## **Ballot Title and Summary**

## TRINITY COUNTY COMMERCIAL CANNABIS TAX

This is a ballot measure to establish an ordinance taxing commercial cannabis in Trinity County.

If approved by the voters, this measure would tax commercial cannabis at the following rates:

For commercial grow, a flat rate tax per pound of Cannabis that will vary based on the type and weight of cannabis harvested. The "full rate" values are as follows: \$15.44/lb. for cannabis flowers, \$4.59/lb. for cannabis leaves, and \$2.16/lb. for fresh cannabis plants.

The first 100 pounds of each cannabis category shall be taxed at no more than 25% of the full rate. More than 100 pounds through 400 pounds of each cannabis category shall be taxed at no more than 50% of the "full rate." More than 400 pounds through 1,000 pounds of each cannabis category shall be taxed at no more than 75% of the "full rate." More than 1,000 pounds of each cannabis category shall be taxed at no more than the "full rate."

Two and a half percent (2.5%) of gross sales for each cannabis retail license held by a person within the County.

The Board of Supervisors has the ability to lower tax with majority vote.

A bond will be required of \$.50 per square foot of the cultivating square footage the cultivator is allowed to cultivate.

The Ordinance establishes penalties for failure to remit taxes when due.

The Ordinance further has an appeal process before the Board of Supervisors.

This measure will pass if a majority of the registered voters cast a "Yes" vote and will have an unknown financial impact upon Trinity County. If this measure fails, Trinity County will continue to have no tax on the commercial cannabis.