

CITY OF HIGHLAND PARK

ORDINANCE NO. 067-2020

AN ORDINANCE AMENDING CHAPTER 97 OF THE HIGHLAND PARK CODE OF 1968, AS AMENDED, REGARDING MUNICIPAL CANNABIS TAXATION

WHEREAS, pursuant to several sections of "The Highland Park Code of 1968," as amended ("**City Code**"), currently regulate the possession and use of cannabis in the City; and

WHEREAS, the State of Illinois adopted the Cannabis Regulation and Tax Act, 401 ILCS 705 ("**Act**"), which legalized the possession, use, cultivation, transportation, and sale of recreational cannabis as of January 1, 2020; and

WHEREAS, on October 13, 2020, the City Council adopted Ordinance No. 064-2020, amending the City's Zoning Code to authorize Adult Use Cannabis Business Establishments operating pursuant to the Act as a conditional use in the I Light Industry Zoning District; and

WHEREAS, as part of the Act, the State passed the Illinois Municipal Cannabis Retailers' Occupation Tax Law, 65 ILCS 5/11-8-23 *et seq.*, which grants authority to municipalities to adopt a tax, at a rate not to exceed three percent, on the gross receipts from all sales of cannabis in the City except for the sales of cannabis to registered qualifying patients pursuant to the Compassionate Use of Medical Cannabis Pilot Program Act ("**Municipal Cannabis Tax**"); and

WHEREAS, the Municipal Cannabis Tax is both equitable to the taxpayers and beneficial to the City as it provides new revenue, including from non-residents of the City, to offset new expenditures arising from the legalization of recreational cannabis and to otherwise improve the City; and

WHEREAS, the City Council has determined that a Municipal Cannabis Tax should be assessed against all retail sales of cannabis in the City to persons over the age of 21 for recreational purposes; and

WHEREAS, the City Council has determined that it will serve and be in the best interest of the City and its residents to amend Chapter 97 of the City Code pursuant to this Ordinance;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF HIGHLAND PARK, LAKE COUNTY, STATE OF ILLINOIS, as follows:

SECTION ONE: RECITALS. The foregoing recitals are incorporated into, and made a part of, this Ordinance as the findings of the City Council.

SECTION TWO: CANNABIS RETAILER'S OCCUPATION TAX. Chapter 97, entitled "Municipal Taxation", of Title IX, titled "General Regulations," of the City Code is hereby amended further to include a new Chapter 97, entitled "Cannabis Retailer's Occupation Tax", to read as follows:

~~"Article XI - Reserved~~ **Cannabis Retailer's Occupation Tax**

Sec. 97.1100. - Definitions.

As used in this Article, the following words or terms shall have the following meanings:

Cannabis: shall have the meaning set forth in Section 133.025(B) of this Code.

Cannabis Retailer: All persons or businesses engaged in selling cannabis at retail.

Sec. 97.1101. - Tax Imposed.

Pursuant to Section 8-11-23 of the Illinois Municipal Code, 65 ILCS 5/8-11-23, a tax is hereby imposed upon all Cannabis Retailers that sell cannabis in the City at the rate of three percent of the gross receipts from sales made in the course of business other than those sales made under the Compassionate Use of Medical Cannabis Pilot Program Act. Such tax shall be in addition to any and all other surcharges or taxes which may be legally imposed by the City or any other taxing authority, including federal, state, county, and regional public bodies.

97.1102. - Collection of Tax.

Any Cannabis Retailer within the City shall have the duty to collect the municipal cannabis retailer's occupation tax imposed pursuant to this Article and remit it to the Illinois Department of Revenue. Any remittance by a Cannabis Retailer required by this Article shall be done in accordance with the rules and forms promulgated by the Illinois Department of Revenue. Any tax required to be collected pursuant to or as authorized by this Article shall constitute a debt owed by the retailer to the State of Illinois.

Sec. 97.1103. - Reserved.”

SECTION THREE: DELIVERY. The City Clerk is hereby directed to send a certified copy of this Ordinance to the Illinois Department of Revenue so that the State of Illinois can commence collection of the tax imposed pursuant to Section 97.1101 of the City Code, as amended by this Ordinance and as authorized by Section 8-11-23 of the Illinois Municipal Code.

SECTION FOUR: PUBLICATION. The City Clerk is hereby directed to publish this Ordinance in pamphlet form pursuant to the Statutes of the State of Illinois.

SECTION FIVE: EFFECTIVE DATE. This Ordinance will be in full force and effect from and after its passage and approval in the manner provided by law.

[SIGNATURE PAGE FOLLOWS]

AYES: Mayor Rotering, Councilman Stolberg, Councilwoman Stone,
Councilmen Kaufman, Blumberg, Knobel, Holleman

NAYS: None

PASSED: November 09, 2020

ADOPTED: November 09, 2020

PUBLISHED IN PAMPHLET FORM: November 10, 2020

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Nancy R. Rotering

Nancy R. Rotering, Mayor

ATTEST:

Ghida S. Neukirch

Ghida S. Neukirch, City Clerk

