

Introduced by Senator McGuire

February 17, 2016

An act to amend Section 19348 of the Business and Professions Code, relating to medical marijuana.

LEGISLATIVE COUNSEL'S DIGEST

SB 1116, as introduced, McGuire. Medical marijuana: tax.

Existing law, the Medical Marijuana Regulation and Safety Act, establishes the licensing and regulation of medical marijuana. The act authorizes a county to impose a tax on the privilege of cultivating, dispensing, producing, processing, preparing, storing, providing, donating, selling, or distributing medical cannabis or medical cannabis products by a licensee.

This bill would eliminate the specification that the imposition of tax applies only to a licensee.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 19348 of the Business and Professions
- 2 Code is amended to read:
- 3 19348. (a) (1) A county may impose a tax on the privilege of
- 4 cultivating, dispensing, producing, processing, preparing, storing,
- 5 providing, donating, selling, or distributing medical cannabis or
- 6 medical cannabis products by a licensee operating pursuant to this
- 7 ~~chapter.~~ *products.*
- 8 (2) The board of supervisors shall specify in the ordinance
- 9 proposing the tax the activities subject to the tax, the applicable

1 rate or rates, the method of apportionment, if necessary, and the
2 manner of collection of the tax. The tax may be imposed for general
3 governmental purposes or for purposes specified in the ordinance
4 by the board of supervisors.

5 (3) In addition to any other method of collection authorized by
6 law, the board of supervisors may provide for the collection of the
7 tax imposed pursuant to this section in the same manner, and
8 subject to the same penalties and priority of lien, as other charges
9 and taxes fixed and collected by the county. A tax imposed
10 pursuant to this section is a tax and not a fee or special assessment.
11 The board of supervisors shall specify whether the tax applies
12 throughout the entire county or within the unincorporated area of
13 the county.

14 (4) The tax authorized by this section may be imposed upon
15 any or all of the activities set forth in paragraph (1), as specified
16 in the ordinance, regardless of whether the activity is undertaken
17 individually, collectively, or cooperatively, and regardless of
18 whether the activity is for compensation or gratuitous, as
19 determined by the board of supervisors.

20 (b) A tax imposed pursuant to this section shall be subject to
21 applicable voter approval requirements imposed by law.

22 (c) This section is declaratory of existing law and does not limit
23 or prohibit the levy or collection of any other fee, charge, or tax,
24 or a license or service fee or charge upon, or related to, the
25 activities set forth in subdivision (a) as otherwise provided by law.
26 This section shall not be construed as a limitation upon the taxing
27 authority of a county as provided by law.

28 (d) This section shall not be construed to authorize a county to
29 impose a sales or use tax in addition to the sales and use tax
30 imposed under an ordinance conforming to the provisions of
31 ~~Sections 7202 and 7203 Part 1.5~~ *(commencing with Section 7200)*
32 of the Revenue and Taxation Code.

O