



Monterey County Board of Supervisors

Board Order

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

A substitute motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Chris Lopez to:

- a. Consider options to amend the commercial cannabis tax structure, rates, and penalties and interest for delinquent tax accounts; and
- b. Consider directing the Cannabis Program to amend Monterey County Code Chapter 7.100; and
- c. Directed staff to return in January with a proposed amendment to the ordinance reducing the annual taxes on indoor cultivation to \$7/square foot, on outdoor cultivation to \$1/square foot, on mixed light cultivation to \$3/square foot, and on distribution to 0% gross receipts. Also, for cultivation only, a stay on delinquent Q3 penalties so long as the unpaid amount is paid in full by the end of Q4 (otherwise, the full amount, with penalties, becomes due) and eliminate the escalator (automatic yearly increases of the rate). The Board specified that there should be a “trigger,” such that when/if the mixed light wholesale price reaches \$800/pound based on CCA data, staff would be directed to return to the Board to again review tax rates, or if the Cannabis Program recommended the Board to review tax rates earlier. Finally, the Board directed staff to draft a letter to the State requesting an adjustment of 2/3rds reduction in taxes for the Chair to sign.

PASSED AND ADOPTED on this 14th day of December 2021, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams

NOES: None

ABSENT: None

(Government Code 54953)

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 82 for the meeting December 14, 2021.

Dated: December 16, 2021

File ID: 21-1071

Agenda Item No.: 5

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

Julian Lorenzana, Deputy