



# County of Sonoma

## State of California

Date: April 9, 2019

Item Number: \_\_\_\_\_

Resolution Number: \_\_\_\_\_

☐ 4/5 Vote Required

### **Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California, Waiving Delinquent Penalties and interest Under the Cannabis Business Tax for the Third Quarter of FY 2018-2019 for Operators Suffering Structure or Business Damage from the 2019 Flood**

**Whereas**, beginning on February 12, 2019 and continuing into March of 2019 winter storm events resulted in major flooding in parts of Sonoma County, referred to as the "Flood"; and

**Whereas**, the scope of disaster caused by the Flood has resulted in this Board ratifying the County Administrator's proclamation of a local emergency on the 26<sup>th</sup> day of February, 2019, the Governor of the State of California to proclaim a State of Emergency on February 28, 2019; and

**Whereas**, on November 7, 2016, Sonoma County voters approved the Cannabis Business Tax Ordinance ("Cannabis Business Tax"); and

**Whereas**, Section 35-5 of the Cannabis Business Tax imposes an annual commercial cannabis business tax on every person who is engaged in commercial cannabis cultivation and supply chain; and

**Whereas**, Section 35-6(a) of the Cannabis Business Tax requires submission of a tax statement and remittance of the tax due to the Treasurer-Tax Collector on or before the last day of the month following the close of each fiscal year quarter; and

**Whereas**, Section 35-11 of the Cannabis Business Tax imposes penalties and interest for the failure to remit the tax by date required by Section 35-6(a); and

**Whereas**, the tax statement and tax remittance for the third quarter of FY 2018-2019 is due on April 30<sup>th</sup>, 2019; and

**Whereas**, Section 35-6(e) of the Cannabis Business Tax provides that the Treasurer-Tax Collector may, in his discretion, establish shorter or longer report and payment period

for any taxpayer as the Treasurer-Tax Collector deems necessary to insure collection of the tax; and

**Whereas**, due to potential losses suffered as a result of the Flood, the Treasurer-Tax Collector desires to extend the deadline for reporting and remittance of the Cannabis Business Tax for the third quarter of FY 2018-2019 for persons affected by the flood.

**Now, Therefore, Be It Resolved** that the Board of Supervisors hereby finds, declares, determines and orders as follows:

1. The foregoing recitals are true and correct.
2. Notwithstanding Section 35-6(a) or Section 35-11 of the Cannabis Business Tax, delinquent penalties and interest are hereby waived for the third quarter of FY 2018-2019, until July 31, 2019, for every cultivation and supply chain operator who owes the tax imposed by Section 35-5(a) and Section 35-5 (b) of the Cannabis Business Tax, has a quarterly payment due on April 30, 2019, and has loss or damage to a structure, business property and/or business records as a result of the Flood. In extraordinary circumstances, the Treasurer-Tax Collector may exercise his discretion to extend this waiver beyond July 31, 2019 or for the fourth quarter of FY 2018-2019, but under no circumstances may this waiver extend beyond October 31, 2019.
3. This Resolution shall not be construed to affect operators under the Cannabis Business Tax who did not suffer structure, business property, or business record loss as a result of the Flood.
4. This Resolution shall not be construed to affect the amount of taxes owed by any person under the Cannabis Business Tax.

**Supervisors:**

Gorin:                      Zane:                      Gore:                      Hopkins:                      Rabbitt:

Ayes:                      Noes:                      Absent:                      Abstain:

**So Ordered.**