COUNTY OF HUMBOLDT

For the meeting of: 1/24/2023

File #: 23-35

To: Board of Supervisors

From: Supervisor Michelle Bushnell

Agenda Section: Initiated by Board Member

Vote Requirement: Majority

SUBJECT:
Informational Report on the Acceptance of Partial Payments for the Back Log of Measure S Taxes (Supervisor Michelle Bushnell)

RECOMMENDATION(S):
That the Board of Supervisors:

1. Receive and file the report; and
2. Take appropriate action if needed.

SOURCE OF FUNDING:
General Fund (1100)

DISCUSSION:
In 2016 a Cannabis Cultivation Excise Tax was passed by the voters that required permitted cultivators to pay a Measure S tax for each year of cultivation. On Feb.7,2022, the Board elected to temporarily reduce cannabis excise taxes for Tax year 2022 by 85% for all cultivation with a delayed installed payment option. On Nov. 1, 2022, the Board voted to suspend the tax payments for cultivation years 2022 and 2023. The cultivation for year 2024 will be the next year billed in 2025. This allows cultivators to pay their backlog taxes for the next two years.

To further assist the cultivation community and the county in collecting the past due taxes, the Treasurer -Tax Collector's office will allow any tax amount to be paid at any time to collect past due cultivation taxes. A flexible payment option will assist in all cultivation taxes to be brought current.

Measure S refunds will only be issued for completed bi-annual payments, not on partial installments.

FINANCIAL IMPACT:
There is a positive financial impact for allowing the taxpayers flexible payment options as this will incentivize payments.

STRATEGIC FRAMEWORK:
This action supports your Board's Strategic Framework by inviting civic engagement and awareness of available services

OTHER AGENCY INVOLVEMENT:
None

ALTERNATIVES TO STAFF RECOMMENDATIONS:
Board discretion

ATTACHMENTS:
None

PREVIOUS ACTION/REFERRAL:
Board Order No.: None
Meeting of: 11/1/22, 3/8/22, 2/7/22, 2/1/22
File No.: 22-1357, 22-278, 22-1523, 22-87