

BOARD OF SUPERVISORS, COUNTY OF LAKE, STATE OF CALIFORNIA

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AMENDING RESOLUTION NO. 20019-70, ADOPTING A POLICY FOR  
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 a resolution to implement a policy and practice concerning the manner of collection of those taxes due and payable under the Ordinance; and

WHEREAS, as both the law and state and local licensing/permitting evolve, so too must the policies and practices of Lake County as to the manner of cannabis cultivation tax collection; and

WHEREAS, further clarifications to the manner of said collection are necessary in order to remain consistent with the overarching intent of this Board that cannabis cultivation taxes begin to accrue on the date on which a person becomes engaged in legally-authorized cannabis cultivation as

that phrase is defined in Resolution No. 2019-70, Resolution Adopting a Policy for the Collection of Taxes Due Pursuant to the Lake County Cannabis Cultivation Tax Ordinance; and

WHEREAS, a further amendment to the existing resolution appears advisable in order to address a circumstance where a cannabis cultivation permittee determines to “opt-out” of cultivation operations for a specified period of time.

NOW, THEREFORE, BE IT RESOLVED that the County Board of Supervisors hereby finds and declares that, effective this date, Resolution No. \_\_\_\_\_, Resolution Adopting a Policy for the Collection of Taxes Due Pursuant to the Lake County Cannabis Cultivation Tax Ordinance, is hereby amended to add the following:

6. This Board further finds that under certain narrowly-prescribed circumstances, a cannabis cultivation permittee, once cannabis cultivation operations have begun, may be allowed to completely opt-out from all cannabis cultivation operations at a particular permitted location for a specified period of time. In the case of such a “complete opt- out”, such a permittee may avoid the payment of cannabis cultivation taxes for the period of such an opt-out under the following circumstances:

- a. The permittee must cease all cultivation operations under his/her permit at the subject location.
- b. The permittee must provide written notice to the Community Development Department of his/her decision to completely opt-out for a specified period on or before June 1 of a tax year.
- c. The permittee must acknowledge and agree that once he/she issues such a written notice, that permittee is completely foreclosed from engaging in cannabis cultivation operations at the

subject location for the time specified in the opt-out notice filed by that permittee.

d. The permittee agrees that consequent to his/her notice of a complete opt-out, he/she will permit Community Development to enter the subject location at reasonable times for purposes of conducting an inspection(s) to ensure that all cannabis cultivation operations have ceased.

In all other respects, Resolution No. 2019-70, Resolution Adopting a Policy for the Collection of Taxes Due Pursuant to the Lake County Cannabis Cultivation Tax Ordinance shall remain unchanged and in full force and effect.

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

APPROVED AS TO FORM:  
ANITA L. GRANT  
County Counsel

By: \_\_\_\_\_

By: \_\_\_\_\_