



Legislation Details (With Text)

File #: 24-00484 Version: 1
Type: Departmental Agenda Status: Agenda Ready
File created: 5/7/2024 In control: BOARD OF SUPERVISORS
On agenda: 5/14/2024 Final action: 5/14/2024
Title: HEARING - Consider recommendations regarding Cannabis Cultivation Taxation Options, as follows: (EST. TIME: 1 HR. 30 MIN.)

- a) Consider two alternative methods for cannabis taxation for cultivation:
i) Option 1: Square foot tax rate with a minimum Base Tax Rate and Activity Tax Rate; or
ii) Option 2: Hybrid structure of Gross Receipts Tax Rate with a minimum Base Tax Rate based on square footage; and
iii) Direct staff to return on June 25, 2024 with a Taxation Ordinance and ballot measure for cannabis operations for the November 2024 General Election ballot; and
iv) Direct staff to incorporate ballot language to allow for flexibility to adjust square footage tax rates at the Board's discretion without returning to the voters; OR
b) Take no action and maintain the current gross receipts taxation method; and
c) Determine that pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378 (b)(5) the above actions are not a project subject to CEQA review because they are administrative activities that will not result in direct or indirect physical changes in the environment.

COUNTY EXECUTIVE OFFICER'S RECOMMENDATION: POLICY

Sponsors: COUNTY EXECUTIVE OFFICE

Indexes:

Code sections:

Attachments: 1. Board Letter, 2. Attachment A - CA county comparison, 3. Public Comment - Good Farmer Great Neighbors Trade Association, 4. Public Comment - Carp Growers, 5. Presentation - Staff, 6. Presentation - Supervisor Capps, 7. Cannabis Tax Chart - Lavagnino, 8. Minute Order

Table with 5 columns: Date, Ver., Action By, Action, Result. Row 1: 5/14/2024, 1, BOARD OF SUPERVISORS, Acted on as follows:, Pass

HEARING - Consider recommendations regarding Cannabis Cultivation Taxation Options, as follows: (EST. TIME: 1 HR. 30 MIN.)

- a) Consider two alternative methods for cannabis taxation for cultivation:
i) Option 1: Square foot tax rate with a minimum Base Tax Rate and Activity Tax Rate; or
ii) Option 2: Hybrid structure of Gross Receipts Tax Rate with a minimum Base Tax Rate based on square footage;

iii) Direct staff to return on June 25, 2024 with a Taxation Ordinance and ballot measure for cannabis operations for the November 2024 General Election ballot; and

iv) Direct staff to incorporate ballot language to allow for flexibility to adjust square footage tax rates at the Board's discretion without returning to the voters; OR

b) Take no action and maintain the current gross receipts taxation method; and

c) Determine that pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(5) the above actions are not a project subject to CEQA review because they are administrative activities that will not result in direct or indirect physical changes in the environment.

COUNTY EXECUTIVE OFFICER'S RECOMMENDATION: POLICY