

Attachment B

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**Before the Board of Supervisors in and for the
County of Monterey, State of California**

Resolution No.

A Resolution of the Monterey County Board of Supervisors to:

Authorize the Treasurer-Tax Collector to extend the previously authorized conditional waiver of penalties and interest on unpaid installments of the annual commercial cannabis business tax imposed on cultivation activities for the second through fourth quarters of Fiscal Year 2021-22 to include all quarters of Fiscal Year 2022-2023, so long as the full amount due is received by the Treasurer-Tax Collector on or before September 30, 2023.

WHEREAS, on September 13, 2022, the Board of Supervisors of the County of Monterey (the Board) adopted Ordinance No. 5384, which, among other things, authorized the Board to, by resolution, waive or conditionally waive penalties and interest on delinquent commercial cannabis business taxes; and

WHEREAS, due to an economic downturn and other factors, many cannabis operators are struggling to timely pay existing delinquent taxes for Fiscal Year (FY) 2021-2022, quarters two, three, and four and for FY 2022-23, quarters one through four; and

WHEREAS, Ordinance No. 5384 also extended the Board's previously granted conditional waiver of penalties and interests for unpaid commercial cannabis taxes for the third and fourth quarters of FY 21-22 from July 1, 2022, to January 31, 2023 while extending the conditional waiver to include commercial cannabis taxes owing from the second quarter of FY 21-22; and

WHEREAS, the deadline to pay the first quarterly installment for commercial cannabis taxes for FY 22-23 was October 31, 2022; and

WHEREAS, the Board was concerned that this deadline would further hinder the local cannabis' industry's ability to recover from the economic downturn and was further concerned that accumulating taxes from multiple quarters would make it increasingly difficult for local cannabis businesses' to come current on owed taxes and profitably continue operations, the Board directed hence, it gave staff to implement a formal payment plan that will allow operators to make payments through September 2023 for unpaid installments of the annual commercial cannabis business tax imposed on cultivation activities for the second through fourth quarters of Fiscal Year 2021-22 and for all quarters of Fiscal Year 2022-2023.

WHEREAS, to ensure the payment plan program is a meaningful opportunity for the local cannabis industry to come current on outstanding taxes and continue operations, the Board directed staff to extend the conditional waiver to September 30, 2023 and to add all quarters of Fiscal Year 22-23 to its scope .

NOW, THEREFORE, BE IT RESOLVED, the Board of Supervisors of the County of Monterey does hereby adopt a resolution to:

- I. Authorize the Treasurer-Tax Collector to extend the previously authorized conditional waiver of penalties and interest on unpaid installments of the annual commercial cannabis business tax imposed on cultivation activities for the second through fourth quarters of Fiscal Year 2021-22 to include all quarters of Fiscal Year 2022-2023, so long as the full amount due is received by the Treasurer-Tax Collector on or before September 30, 2023.

PASSED AND ADOPTED on this 7th day of December 2022, by the following vote, to wit:

AYES:

NOES:

ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By _____
Deputy

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