

County Cannabis ROT - SAMPLE

ORDINANCE NO. _____

County Cannabis Retailers' Occupation Tax

Section 1. Tax imposed. 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 Program Act, at retail in this county at the rate of:

- (i) [insert rate - not to exceed 3.75%] of the gross receipts from such cannabis sales made in unincorporated areas of the county; and
- (ii) [insert rate - not to exceed 3%] of the gross receipts from such cannabis sales made in a municipality located in the county.

The imposition of this tax is in accordance with and subject to the provisions of Section 5-1006.8 of the Counties Code (55 ILCS 5/5-1006.8).

Section 2. Illinois Department of Revenue to administer. The tax hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Department of Revenue of the State of Illinois. The Department of Revenue shall have full power to administer and enforce the provisions of this Ordinance.

Section 3. Clerk to file Ordinance with Illinois Department of Revenue. The Municipal Clerk is hereby directed to file a certified copy of this Ordinance with the Illinois Department of Revenue on or before (choose one: [April 1, 20__] or [October 1, 20__]).

Section 4. Effective date. This Ordinance shall take effect on July 1, 2020 if filed with the Department of Revenue on or before April 1, 2020. For ordinances filed thereafter, this Ordinance shall take effect on (i) the first day of July next following the adoption and filing of this Ordinance with the Department of Revenue, if filed on or before the preceding April 1st or (ii) the first day of January next following the adoption and filing of this Ordinance with the Department of Revenue, if filed on or before the preceding October 1st.

Section 5. Repeal of conflicting provisions. All ordinances and resolutions, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of the conflict, expressly repealed on the effective date of this Ordinance.

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THE FOLLOWING NOTES ARE NOT PART OF THE ORDINANCE AND SHOULD NOT APPEAR IN THE ADOPTED ORDINANCE, BUT SHOULD BE CONSIDERED WHEN DRAFTING THE ORDINANCE.

DISCLAIMER: This sample document is offered as a service to units of local government to assist them in using a proper format when imposing a tax that the Illinois Department of Revenue is required by law to administer. This sample document does not take the place of legal advice. If you choose to use this sample document, however, and you properly complete and adopt it and file a certified copy of it with the Department, the Department will administer the tax. Please keep in mind that your local government attorney should always be consulted regarding the legality and appropriateness of the legislation that you are considering. He or she can help you modify sample documents, if necessary, to fit your community's specific needs.

April 1 and October 1 deadlines: This tax will take effect on July 1, 2020 for all ordinances filed with the Department of Revenue on or before April 1, 2020. After July 1, 2020, this tax may be imposed or discontinued or the tax rate changed at only one of two times each year - January 1 or July 1.

- October 1 deadline: To take effect on January 1, an ordinance must be adopted and a certified copy filed with the Illinois Department of Revenue by October 1.
- April 1 deadline: To take effect on July 1, an ordinance must be adopted and a certified copy filed with the Illinois Department of Revenue by April 1.

(See 55 ILCS 5/5-1006.8(f); P.A.101-593).