



## **COUNTY OF LAKE**

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**CAROL J. HUCHINGSON**

County Administrative Officer

### **PRESS RELEASE** **FOR IMMEDIATE RELEASE**

#### **County Preparing to Collect Cannabis Cultivation Taxes, Revenues Uncertain**

The County's cultivation Ordinance will become effective **April 19, 2018**, enabling the first legally authorized cannabis cultivation in Lake County. County staff expect the first permits to be issued during the 6-18 weeks following that effective date.

On November 8, 2016, Lake County residents voted to authorize the County to tax "legally-authorized" cannabis cultivation.

An Ordinance establishing Chapter 18, Article VI., "Cannabis Cultivation Tax," was added to the Lake County Code as a result of the favorable vote. This Ordinance, effective January 1, 2017, established tax rates for cultivation sites.

In the interim period, the Board of Supervisors and County staff have undertaken considerable study and action, culminating Tuesday, March 20, 2018, with the passage of an Ordinance establishing regulations for "Personal/patient/caregiver" and "Commercial cultivation of Cannabis."

Cultivators' first tax payment will be due upon issuance of a County permit. The County's authority to collect payments only begins once the cultivator's permit is final, and the Treasurer-Tax collector cannot issue a bill prior to that time.

"Finance staff is working in earnest to complete development of our processes while Community Development conducts pre-application conferences with future cultivators," shares County Administrative Officer, Carol J. Huchingson.

"Actual tax revenues are very difficult to predict," cautions Huchingson. "At this point in time, just over one-third of those expected to pursue permits have come forward."

Among those ongoing efforts is revision of the County's Cash Management Policy by Lake County Auditor-Controller Cathy Saderlund. Those revisions are expected to be considered by the Board of Supervisors in the near future.

"When cannabis tax payments are due, we will be ready to receive them, whether by cash or check," relates District 4 Supervisor, Tina Scott. "It is crucial to our Board that County government services are efficient and responsive to the needs of the community members we serve. Cannabis is no exception, and I am pleased by the tremendous work departments are undertaking to ensure we are ready."