

**BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA**

**Certified copy of portion of proceedings, Meeting on November 29, 2022**

**RESOLUTION NO. 22-143**

**RESOLUTION SUSPENDING TAX YEAR 2023 AND TAX YEAR 2024  
CANNABIS EXCISE TAX AND DEFERRING CERTAIN DATES AND  
PENALTIES**

**WHEREAS**, on November 8, 2016, Humboldt County voters enacted a general Cannabis Excise Tax (“Measure S”) of \$1-3 per square foot of canopy; and

**WHEREAS**, the Board of Supervisors is aware that the cannabis industry is experiencing unsustainably low market pricing and an inability to sell existing cannabis inventory; and

**WHEREAS**, the Board has received voluminous public comment and concerns from cultivators that they will not survive current conditions without tax relief; and

**WHEREAS**, pursuant to Article XI, Section 7 of the California Constitution, the Board of Supervisors may make and enforce all ordinances and regulations not in conflict with general laws; and

**WHEREAS**, pursuant to Humboldt County Code Section 719-9, the County may make temporary amendments to Measure S that do not result in an increase in the tax amount; and

**WHEREAS**, on March 8, 2022, the Board of Supervisors adopted Resolution No. 22-34, which suspended eighty-five percent (85%) of the Measure S Cultivation Year 2021 Tax due in Tax Year 2022 and deferred certain dates and penalties; and

**WHEREAS**, on November 1, 2022, the Board of Supervisors revisited the impact of the eighty-five percent (85%) suspension of Measure S Taxes for Tax Year 2022 and considered the current cannabis market in Humboldt County and the State of California, the delinquency rate for collections of Measure S Taxes for Tax Year 2021 and Tax Year 2022 and considered voluminous public comment and concern regarding the viability of current cannabis cultivator businesses; and

**WHEREAS**, the Board of Supervisors finds the cannabis industry experiencing continued unsustainably low market pricing and an inability to sell existing cannabis inventory; and

**WHEREAS**, the Board of Supervisors finds that extending the temporary reduction of Measure S taxes and suspending one hundred percent (100%) of the Measure S Taxes for Tax Year 2023 and Tax Year 2024 serves a public purpose of providing needed assistance to an important County industry at this critical juncture.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. For cultivation year 2022, collected in Tax Year 2023, the Cannabis Excise Tax rate shall be temporarily suspended in full, resulting in a one hundred percent (100%) reduction of the currently authorized rates and no Measure S Cannabis Excise Taxes will be billed or due for this Tax Year.

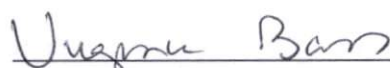
2. For cultivation year 2023, collected in Tax Year 2024, the Cannabis Excise Tax rate shall be temporarily suspended in full, resulting in a one hundred percent (100%) reduction of the currently authorized rates and no Measure S Cannabis Excise Taxes will be billed or due for this Tax Year.

3. The second (2<sup>nd</sup>) installments of the cultivation year 2020, originally due in Tax Year 2021 and the first (1<sup>st</sup>) and second (2<sup>nd</sup>) installments of the cultivation year 2021, originally due in Tax Year 2022 and already reduced by eighty-five percent (85%) remain due but are not subject to penalties and interest during Tax Year 2023 and Tax Year 2024.

4. All other billed and assessed Measure S taxes, penalties and interest due for prior cultivation years remain due and are subject to all applicable penalties and interest charges.

5. The Treasurer-Tax Collector and Auditor-Controller of the County of Humboldt are hereby authorized and directed to take all actions consistent with this Resolution.

6. This Resolution shall take effect upon approval.



Virginia Bass, Chair

Humboldt County Board of Supervisors

