

**ORDINANCE NO. O2022x03
ORDINANCE TO ESTABLISH A NEW CHAPTER 212 OF
THE CODE OF THE TOWN OF BELVIDERE
ENTITLED “CANNABIS TRANSFER TAX”**

BE IT ORDAINED By the Town Council of the Town of Belvidere, in the County of Warren, New Jersey, that there be and hereby is established a new Chapter 212 entitled, “Cannabis Transfer Tax,” as follows:

Chapter 12

entitled **CANNABIS TRANSFER TAX**, is hereby created to read as follows:

SECTION I.

§212-1 Purpose.

It is the purpose of this article to implement the provision of New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act, P.L. 2021, (signed into law February 22, 2021), which authorizes the governing body of a municipality to adopt an ordinance imposing a transfer tax at a uniform percentage rate not to exceed two percent of the receipts from each sale by a cannabis cultivator; two percent of the receipts from each sale by a cannabis manufacturer; one percent of the receipts from each sale by a cannabis wholesaler; and two percent of the receipts from each sale by a cannabis retailer located in the Township, which shall be in addition to any other tax or fee imposed pursuant to statute or local ordinance or resolution by any governmental entity upon the dispensary.

§212-2 Adult Use Cannabis Transfer Tax.

The tax rate for each category of license shall be as follows:

- a. Cannabis Cultivator: Two percent of the receipts from each sale by a cannabis cultivator.
- b. Cannabis Manufacturer: Two percent of the receipts from each sale by a cannabis manufacturer.
- c. Cannabis Wholesaler: One percent of the receipts from each sale by a cannabis wholesaler.
- d. Cannabis Retailer: Two percent of the receipts from each sale by a cannabis retailer.

§212-3 Remission of Taxes.

Every cannabis business and/or licensee shall remit taxes collected and due and owing on a quarterly basis to the municipal chief financial officer, along with certified copies of sales receipts and product transfer ledgers or documentation. The dates of tax remission shall be on or before January 2, April 1, July 1 and October 1, or as established by the

chief financial officer. Each licensee shall certify to the truth and accuracy of the receipts and product transfer ledgers or documentation, and shall remit a return in a form determined by the chief financial officer.

§212-4 Delinquent taxes.

All unpaid taxes as required under this Article shall be subject to the accrual of interest and penalties at rates and penalties set forth and established for delinquent ad valorem taxes within the Town of Belvidere.

§212-5. Liability for taxes owed.

Each cannabis establishment owner and/or licensee shall be personally liable for any and all taxes imposed under this Article and any interest and penalty accruing thereon. In addition, any unpaid balance and interest and penalties accruing thereon shall constitute a lien on the real property in which the cannabis establishment is located and such liens shall be enforced in the same manner as municipal tax liens.

§212-6. Audit.

Every cannabis establishment and/or licensee within the Town of Belvidere is subject to audit, no greater than once per annum, of the establishment's or licensee's business records, receipts and accounting books, such audit to be performed at the chief financial officer's discretion, by a certified public accountant. Every cannabis establishment and licensee shall be obligated to fully comply with the requirements of an auditor. Failure to cooperate with the audit, or any misrepresentation or fraud committed by the establishment or licensee, shall result in the immediate suspension of the license.

SECTION II.

All ordinances or parts of ordinances inconsistent with this amending ordinance are hereby repealed to the extent of their inconsistencies only.

SECTION III.

This ordinance shall be in full force and take effect immediately after final passage and publication, as required by law.

NOTICE

The foregoing ordinance was introduced on September 26, 2022 and was read for the first time. This ordinance will be further considered for final adoption by the Belvidere Town Council at a meeting to be held on October 24, 2022 at Belvidere Town Hall, 691 Water Street, Belvidere, NJ at 7:00 P.M. or at any time and place to which said meeting may be adjourned. All interested persons will be given the opportunity to be heard concerning said ordinance at that time. Any member of the general public can obtain a copy of said ordinance at no cost at the Municipal Clerk's Office, 691 Water Street,

Belvidere, Monday through Friday from 9:00 A.M. to 4:30 P.M. or on the municipal website, belviderenj.net.

NOTICE

Notice is hereby given that the forgoing ordinance was adopted by the Belvidere Town Council at a regular meeting held on October 24, 2022.

Teresa A. Yeisley, RMC/CPM
Municipal Clerk/Administrator