

## COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE C

A **YES** vote on this measure means: The general business license tax on marijuana businesses of up to 15% of each dollar of its gross receipts will be levied commencing January 1, 2018.

A **NO** vote on this measure means: The general business license tax on marijuana businesses of up to 15% of each dollar of its gross receipts will not be levied.

The County of Solano proposes a general business license tax on marijuana businesses within the County for general governmental purposes, to be levied at a maximum rate of 15% of each dollar of its gross receipts, commencing January 1, 2018.

Under the ordinance, a marijuana business is comprehensively defined and includes commercial activity that is for both medical and non-medical purposes. Marijuana also has the same meaning as "Cannabis" as defined in Business and Professions Code section 19300.5, subdivision (f).

Currently, the County does not allow marijuana businesses in the unincorporated areas. This measure will serve as a placeholder, pending the voters' decision on whether to legalize the recreational use of marijuana under the Adult Use of Marijuana Act, state Proposition 64, which is on this ballot.

The Board of Supervisors placed the measure on the ballot.

State law authorizes the County to levy a general business license tax if the ordinance proposing the tax is approved by the Board of Supervisors and the tax is approved by a majority of the qualified voters of the entire county voting in the election. The Board of Supervisors unanimously approved the tax on August 9, 2016. If a majority of the voters in the County who vote on this measure vote "Yes," the measure will pass and the general business license tax will be levied, commencing January 1, 2018.

Because the County does not allow marijuana businesses, it is not possible to provide the estimated annual revenue generated by this general tax under the Fiscal Impact Statement. Any revenue generated by the tax will be deposited into the General Fund. The Board of Supervisors will annually appropriate the revenue from the tax for general governmental purposes. This measure does not restrict the use of the tax revenue to any specific purpose.

If approved, the tax will take effect immediately on November 8, 2016 and become operative on January 1, 2018. The tax will continue until repealed by the Board of Supervisors or County voters.

Dennis Bunting  
Solano County Counsel  
[EC § 9160]