

RESOLUTION

WHEREAS, the Council of the City of Los Angeles has adopted a resolution to place an ordinance before the qualified voters of the City of Los Angeles at the March 8, 2011 Special Election to be consolidated with the City's Primary Nominating Election to be held on the same date; and

WHEREAS, the City Election Code requires the City Attorney to prepare and present a ballot title and question consisting of an impartial statement of the measure; and

WHEREAS, the City Attorney has presented the following ballot title and question for the proposed measure:

**TAXATION OF MEDICAL MARIJUANA COLLECTIVES.
PROPOSITION ____.**

In order to fund general municipal services, including but not limited to such matters as police protection and crime suppression services, fire prevention and suppression services, park and recreation facilities, and general improvements throughout the City, shall a tax be authorized on marijuana collectives of \$50 per \$1000 of gross receipts recognizing that the sale of marijuana is illegal?

NOW, THEREFORE, BE IT RESOLVED that the ballot title and question presented by the City Attorney be adopted by the City Council.

I hereby certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting held on _____.

JUNE LAGMAY, City Clerk

By _____
Deputy

C.F. No. 08-0923-S4

RESOLUTION

Resolution providing that a ballot measure be submitted to the qualified voters of the City of Los Angeles.

**BE IT RESOLVED BY THE COUNCIL OF THE
CITY OF LOS ANGELES AS FOLLOWS:**

Section A. The following ordinance of the City of Los Angeles is hereby proposed to be submitted for approval by a majority of the qualified voters of the City of Los Angeles at a Special Election to be called and consolidated with the City's Primary Nominating Election held on March 8, 2011:

ORDINANCE NO. _____

An ordinance adding Section 21.50 to the Los Angeles Municipal Code to provide funding through imposition of a general tax.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Section 21.50 is added to the Los Angeles Municipal Code to read:

Sec. 21.50. TAXATION OF MEDICAL MARIJUANA COLLECTIVES.

(a) No registration certificate or permit issued under the provisions of Article 1 or Article 1.5 of Chapter 2 of this Code, or the payment of any tax required under the provisions of Article 1 or Article 1.5 of Chapter 2 of this Code shall be construed as authorizing the conduct or continuance of any illegal business or of a legal business in an illegal manner. Nothing in this section implies or authorizes that any activity connected with the distribution or possession of cannabis is legal unless otherwise authorized and allowed by California and federal law. Nothing in this Section shall be applied or construed as authorizing the sale of marijuana.

(b) Every person engaged in operating or otherwise conducting a medical marijuana collective not otherwise specifically taxed by other business tax provisions of this Chapter, shall pay a business tax of \$50.00 for each \$1,000.00 of gross receipts or fractional part thereof.

(c) For purposes of this section, a "medical marijuana collective" means any activity regulated or permitted by Article 5.1 of this Code or

Health and Safety Code sections 11362.5, *et seq.*, that involves planting, cultivating, harvesting, transporting, dispensing, delivering, providing, manufacturing, compounding, converting, processing, preparing, storing, packaging, or testing any part of the marijuana plant for medical purposes.

(d) For purposes of this section, "gross receipts" includes all amounts that would be considered gross receipts under section 21.00, including without limitation:

- (i) Membership dues;
- (ii) The value of in-kind contributions;
- (iii) Reimbursements provided by members, regardless of form; and
- (iv) Anything else of value obtained by a medical marijuana collective.

(e) All taxpayers subject to this section must pay the full tax imposed by this section regardless of any rebate, exemption, incentive, or other reduction set forth elsewhere in the Municipal Code, except as required by California or Federal Law. No provision in the Municipal Code can lower the tax rate set forth in this section or otherwise reduce the amount of taxes paid hereunder unless the provision specifically states that the reduction applies.

(f) The City Council may impose the tax authorized by this section at a lower rate and may establish exemptions, incentives, or other reductions as otherwise allowed by the Charter and California law. No action by the Council under this paragraph shall prevent it from later increasing the tax or removing any exemption, incentive, or reduction and restoring the maximum tax specified in this section.

Sec. B. The City Clerk is hereby authorized and directed to publish a notice containing the proposed ballot measure, specifying the date of March 8, 2011 as the date the measure is to be voted upon by the qualified voters of the City of Los Angeles. The notice shall be published once in a newspaper of general circulation in the City of Los Angeles, and in each edition thereof during that day of publication. The City Clerk is authorized and directed to prepare and keep in the City Clerk's office a sufficient supply of copies of the proposed ballot measure and to distribute the proposed ballot measure to any and all persons requesting a copy. Further, the City Clerk is authorized and directed to mail copies of the proposed ballot measure to each of the qualified voters of the City of Los Angeles.

Sec. C. The City Clerk is hereby authorized and directed to cause a notice to be published once in a newspaper of general circulation that copies of voter information pamphlets containing the proposed ballot measure may be obtained upon request in the City Clerk's office.

Sec. D. The City Clerk shall file a duly certified copy of this Resolution forthwith with the Board of Supervisors and with the Registrar-Recorder of the County of Los Angeles.

I hereby certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting held on _____.

JUNE LAGMAY, City Clerk

By _____
Deputy

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

By  _____
DANIEL WHITLEY
Deputy City Attorney

Date 11/12/10

C.F. No. 08-0923-S4

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ORDINANCE NO. _____

An ordinance calling a Special Election to be held on Tuesday, March 8, 2011 for the purpose of submitting to the qualified voters of the City of Los Angeles a certain tax measure and consolidating this Special Election with the City's Primary Nominating Election to be held on the same date.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. A Special Election is hereby called to be held in the City of Los Angeles on March 8, 2011, for the purpose of submitting to the qualified voters of the City a certain measure ordered submitted by the Council of the City of Los Angeles.

Sec. 2. The ballot title and question to be used at the Special Election for the measure to be submitted to the qualified voters of the City of Los Angeles shall be:

**TAXATION OF MEDICAL MARIJUANA COLLECTIVES.
PROPOSITION ____.**

In order to fund general municipal services, including but not limited to such matters as police protection and crime suppression services, fire prevention and suppression services, park and recreation facilities, and general improvements throughout the City, shall a tax be authorized on marijuana collectives of \$50 per \$1000 of gross receipts recognizing that the sale of marijuana is illegal?

Sec. 3. The measure shall be designated on the ballot or ballot pages by a letter or number determined by the City Council in accordance with applicable City and state laws. Upon the designation by the proper officials of the letter or number to be assigned to the measure, that letter or number is hereby adopted and shall be the designation for the ballot title.

Sec. 4. To vote on the measure, the voter shall mark the ballot next to the word "Yes" or the word "No." A "Yes" vote shall be counted in favor of adoption of the measure and a "No" vote shall be counted against adoption of the measure.

Sec. 5. The Special Election hereby called shall be, and hereby is ordered to be, consolidated with the City's Primary Nominating Election to be held in the City of Los Angeles on Tuesday, March 8, 2011.

Sec. 6. The voting polls on election day shall open at 7:00 a.m., March 8, 2011, and shall remain open until 8:00 p.m. of the same day when the voting polls shall be closed, except as provided in City Election Code Section 857.

Sec. 7. The election precincts, polling places, and officers of election for the Special Election shall be the same as those provided in the City of Los Angeles for the Primary Nominating Election, and the elections shall be held in all respects as if there were only one election. Furthermore, for the precincts, polling places, and officers of election, reference is hereby made to the list that will be prepared and approved by the City Clerk and filed in the City Clerk's Office not later than February 8, 2011, and that list is incorporated into and made part of this ordinance.

Sec. 8. In all other particulars, the Special Election shall be held and conducted as provided by law for the conduct of the Primary Nominating Election in the City of Los Angeles.

Sec. 9. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of _____.

JUNE LAGMAY, City Clerk

By _____ Deputy

Approved _____

Mayor

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

By  _____
DANIEL WHITLEY
Deputy City Attorney

Date 11/12/10

File No. 08-0923-S4