

Congress of the United States
Washington, DC 20515

October 28, 2011

President Barack Obama
Executive Office of the President
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Obama:

We are writing to express our opposition to the ongoing crackdown on dozens of legal medical marijuana dispensaries by federal authorities. Earlier this month, the IRS concluded an audit against a medical marijuana dispensary, ruling that this business may not deduct ordinary business expenses, and was required to then pay millions in additional taxes. On October 7, four U.S. Attorneys announced that they would take action against landlords who rent space to storefront medical marijuana dispensaries.

This attack is a direct reversal of previous Administration policy. In an October 19, 2009 memorandum, Deputy Attorney General David W. Ogden provided instructions to federal prosecutors to “make efficient and rational use of its limited and investigative and prosecutorial resources” when investigating the medical use of marijuana.

The act of the federal government sending dozens of letters to medical marijuana dispensaries and instructing them to close their doors or risk prosecution is an expansive use of resources that put legally operating businesses in jeopardy.

California was the first of sixteen states to legalize medical marijuana. Thousands of dispensaries now provide a safe place for sick people to obtain the treatment recommended by their physicians. These businesses operate legally under state law, pay millions of dollars in taxes to local, state, and federal governments, and provide jobs that support thousands of workers.

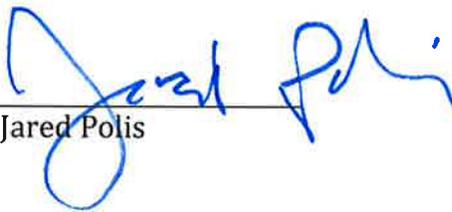
Businesses will be forced to shut down if the federal government continues this assault. Any dispensary that avoids an eviction initiated by federal prosecutors will still have to comply with the IRS interpretation of the Tax Code that requires medical marijuana dispensaries to operate under an entirely different set of rules than other businesses. If dispensaries cannot take business tax deductions like other legal businesses, they will not be able to afford to stay in business.

We only have a short window before the legal medical marijuana industry in California and other states is completely eliminated. States will lose tax revenue, families will lose their source of income, and very sick people will lose access to the drugs they need. The drug trade will once again be entirely pushed out onto the street corners, completely outside the bounds of the law.

As Members of Congress, we urge you to reconsider this policy and the use of federal power and to stop this crackdown on an industry that voters and state elected officials seek to regulate fairly under the law.

Sincerely,

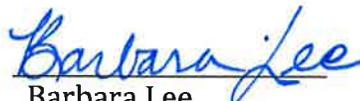

Pete Stark


Jared Polis

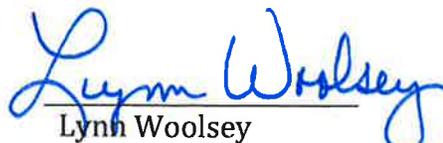

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