

BOARD OF SUPERVISORS, COUNTY OF LAKE, STATE OF CALIFORNIA RESOLUTION NO. _____

RESOLUTION FURTHER AMENDING RESOLUTION NUMBER 2019-70 TO CLARIFY THE PROCEDURES USED
IN THE COLLECTION OF TAXES DUE PURSUANT TO THE LAKE COUNTY CANNABIS CULTIVATION TAX
ORDINANCE

WHEREAS, on November 8, 2016, the voters of Lake County approved the Lake County Cannabis Cultivation Tax Ordinance (hereinafter, the "Ordinance"), which authorizes the imposition of a tax upon cannabis cultivation operations which occur in the unincorporated areas of the County of Lake. Personal use, as defined therein, is exempted from such taxation; and

WHEREAS, the Ordinance further authorizes the County to take such actions necessary for the implementation and administration of the provisions of this Chapter, which actions may include the adoption of regulations and policies determined by the Board of Supervisors to be necessary to implement and administer the Ordinance and/or to amend the Ordinance so long as the amendment does not increase the tax or broaden the scope of the tax absent voter approval; and

WHEREAS, on or about May 14, 2019, the Board adopted Resolution Number 2019-70 to implement a policy and practice concerning the manner of collection of those taxes due and payable under the Ordinance; and

WHEREAS, Resolution Number 2019-70 included an affirmative declaration by this Board that cannabis cultivation taxes under the Ordinance begin to accrue on the date on which a person becomes engaged in legally-authorized cannabis cultivation; and

WHEREAS, Resolution Number 2019-70 further included that for purposes of the accrual of taxes under Ordinance to "begin to engage in cannabis cultivation operations" means to take any action(s) on that real property for which the permit is obtained to physically carry on a cannabis cultivation activity described in the Ordinance; and

WHEREAS, on or about November 5, 2019 Resolution Number 2019-70 was amended by the adoption of Resolution Number 2019-162 to allow for a narrowly-defined opt-out period from cannabis cultivation; and

WHEREAS, further clarification of said policy and practice is necessary in order to ensure the equitable and consistent collection of taxes in a manner authorized by the electorate under the Ordinance and consistent with County Resolutions Numbers 2019-70 and 2019-162.

NOW, THEREFORE, BE IT RESOLVED that the County Board of Supervisors hereby finds and declares that, effective as of the current 2020 tax year:

1. Cannabis cultivation tax accrual shall be on an annualized basis using a calendar year model.
2. The annual cultivation tax shall be imposed in its entirety in that calendar year in which the taxpayer begins to engage in cannabis cultivation operations, regardless of the date on which such engagement begins.
3. Due to the impacts of the ongoing COVID-19 pandemic, the deadline to submit the notice to opt-out of cultivation for 2020 is extended to June 15, 2020. This would include any parties with a future declared cultivation start date in 2020 who wish to instead begin operations in 2021.

THIS RESOLUTION WAS PASSED AND ADOPTED by the Board of Supervisors of the County of Lake, State of California, at a regular meeting thereof on _____, 2019 by the following vote:

AYES

NOES:

ABSENT OR NOT VOTING:

CHAIR, Board of Supervisors

ATTEST: CAROL J. HUCHINGSON

Clerk of the Board of Supervisors

By: _____

APPROVED AS TO FORM:

ANITA L. GRANT County Counsel

By: _____