



## Legislation Text

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*Report Prepared by: Kim Espinosa, Planning Manager, Development Services Department*

**SUBJECT:** Options for Cannabis Tax Measure

**REPORT IN BRIEF**

The City Council will receive an overview of the options for a cannabis tax measure.

**RECOMMENDATION**

Provide input and direction to staff on the various cannabis tax options and timing to allow for the preparation of a tax ordinance.

**ALTERNATIVES**

Not applicable

**AUTHORITY**

Section 20,44,170(O)(6) of the recently adopted Ordinance No. 2480 calls for additional cannabis-specific gross receipts, excise, cultivation, or any other tax approved by the voters of Merced.

**CITY COUNCIL PRIORITIES**

On March 29, 2017, the City Council held a study session on priorities and medical marijuana regulations were listed under "City Administration-Current Projects."

**DISCUSSION**

At the City Council meeting, City staff and SCI Consulting will present information about options for a cannabis tax measure. The City Council will then be asked to provide direction to staff for preparation of an ordinance and the possible timing of proposing a cannabis tax measure for consideration by the voters.

**IMPACT ON CITY RESOURCES**

At the meeting, the City Council will receive information about potential revenue generated by a cannabis tax and the steps that staff are taking to test the timing and viability of the cannabis tax measure and a draft ordinance related to the proposed options.

**ATTACHMENTS**

1. Draft Ordinance