



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-1

For the meeting of: March 21, 2017

Date: March 16, 2017
To: Board of Supervisors
From: Supervisor Rex Bohn
Subject: AB 1410 (Wood and Co-author McGuire): Cannabis Cultivation Tax Collection Letter of Support

RECOMMENDATION(S): That the Board of Supervisors authorize the Chair to sign the letter of support.

SOURCE OF FUNDING: N/A

DISCUSSION: Beginning January 1, 2018, all licensed cultivators in California are required to remit tax on their harvested cannabis. The licensed cultivator is required to remit the cultivation tax obligation to the California Board of Equalization (BOE) after marijuana is harvested.

AB 1410 provides an option for licensed cannabis cultivators to remit the tax obligation on the harvested cannabis through a licensed distributor, licensed under the Medical Cannabis Regulation Safety Act or licensed under the Adult Use of Marijuana Act, after the product completes the quality assurance, inspection and testing of that product. By allowing a cultivator to remit their tax obligation through a distributor, the bill allows for maximum flexibility to the cultivator.

FINANCIAL IMPACT: N/A

OTHER AGENCY INVOLVEMENT: N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS: Board discretion.

ATTACHMENTS: Letter of Support.

Prepared by Kathy Hayes

Signature 

REVIEW:

Auditor _____ County Counsel _____ Personnel _____ Risk Manager _____ Other _____

TYPE OF ITEM:

☒ Consent
☐ Departmental
☐ Public Hearing
☐ Other

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT


Upon motion of Supervisor Bohn Seconded by Supervisor Sundberg

Ayes Sundberg, Fennell, Bass, Bohn, Wilson

Nays
Abstain
Absent

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: Mar 21, 2017

By: 
Kathy Hayes, Clerk of the Board



COUNTY ADMINISTRATIVE OFFICE
COUNTY OF HUMBOLDT

825 5TH STREET, ROOM 111
EUREKA, CALIFORNIA 95501 PHONE (707) 445-7266

March 21, 2017

Assemblymember Jim Wood
State Capitol, Room 6005
Sacramento, CA 95814

Senator Mike McGuire
State Capitol, Room 5061
Sacramento, CA 95814

RE: AB 1410 (Wood & principal co-author McGuire)
Cannabis Cultivation Tax Collection – SUPPORT

Dear Assemblymember Wood and Senator McGuire:

I am writing on behalf of the Humboldt County Board of Supervisors to indicate our strong support for AB 1410 which would provide much needed clarity and flexibility with regard to the imposition of a tax payment at the time of harvest.

AB 1410 would allow a licensed cannabis cultivator to remit the tax obligation on the harvested product through a licensed distributor after the product completes the quality assurance, inspection and testing of that product. By allowing a cultivator to remit their tax obligation through a distributor, the bill would require a licensed distributor to file the tax return and remit the tax payment on behalf of the licensed cultivator.

AB 1410's provisions are optional. If enacted, a cultivator – and any partnering distributor – can choose to remit their tax obligations to the Board of Equalization (BOE) through the distributor. The bill provides for maximum flexibility to the cultivator. If a cultivator chose to remit their tax cultivation obligations directly to the BOE, the cultivator could do so. AB 1410 provides for a second option – giving cultivators the ability to allowing a licensed distributor to remit those tax obligations on their behalf.

We thank the author and principal co-author for their leadership of this important bill and encourage your support for assisting California's cultivators with transitioning into a fully regulated marketplace.

Sincerely,

Virginia Bass, Chair
Humboldt County Board of Supervisors

VB:kh



COUNTY ADMINISTRATIVE OFFICE
COUNTY OF HUMBOLDT
825 5TH STREET, ROOM 111
EUREKA, CALIFORNIA 95501 PHONE (707) 445-7266

March 21, 2017

Assemblymember Jim Wood
State Capitol, Room 6005
Sacramento, CA 95814

Senator Mike McGuire
State Capitol, Room 5061
Sacramento, CA 95814

RE: AB 1410 (Wood & principal co-author McGuire)
Cannabis Cultivation Tax Collection – SUPPORT

Dear Assemblymember Wood and Senator McGuire:

I am writing on behalf of the Humboldt County Board of Supervisors to indicate our strong support for AB 1410 which would provide much needed clarity and flexibility with regard to the imposition of a tax payment at the time of harvest.

AB 1410 would allow a licensed cannabis cultivator to remit the tax obligation on the harvested product through a licensed distributor after the product completes the quality assurance, inspection and testing of that product. By allowing a cultivator to remit their tax obligation through a distributor, the bill would require a licensed distributor to file the tax return and remit the tax payment on behalf of the licensed cultivator.

AB 1410's provisions are optional. If enacted, a cultivator – and any partnering distributor – can choose to remit their tax obligations to the Board of Equalization (BOE) through the distributor. The bill provides for maximum flexibility to the cultivator. If a cultivator chose to remit their tax cultivation obligations directly to the BOE, the cultivator could do so. AB 1410 provides for a second option – giving cultivators the ability to allowing a licensed distributor to remit those tax obligations on their behalf.

We thank the author and principal co-author for their leadership of this important bill and encourage your support for assisting California's cultivators with transitioning into a fully regulated marketplace.

Sincerely,

Virginia Bass, Chair
Humboldt County Board of Supervisors

VB:kh

*** FAX MULTI TX REPORT ***

JOB NO. 1385
DEPT. ID 10100
PGS. 1
TX INCOMPLETE -----
TRANSACTION OK 919166514902
919163192102
ERROR -----



COUNTY ADMINISTRATIVE OFFICE
COUNTY OF HUMBOLDT

825 5TH STREET, ROOM 111
EUREKA, CALIFORNIA 95501 PHONE (707) 445-7266

March 21, 2017

Assemblymember Jim Wood
State Capitol, Room 6005
Sacramento, CA 95814

Senator Mike McGuire
State Capitol, Room 5061
Sacramento, CA 95814

**RE: AB 1410 (Wood & principal co-author McGuire)
Cannabis Cultivation Tax Collection – SUPPORT**

Dear Assemblymember Wood and Senator McGuire:

I am writing on behalf of the Humboldt County Board of Supervisors to indicate our strong support for AB 1410 which would provide much needed clarity and flexibility with regard to the imposition of a tax payment at the time of harvest.

AB 1410 would allow a licensed cannabis cultivator to remit the tax obligation on the harvested product through a licensed distributor after the product completes the quality assurance, inspection and testing of that product. By allowing a cultivator to remit their tax obligation through a distributor, the bill would require a licensed distributor to file the tax return and remit the tax payment on behalf of the licensed cultivator.

AB 1410's provisions are optional. If enacted, a cultivator – and any partnering distributor – can choose to remit their tax obligations to the Board of Equalization (BOE) through the distributor. The bill provides for maximum flexibility to the cultivator. If a cultivator chose to remit their tax cultivation obligations directly to the BOE, the cultivator could do so. AB 1410 provides for a second option – giving cultivators the ability to allowing a licensed distributor to remit those tax obligations on their behalf.

We thank the author and principal co-author for their leadership of this important bill and encourage your support for assisting California's cultivators with transitioning into a fully