

AN ORDINANCE BY THE TOWNSHIP OF DEPTFORD, IN THE COUNTY OF GLOUCESTER, STATE OF NEW JERSEY, AMENDING AND SUPPLEMENTING CHAPTER 4 OF THE TOWNSHIP CODE ENTITLED GENERAL LICENSING TO IMPOSE A TRANSFER TAX ON THE SALE OF MEDICAL CANNABIS BY LICENSED BUSINESSES OPERATING IN THE TOWNSHIP

WHEREAS, this chapter is enacted pursuant to the authority granted by New Jersey Compassionate Use Marijuana Act, N.J.S.A. 24:6I-1 et seq. as amended by the Jake Honig Compassionate Use Medical Cannabis Act, approved on July 2, 2019, P.L. 2019, c. 153, revising and supplementing P.L. 2009, c. 307; and

WHEREAS, in accordance with N.J.S.A. 24:6I-10(i), a municipality in which a medical cannabis dispensary is located may adopt an ordinance imposing a transfer tax on any medical cannabis dispensed by the dispensary, including medical cannabis that is furnished by the dispensary to a medical cannabis handler for delivery to a registered qualifying patient or the patient's caregiver; and

WHEREAS, the rate of a transfer tax established shall be at the discretion of the municipality, except that in no case shall the rate exceed two percent of the purchase price of the medical cannabis.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED, by the Township Council of the Township of Deptford, in the County of Gloucester, State of New Jersey as follows:

§ _____. **Short title; authority.**

- A. Short title. This chapter shall be known, and may be referred to, by the short title of the "Medicinal Cannabis Transfer Tax of the Township of Deptford," and may be cited as such.
- B. Authority. This chapter is enacted pursuant to the authority granted by New Jersey Compassionate Use Marijuana Act, N.J.S.A. 24:6I-1 et seq. as amended by the Jake Honig Compassionate Use Medical Cannabis Act, approved on July 2, 2019, P.L. 2019, c. 153, revising and supplementing P.L. 2009, c. 307.

§ _____. **Purpose.**

It is the purpose of this chapter to implement the provisions of the Jake Honig Compassionate Use Medical Cannabis Act, (Approved July 2, 2019), P.L. 2019, c. 153, revising and supplementing P.L. 2009, c. 307; N.J.S.A. 24:6I-1 et seq., which authorizes the governing body of a municipality to adopt an ordinance imposing a transfer tax on any medical cannabis dispensed by the dispensary, including medical cannabis that is furnished by the dispensary to a medical cannabis handler for delivery to a registered qualifying patient or the patient's caregiver. The rate of a transfer tax established pursuant to this subsection shall be at the discretion of the municipality, except that in no case shall the rate exceed 2% of the purchase price of the medical cannabis.

§ _____. **Tax established.**

There is hereby established a transfer tax in the Township of Deptford, pursuant to N.J.S.A. 24A:6I-10(i) of the Jake Honig Compassionate Use Medical Cannabis Act, which shall be fixed at a uniform percentage rate of 2% on any medical cannabis dispensed by any dispensary, including medical cannabis that is furnished by the dispensary to a medical cannabis handler for delivery to a registered qualifying patient or the patient's caregiver medicinal cannabis purchase tax in the Township of Deptford, pursuant to Subsection (d) of Section 3 of P.L. 1966, c. 40, N.J.S.A. 54:32B-3 (sales tax).

§ _____. **Specific definitions.**

LICENSED MEDICAL MARIJUANA FACILITY – A duly licensed medical cannabis cultivator, a duly licensed medical cannabis manufacturer, or a duly licensed cannabis dispensary lawfully operating pursuant to the Jake Honig Compassionate Use Medical Cannabis Act, N.J.S.A. 24:6I1, et seq.

§ _____. **Applicability.**

The medicinal cannabis transfer tax shall be in addition to any other fee imposed pursuant to statute or local ordinance or resolution by any governmental entity upon the Medical Cannabis Dispensary.

§ _____. **Collection of tax.**

- A. All revenues collected pursuant to this section shall be remitted to the Chief Financial Officer of the Township of Deptford in the manner provided by this ordinance. The taxes imposed by this section shall be computed and paid for each calendar month. Said taxes are due and payable to the Chief Financial Officer on or before the twentieth day of the succeeding month, with a report certified as true and accurate by the Chief Financial Officer, Controller or other similarly situated person showing the gross revenues for the licensed medical marijuana facility for each month of the preceding year. The Township may require that the licensed medical marijuana facility obtain a financial report from an independent accountant certifying as to the annual revenues for the preceding year.
- B. The tax imposed by this chapter shall be collected on behalf of the Township by the person collecting the payment from the dispensing and delivery of medicinal cannabis permitted by N.J.S.A. 24:6I-1 et seq. Each person required to collect the tax herein imposed shall be personally liable for the tax imposed, collected, or required to be collected hereunder. Any such person shall have the same right in respect to collecting the tax from a customer as if the tax were a part of the purchase and payable at the same time; provided that the Chief Financial Officer of the Township shall be joined as a party in any action or proceeding brought to collect the tax.

§ _____. **Distribution of provisions of chapter.**

A copy of this chapter shall be transmitted to the State Treasurer and to each medical cannabis dispensary located within the Township of Deptford.

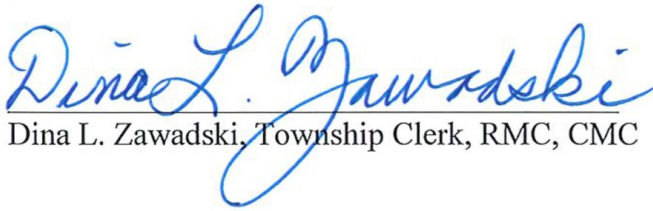
Section Two. All Ordinances and provisions thereof inconsistent with the provisions of this Ordinance shall be and are hereby repealed to the extent of such inconsistency

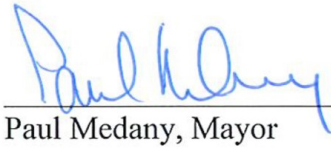
Section Three. If any section, paragraph, subdivision, clause, or provision of this ordinance shall be adjudged invalid, such adjudication shall apply only to the section, paragraph, subdivision, clause, or provision and the remainder of this ordinance shall be deemed valid and effective.

Section Four. This ordinance shall take effect immediately upon final passage and publication according to law.

ATTEST:

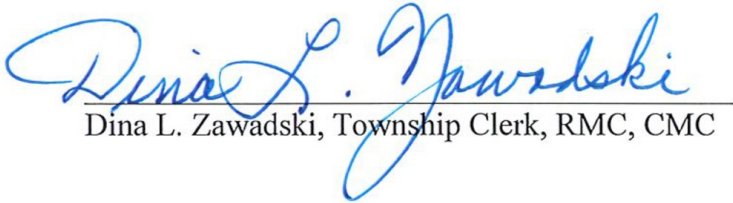
Township of Deptford


 Dina L. Zawadski, Township Clerk, RMC, CMC


 Paul Medany, Mayor

CERTIFICATION

The foregoing Ordinance was introduced at a Council Meeting of Township Council of the Township of Deptford held on the 13th day of June, 2022 and will be considered for final passage and adoption at a Work Session Meeting at which time any person interested therein will be given an opportunity to be heard. Said meeting to be held on the 27th day of June, 2022 at the Municipal Building, 1011 Cooper Street, Deptford, New Jersey.


 Dina L. Zawadski, Township Clerk, RMC, CMC

RECORD OF VOTE – Introduction O.11.22					RECORD OF VOTE – Adoption O.11.22				
Council Member	Yes	No	Abstain	Absent	Council Member	Yes	No	Abstain	Absent
Medany	✓				Medany	✓			
Hufnell	✓				Hufnell	✓			
Barnshaw	✓				Barnshaw	✓			
Belling	✓				Belling	✓			
Lamb	✓				Lamb	✓			
Love	✓				Love	✓			
Schocklin				✓	Schocklin	✓			