There is no mention about a lick tax. No, that is not a misspelling. It is illegal in many states to possess a certain South American toad due to a poisonous fluid the reptile oozes from its skin. When the toad is licked, the toad sucker hallucinates. Search as I might, I could find no stamps for South American toads.

Plagued by many other insistent questions, a number of years ago I decided to go to the source — the Iowa Department of Revenue and Finance. Like all good bureaucrats, they led me on a merry chase from office to office, with no one quite sure who handled the stamps. They finally decided upon a person on floor three of the Hoover Building in Des Moines. I politely asked for that person and she came to the counter — to tell me she only did cigarette tax stamps — while eyeing me like some chainsaw murderer in a hockey mask.

I was directed to the fourth floor. A young woman in her early 20s manned the front desk and I told her I wanted to buy some drug tax stamps. I patiently waited while the clerks milled about in confusion, spending my time looking through a bunch of brochures dealing with everything from hiring convicted felons to property taxes.

“Do you have nice brochures on the drug stamps like the Post Office does?” I asked the woman, who continued to watch me suspiciously. “You know, the slick ones in color that show the latest stamps?”

They didn’t have any, she nervously answered. It probably didn’t help that I had picked up the brochure dealing with the employment of convicted felons. A very helpful department employee soon arrived, but he dashed my hopes of owning a drug tax stamp. He informed me that they had a minimum order of \$215.

I was crushed. I knew I could slip in \$25 on my expense account if I wrote real sloppy behind the cash amount, but there was no way a scribble behind \$215 was going to cut it. Then I discovered I couldn’t have purchased a stamp that afternoon, anyway, since the department doesn’t take personal checks. You’d have to be a pretty bad dude to stiff the Iowa Department of Revenue and Finance with a bad check for drug taxes.

He did show me the stamps. Another bummer. They were boring squares of several different colors with no artwork other than the plain writing. They looked like the tax stamps on cigarettes.

I couldn’t believe it. A number of small countries around the world make half their revenues from stamp sales and here is Iowa losing out on a potential gold mine. Those people have a lot of nerve calling themselves the Department of Revenue and Finance. How much money are they going to make with a \$215 minimum purchase price on something that looks like the ingredients on a sausage label?

What idiots did their marketing study — a firm out of Bulgaria? First, we have to make the stamps more accessible. No one wants to be bounced around all day in the biggest pinball machine in the world — the Hoover Building. The state could sell them wherever lotto tickets are sold. There could be competition

among artists for the winning stamp designs like they do for fish and duck hunting stamps.

Stamps with a theme have been popular for the Post Office. For the drug tax stamps, there could be themes like famous rock musicians who choked on their own regurgitations following illegal drug ingestions — featuring legends like Jimi Hendrix and Janis Joplin. Another series could spotlight entertainment stars who committed suicide due to drug abuse — such as Judy Garland and Curt Cobain.

You could even have famous historical figures who committed suicide with drugs — Socrates with his hemlock and Cleopatra with her poisonous asp (If toads count, an asp does, too). I was upset about not getting a stamp. I guess my only hope is if there is a drug dealer among my readership who would send me one of their tax stamps after it expires — please.