

ORDINANCE NO. 2019-07

ORDINANCE PROHIBITING THE SALE OF RECREATIONAL CANNABIS AND
ESTABLISHING A COUNTY CANNABIS RETAILERS'
OCCUPATION TAX IN THE COUNTY OF FRANKLIN, ILLINOIS

WHEREAS, the County of Franklin of the state of Illinois ("Franklin County") is a non-home rule unit of local government pursuant to Article VII, §8 of the 1970 Illinois Constitution; and

WHEREAS, the Illinois General Assembly enacted Public Act 101-0027, effective January 1, 2020, which is a comprehensive revision of State statutes regulating the adult use of cannabis in Illinois counties; and

WHEREAS, the County has the authority to adopt ordinances and to promulgate rules and regulations that protect the public health, safety and welfare of its citizens; and

WHEREAS, this Ordinance is adopted pursuant to the provisions of the Illinois County Cannabis Retailers' Occupation Tax Law (55 ILCS 5/5-1006.8) (the "Act"); and

WHEREAS, this Ordinance is intended to impose the tax authorized by the Act providing for a county cannabis retailers' occupation tax which will be collected by the Illinois Department of Revenue;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY BOARD OF THE COUNTY OF FRANKLIN, ILLINOIS, THAT THIS ORDINANCE ESTABLISHING A COUNTY CANNABIS RETAILERS' OCCUPATION TAX BE AND HEREBY IS ADOPTED AS FOLLOWS:

SECTION I: Recitals.

The facts and statements contained in the preamble to this Ordinance are found to be true and correct and are hereby adopted as part of this Ordinance

SECTION II: Definitions.

"Cannabis business establishment" means a cultivation center, craft grower, processing organization, dispensing organization, or transporting organization.

"Craft grower" means a facility operated by an organization or business that is licensed by the Department of Agriculture to cultivate, dry, cure, and package cannabis and perform other necessary activities to make cannabis available for sale at a dispensing organization or use at a processing organization.

"Cultivation center" means a facility operated by an organization or business that is licensed by the Department of Agriculture to cultivate, process, transport (unless otherwise limited by this Act), and perform other necessary activities to provide cannabis and cannabis-infused products to cannabis business establishments.

"Dispensing organization" means a facility operated by an organization or business that is licensed by the Department of Financial and Professional Regulation to acquire cannabis from a cultivation center, craft grower, processing organization, or another dispensary for the purpose of selling or dispensing

cannabis, cannabis-infused products, cannabis seeds, paraphernalia, or related supplies under this Act to purchasers or to qualified registered medical cannabis patients and caregivers.

"Processing organization" or "processor" means a facility operated by an organization or business that is licensed by the Department of Agriculture to either extract constituent chemicals or compounds to produce cannabis concentrate or incorporate cannabis or cannabis concentrate into a product formulation to produce a cannabis product.

"Transporting organization" or "transporter" means an organization or business that is licensed by the Department of Agriculture to transport cannabis on behalf of a cannabis business establishment or a community college licensed under the Community College Cannabis Vocational Training Pilot Program.

SECTION III: Prohibitions

Cannabis Business Establishments as defined above and in Public Act 101-0027 are prohibited within the unincorporated areas of Franklin County. No Cannabis Business Establishments may operate within the Unincorporated areas of Franklin County at any time.

Cannabis Business Establishments do not include Medical Cannabis Cultivation Centers or Medical Cannabis Dispensing Organizations.

SECTION IV: Tax imposed; Rate.

(a) A tax is hereby imposed upon all persons engaged in the business of selling cannabis, other than cannabis purchased under the Compassionate Use of Medical Cannabis Pilot Program Act, at retail locations in the incorporated areas of Franklin County on the gross receipts from these sales at the following rates:

- (i) 0.75 percent (0.75%) of the gross receipts of sales made in a municipality located in Franklin county; and
 - a. The imposition of this tax is in accordance with the provisions of the County Cannabis Retailers' Occupation Tax Law (55 ILCS 5/5-1006.8).

SECTION V: Collection of tax by retailers.

(a) The tax imposed by this Ordinance shall be remitted by such retailer to the Illinois Department of Revenue (the "Department"). Any tax required to be collected pursuant to or as authorized by this Ordinance and any such tax collected by such retailer and required to be remitted to the Department shall constitute a debt owed by the retailer to the State. Retailers may reimburse themselves for their seller's tax liability hereunder by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with any State tax that sellers are required to collect.

(b) The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Department. The Department shall have full power to administer and enforce the provisions of this article.

SECTION VI: Severability.

The provisions and sections of this Ordinance shall be deemed separable and the invalidity of any portion of this Ordinance shall not affect the validity of the remainder.

SECTION VII: Effective Date.

This Ordinance shall be in full force and effect from and after its passage and approval and publication as required by law, provided, however, that the tax provided for herein shall take effect for all sales on or after the first day of January, 2020. Copies of this Ordinance shall be certified and sent to the Illinois Department of Revenue prior to October 31, 2019.

Passed by the County Board this 22 day of OCT, 2019.

AYES: 9

NAYS: 0

PRESENT: 9

ABSTAIN/ABSENT: 0

Approved this 22 day of October, 2019 .


Chairman



OCT. 22, 2019
Date