

T Enteado

From: T Enteado
Sent: Tuesday, March 28, 2023 4:54 PM
To: T Oliver
Cc: 'Carol Sabo (csabo@westcapemay.us)'
Subject: FW: Ordinance 625-23 Amending Ordinance 603-21 RE: Local Cannabis Tax
Attachments: 625-23 Amending Ordinance 603-21 Section 11 RE Local Cannabis Tax.docx

Tricia,

Please add this ordinance to the next PZB meeting for determination.

Although this is only amending the municipal tax rate for retail sales from 1% to 2%, our Solicitor thinks it is better safe than sorry!

Thank you for your assistance.

Theresa Enteado, RMC, CMR

Municipal Clerk

Registrar of Vital Statistics

Borough of West Cape May

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West Cape May, NJ 08204

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**BOROUGH OF WEST CAPE MAY
COUNTY OF CAPE MAY
STATE OF NEW JERSEY**

ORDINANCE NO. 625-23

**AN ORDINANCE AMENDING ORDINANCE NO. 603-21 SECTION 11
REGARDING THE LOCAL CANNABIS TAX**

WHEREAS, Ordinance No. 603-21 of the Borough of West Cape May permits the operation of certain cannabis businesses within the Borough's geographic boundaries and amends the zoning ordinance accordingly; and

WHEREAS, pursuant to N.J. Stat. 40:48I-1, a municipality in New Jersey may charge a Local Cannabis Transfer Tax of up to 2% on sales of recreational cannabis or cannabis items by a cannabis establishment in that municipality; and

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Borough of West Cape May:

Section 11 of Borough Ordinance No. 603-21 is hereby amended as follows (strikethroughs indicate deletions and bold and underlined portions indicate additions):

SECTION 11. The Borough of West Cape May hereby establishes the following local cannabis tax:

- A. On cannabis cultivation, a tax of 2% of the amount of each sale.
- B. On cannabis manufacture, a tax of 2% on the amount of each sale
- C. On cannabis wholesaling, a tax of 1% on the amount of each sale.
- D. On cannabis retailing, a tax of ~~1%~~ 2% on the amount of each sale.

Said tax shall be payable directly to the Chief Financial Officer of the Borough on a quarterly basis. Failure to make such payments shall subject the cannabis operation to the same penalties as would accompany a failure to make timely payment of property taxes.

Section 2. Repealer. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of that conflict.

Section 3. Severability. Should any portion of this ordinance be declared unconstitutional or invalid, the remaining portion of this ordinance shall not be affected thereby and shall remain in full force and effect, and to that end the provisions of this ordinance are declared to be severable.

Section 4. Effective Date. This ordinance shall take effect 20 days after passage and publication, according to law.

Carol E. Sabo, Mayor

Alan Crawford, Deputy Mayor

George Dick, Commissioner

Theresa Enteadó, RMC
Municipal Clerk

Introduced: March 22, 2023
First Publication: March 29, 2023
Second Reading & Adoption: April 12, 2023
Final Publication: April 19, 2023
Effective Date: May 2, 2023

I hereby certify that the foregoing is a true copy of an Ordinance duly passed and adopted by a majority of full membership of the Board of Commissioners of the Borough of West Cape May, County of Cape May, New Jersey, at a meeting held on _____.

Municipal Clerk