RESOLUTION NO. 2018-294

A RESOLUTION OF THE COUNCIL OF THE CITY OF
FRESNO, CALIFORNIA, SETTING CANNABIS BUSINESS
LICENSE TAX RATES

WHEREAS, the voters of the City of Fresno approved the Cannabis Business
License Tax Ordinance (the Ordinance) on November 6, 2018; and

WHEREAS, by its own terms, the Ordinance is effective ten days after the
election results are certified by the City Council, and

WHEREAS, pursuant to Ordinance Section 7-1408, the taxes imposed by the
Ordinance shall take effect no sooner than January 1, 2019, and only to the extent
implemented by resolution of the City Council.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as
follows:

1. The following Cannabis Business License Tax rates are hereby set:
   a. **Cultivation.** For every person who is engaged in commercial
cannabis cultivation in the City, $6.00 annually per square foot of canopy space.
   b. **Retailer, Testing Laboratory, Distribution, and Manufacturing.** The
      following gross receipts rates shall apply to every person engaged in the
      operation of the indicated Cannabis-related business:
         i. **Retail Sales:** 4% of gross receipts;
         ii. **Testing Laboratory:** No gross receipts tax;
         iii. **Distribution:** 1% of gross receipts; and
         iv. **Manufacturing:** 4% of gross receipts.

Date Adopted: 12/06/2018
Date Approved: 12/10/2018
Effective Date: 01/01/2019

Resolution No. 2018-294
2. The tax rates set by this Resolution shall be effective and imposed as provided in the Ordinance.

3. The tax rates set by this Resolution may be adjusted at a later time as provided by the Ordinance.

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STATE OF CALIFORNIA )
COUNTY OF FRESNO    ) ss.
CITY OF FRESNO      )

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the 6th day of December, 2018.

AYES : Baines, Caprioglio, Chavez, Olivier, Soria
NOES : Brandau
ABSENT : Bredefeld
ABSTAIN : None

Mayor Approval: ___________________________ December 10th, 2018
Mayor Approval/No Return: ______________ N/A , 2018
Mayor Veto: ______________________________ N/A , 2018
Council Override Vote: _____________________ N/A , 2018

YVONNE SPENCE, MMC CRM
City Clerk

By: __________________________
Deputy

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
City Attorney

By: __________________________ 12.14.18
Raj Singh Badhesha Date
Senior Deputy City Attorney
December 7, 2018

TO: MAYOR LEE BRAND
FROM: YVONNE SPENCE, MMC
City Clerk

SUBJECT: TRANSMITTAL OF COUNCIL ACTION FOR APPROVAL OR VETO

At the City Council meeting of 12/6/18, Council adopted the attached Resolution No. 2018-294 entitled, Setting cannabis business license tax rates, AS AMENDED. Item No. 4-B (2), File ID18-1518 by the following vote:

AMENDMENT: changed the tax rates as follows: Retail/manufacturing – 4%, Test Lab – 0%, cultivation – $6, and distribution – 1%

Ayes : Baines, Brandau, Caprioglio, Chavez and Soria
Noes : None
Absent : Bredefeld, Olivier
Abstain : None

Please indicate either your formal approval or veto by completing the following sections and executing and dating your action. Please file the completed memo with the Clerk’s office on or before December 17, 2018. In computing the ten day period required by Charter, the first day has been excluded and the tenth day has been included unless the 10th day is a Saturday, Sunday, or holiday, in which case it has also been excluded. Failure to file this memo with the Clerk’s office within the required time limit shall constitute approval of the ordinance, resolution or action, and it shall take effect without the Mayor’s signed approval

Thank you.

APPROVED/NO RETURN: ____

VETOED for the following reasons: (Written objections are required by Charter; attach additional sheets if necessary.)

________________________________________
Lee Brand, Mayor

Date: 12-10-18

COUNCIL OVERRIDE ACTION:

Ayes :
Noes :
Absent :
Abstain :