

**ATTACHMENT 1**  
**AMENDMENTS TO THE TAX CODE**

## **ORDINANCE AMENDING CHAPTER 9, DIVISION 1, TITLE VII (COMMERCIAL MARIJUANA CULTIVATION TAX) OF THE HUMBOLDT COUNTY CODE.**

The Board of Supervisors of the County of Humboldt ordains as follows:

### **SECTION 1. PURPOSE OF ZONING REGULATION AMENDMENTS**

Amendments to the Commercial Marijuana Cultivation Tax Ordinance sections 719-4, 719-6, 719-7 and 719-12 of Chapter 9 of Division 1 of Title VII of the HCC are intended to ensure that commercial cannabis taxes due in any given year will be paid on a timely basis. This ordinance is intended to restore the provisions of Chapter 9 of Division 1 of Title VII of the Humboldt County Code as they read before the adoption of Ordinance No. 2575 and to eliminate references suggesting property owners who are not permitted cannabis cultivators have an obligation to pay the tax due under that chapter. It shall be interpreted in light of that intent.

### **SECTION 2. TAX ORDINANCE AMENDMENTS**

Section 719-4 regarding Imposition of Tax in Title VII, Division 1, Chapter 9 of the Humboldt County Code is modified to read as follows:

#### **719-4. Imposition of Tax.**

In addition to any requirements imposed by Title III of this Code, each ~~property owner whose property is subject to~~ person issued a commercial marijuana cultivation permit shall pay an annual tax of \$1 per square foot of outdoor cultivation area, \$2 per square foot of mixed-light cultivation area or \$3 per square foot of indoor cultivation area regardless of whether or not marijuana is actually grown on such property.

#### **719-6. Collection and Remittance.**

(a) The tax imposed by this chapter shall be collected by the Humboldt County Treasurer-Tax Collector in the same or similar manner as other taxes fixed and collected by the County of Humboldt to capture the calendar year taxes required by this chapter upon information provided by the Humboldt County Planning and Building Department. For purposes of this chapter, taxes shall be owed for each and every year in which a commercial marijuana cultivation permit is issued by the Humboldt County Planning and Building Department.

(b) The Humboldt County Planning and Building Department shall submit to the Humboldt County Treasurer-Tax Collector's Office sufficient information ~~in order for~~ so tax invoices (bills) ~~to~~ can be sent ~~out~~ to all ~~property owners whose properties are subject to a commercial marijuana cultivation permit~~ persons liable for payments due under this chapter.

719-7. Penalties.

(a) Any ~~property owner~~ person that fails to pay the tax required by this chapter within thirty (30) days after the due date shall pay, in addition to the tax, a penalty for nonpayment in a sum equal to ten percent (10%) of the total amount due. All taxes and penalties remaining unpaid through December 31st each year will accrue interest at the rate of one and one-half percent (1.5%) per month, for a total of eighteen percent (18%) per year, beginning January 1st and will continue to accrue until redeemed. A cost recovery fee will also be added each time a notice regarding overdue payments is mailed. Receipt of the tax payment by the Humboldt County Treasurer-Tax Collector's Office shall govern the determination of whether the tax is delinquent. Postmarks will not be accepted as adequate proof of a timely payment.

(b) The Humboldt County Treasurer-Tax Collector is hereby authorized to waive or cancel any penalties, costs or other charges resulting from nonpayment of the tax required by this chapter where the failure to make a timely payment was due to circumstances beyond the taxpayer's control.

719-12. Application of Provisions.

(a) ~~In the event that the commercial cultivation of marijuana for casual and/or recreational use is legalized or decriminalized in the State of California, the~~ The provisions of this Chapter shall apply, ~~without subsequent voter approval,~~ to each ~~property owner whose property is subject to~~ person holding a permit authorizing the commercial cultivation of marijuana for such purposes in accordance with the applicable provisions of this Code and all other applicable state and federal laws and regulations.

(b) No payment of any tax required under the provisions of this Chapter shall be construed as authorizing the conduct or continuance of any illegal business or of a legal business in an illegal manner. Nothing in this Chapter implies or authorizes that any activity connected with the cultivation, possession or provision of marijuana is legal unless otherwise authorized and allowed by the State of California and permitted by the County. (Ord. 2567, § 1, 12/13/2016)

SECTION 3. INTERPRETATION

This ordinance is intended to restore the provisions of Chapter 9 of Division 1 of Title VII of the Humboldt County Code as they read before the adoption of Ordinance No. 2575 and to eliminate references suggesting property owners who are not permitted cannabis cultivators have an obligation to pay the tax due under that chapter. It shall be interpreted in light of that intent.

SECTION 4. EFFECTIVE DATE

This ordinance shall take effect and be in force thirty (30) days from the date of its passage.

PASSED, APPROVED, AND ADOPTED the \_\_\_\_\_ day of \_\_\_\_\_, 2020, on the following vote, to wit:

AYES: Supervisors:

NOES: Supervisors:

ABSENT: Supervisors:

\_\_\_\_\_  
Estelle Fennell, Chair  
Board of Supervisors of the County of Humboldt,  
State of California

(SEAL)

ATTEST:  
Kathy Hayes  
Clerk of the Board of Supervisors of the  
County of Humboldt, State of California

By: \_\_\_\_\_  
Ryan Sharp, Deputy Clerk

Date:

