

MOTION

18A

The Los Angeles City Council today will discuss the appropriate regulations and restrictions on the distribution of medical marijuana as permitted by the California Compassionate Act of 2006.

During previous discussions and as brought forward in previous motion (HAHN- ZINE)CF-09-0600-S134 , imposing a new tax on any transaction that permits the distribution of medical marijuana should be a consideration of this council during such a budgetary crisis which we are experiencing today.

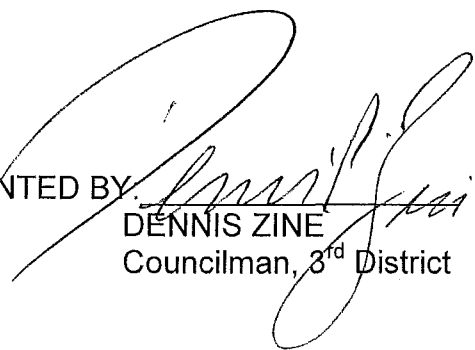
In 2007, the California State Board of Equalization (BOE) issued a Special Notice confirming its policy of taxing medical marijuana transactions, providing a way to remit any sales and use taxes due. In July the City of Oakland voted to impose a 1.8% tax on their medical marijuana transactions.


While we continue debating on the legitimacy of any type of medical marijuana 'sale' in the City of Los Angeles, we should also identify other modes of taxing available to us under a collective model. Imposing a membership, expense, or cultivation based tax would all create an avenue for the City to collect revenue.

I THERFORE MOVE for the Council to instruct the CLA with the assistance of the Office of Finance to analyze and report back on the implementation of a membership, expense, or cultivation base tax as well as the potential revenue each one of these may bring.

I FURTHERMOVE for the Council to instruct CLA to compare each of these options to the business tax currently in our code and report on whether it may still be applicable under the new Ordinance adopted by Los Angeles City Council.

PRESENTED BY: 
JANICE HAHN
Councilwoman, 15th District

CO-PRESENTED BY: 
DENNIS ZINE
Councilman, 3rd District

SECONDED BY: 

NOV 18 2009