ORDINANCE NO. 2020-xx

AN ORDINANCE AMENDING TITLE 1 "ADMINISTRATION," CHAPTER 7 "TOWN FINANCES," BY CREATING A NEW SECTION 6, ENTITLED, "MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX," OF THE MUNICIPAL CODE OF THE TOWN OF CORTLAND TO IMPOSE A MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX

WHEREAS, the Town 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 Municipal Cannabis Retailers' Occupation Tax Law, 65 ILCS 5/8-11-23 *et seq*. (the "Act"); and

WHEREAS, this Ordinance is intended to impose the tax authorized by the Act providing for a Municipal Cannabis Retailers' Occupation Tax which will be collected by the Illinois Department of Revenue.

NOW, THEREFORE, BE IT ORDAINED by the Board of Trustees of the Town of Cortland as follows:

SECTION 1. 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 2. Adoption of Tax. Title 1 Chapter 7 "Town Finances" of the Municipal Code of the Town of Cortland shall be amended by the addition of Section 6 entitled, "Municipal Cannabis Retailers' Occupation Tax," that will read as follows:

1-7-6: MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX

A. TAX IMPOSED; RATE:

1. 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 in the Town at the rate of 3% of the gross receipts from these sales made in the course of that business.

2. The imposition of this tax is in accordance with the provisions of Section 8-11-23, of the Illinois Municipal Code (65 ILCS 5/8-11-23).

B. COLLECTION OF TAX BY RETAILERS:

1. The tax imposed by this Ordinance shall be remitted by such retailer to the Illinois Department of Revenue (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.

2. 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 3. That each section, paragraph, sentence, clause and provision of this Ordinance is separable and if any provision is held unconstitutional or invalid for any reason, such decision shall not affect the remainder of this Ordinance nor any part thereof, other than the part affected by such decision.

SECTION 4. That except as to the amendment heretofore mentioned, all chapters and sections of the Municipal Code of Cortland, Illinois, shall remain in full force and effect.

SECTION 5. That this Ordinance shall, by authority of the Town Board of the Town of Cortland, Illinois, be published in pamphlet form. From and after ten days after said publication, this Ordinance shall be in full force and effect.

PASSED BY THE BOARD OF TRUSTEES of the Town of Cortland, Illinois, at a regular meeting thereof held on the ___ day of _____, 2020, and approved by me as Town President on the same day.

AYE:
NAY:
ABSENT:

_____
Russell C. Stokes, Town President

ATTEST:

_____
Cheryl Aldis, Town Clerk