

ORDINANCE NO. 24 -2023

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWNSHIP OF LOGAN,  
COUNTY OF GLOUCESTER, STATE OF NEW JERSEY ESTABLISHING PERMITTING, LICENSING  
AND TRANSFER TAX REQUIREMENTS FOR REGULATED CANNIBIS BUSINESSES

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**WHEREAS**, the Township Council of Logan Township (the "Township"), a public body corporate and politic of the State of New Jersey (the "State"), wishes to create regulations and licensing requirements for regulated cannabis establishments that also protect the health, safety and general welfare of the community; and

**WHEREAS**, the Jake Honig Compassionate Use Medical Cannabis Act (the "Act"), N.J.S.A. 24:6I-1 to 30, permits the authorized cultivation, processing, manufacturing, preparing, packaging, transferring, sale, purchase, research, possession, use and consumption of medical cannabis and products created from or which include cannabis; and

**WHEREAS**, the Township finds that the expansion of the medical cannabis program in the State has provided needed compassionate relief to the many persons suffering from chronic and/or serious debilitating illnesses who may benefit; and

**WHEREAS**, on November 3, 2020, the citizens of New Jersey voted to approve Public Question No. 1, amending and supplementing Section VII of Article IV of the New Jersey Constitution to authorize the growth, cultivation, processing, manufacturing, preparing, packaging, transferring, and retail purchasing and consumption of cannabis, or products created from or which include cannabis for persons twenty-one (21) years or older in New Jersey, and further authorized municipalities to enact an additional municipal tax of up to two (2) percent on the receipts from each sale of cannabis or products created from or which include cannabis; and

**WHEREAS**, the Township finds, given the Schedule I status of cannabis under the federal Controlled Substance Act, complexities with access to banking and the level of cash transactions in cannabis-related businesses, and other concerns associated with cannabis-related businesses, that only qualified operators should be permitted to safely operate strictly regulated cannabis facilities in the municipality on a limited basis and subject to reasonable time, manner, and place restrictions, in order to balance patients' and consumers' interests and the creation of jobs and economic opportunity within the Township with public safety; and

**WHEREAS**, in light of the enactment of the Act on July 2, 2019, expanding the New Jersey Medical Marijuana Program, and the passage of Public Question No. 1 on November 3, 2020, it is in the best interest of the Township to proactively establish licensing requirements for regulated cannabis establishments and imposing a municipal tax to support enforcement activities; and

**WHEREAS**, on February 22, 2021, Governor Murphy signed into law P.L. 2021, c. 16, known as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act" (the "Act"), which legalizes the recreational use of marijuana by adults 21 years of age or older, and establishes a comprehensive regulatory and licensing scheme for commercial recreational (adult use) cannabis operations, use and possession; and

**WHEREAS**, the Act establishes six marketplace classes of licensed businesses, including:

- Class 1 Cannabis Cultivator license, for facilities involved in growing and cultivating cannabis;
- Class II Cannabis Manufacturer license, for facilities involved in the manufacturing, preparation, and packaging of cannabis items;

- Class 3 Cannabis Wholesaler license, for facilities involved in obtaining and selling cannabis items for later resale by other licensees;
- Class 4 Cannabis Distributer license, for businesses involved in transporting cannabis plants in bulk from on licensed cultivator to another licensed cultivator, or cannabis items in bulk from any type of licensed cannabis business to another;
- Class 5 Cannabis Retailer license for locations at which cannabis items and related supplies are sold to consumers; and
- Class 6 Cannabis Delivery license, for businesses providing courier services for consumer purchases that are fulfilled by a licensed cannabis retailer in order to make deliveries of the purchased items to a consumer, and which service would include the ability of a consumer to make a purchase directly through the cannabis delivery service which would be presented by the delivery service for fulfillment by a retailer and then delivered to a consumer.

**WHEREAS**, section 31a of the Act authorizes municipalities by ordinance to adopt regulations governing the number of cannabis establishments (defined in section 3 of the Act as “a cannabis cultivator, a cannabis manufacturer, a cannabis wholesaler, or a cannabis retailer”), cannabis distributors or cannabis delivery services allowed to operate within their boundaries, as well as the location manner and times operation of such establishments, distributors or delivery services, and establishing civil penalties for the violation of any such regulations; and

**WHEREAS**, on July 20, 2021, the Township Council adopted Ordinance No. O-07-2021, prohibiting the operation of Class 1, 3-6 licensed cannabis businesses within the geographical boundaries of the Township.

**NOW, THEREFORE, BE IT ORDAINED** by the Township Council of the Township of Logan, County of Gloucester and State of New Jersey as follows:

**SECTION 1.** The aforementioned recitals are incorporated herein as though fully set forth at length.

**SECTION 2. DEFINITIONS.**

“CANNABIS CULTIVATOR” means any licensed person or entity that grows, cultivates, or produces cannabis in this State, and sells, and may transport, this cannabis to other cannabis cultivators, or usable cannabis to cannabis manufacturers, cannabis wholesalers, or cannabis retailers, but not to consumers. A cannabis cultivator that is also licensed to sell cannabis and cannabis products to the public outside the Township shall nevertheless be permitted to engage in cannabis cultivation by the Township.

“CANNABIS ITEM” means any usable cannabis, cannabis, product, cannabis extract, and any other cannabis resin including any form of medical cannabis intended for consumption by registered qualifying patients pursuant to the “Jake Honig Compassionate Use Medical Cannabis 5 Act,” P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.).

“CANNABIS MANUFACTURER” means any licensed person or entity that processes cannabis items by purchasing or otherwise obtaining usable cannabis, manufacturing, preparing, and packaging cannabis items, and selling, and optionally transporting, these items to other cannabis manufacturers, cannabis wholesalers, or cannabis retailers, but not to consumers. A cannabis manufacturer who is also licensed to sell cannabis and cannabis products to the public in locations outside the Township shall nevertheless be permitted to engage in cannabis manufacturing in the Township.

"CANNABIS PRODUCT" means a product containing usable cannabis, cannabis extract, or any other cannabis resin, and other ingredients intended for human consumption or use, including a product intended to be applied to the skin or hair, edible cannabis products, ointments and tinctures.

"MANUFACTURE" means the drying, processing, compounding, or conversion of usable cannabis into cannabis products or cannabis resins.

### **SECTION 3. CANNABIS OPERATIONAL REQUIREMENTS.**

A cannabis cultivation or manufacturing facility issued a permit or license by the State of New Jersey and operating in the Township under this Chapter shall at all times comply with the following operational requirements:

- a. A cannabis facility shall comply with the Township zoning code, the building code and all subcodes, and the property maintenance code at all times.
- b. The facility must hold at all times a valid license or permit issued by the State of New Jersey to undertake cannabis Class II licensed business at the permitted property. A State issued license is valid only for the location identified on the license and until the expiration date printed on the license and cannot be transferred to another location in the Township without a new application. The State issued license shall be prominently displayed inside the permitted premises in a location where it can be easily viewed by law enforcement and administrative authorities.
- c. Class II licensed business shall be conducted solely within the permitted premises on the permitted property. No Class II facility shall be permitted to operate from a movable, mobile or transitory location, except for the permitted and transportation of cannabis and cannabis products to and from the facility pursuant to the terms of the State license or permit.
- d. No person under the age of 18 shall be permitted to enter into the permitted premises.
- e. A cannabis Class II licensed business shall at all times maintain a security system that meets State law requirements, and shall also include:
  1. Security surveillance cameras installed to monitor all entrances along with the interior and exterior of the permitted premises;
  2. Burglary alarm systems which are professional monitored and operated 24 hours a day, 7 days a week;
  3. All security recordings and documentation shall be preserved for at least 30 days and made available to law enforcement upon request for inspection.
- f. All cannabis in whatever form stored at the permitted premises shall be kept in a secure manner and shall not be visible from outside the permitted premises, nor shall it be grown, processed, exchanged, displayed or dispensed outside the permitted premises.
- g. The amount of cannabis on the permitted property and under the control of the permit holder, owner or operator of the facility shall not exceed the amount permitted by the State license.

- h. No pictures, photographs, drawings or other depictions of cannabis or cannabis paraphernalia shall appear on the outside of any permitted premises nor be visible outside of the permitted premises on the permitted property.
- i. The words "marijuana," "cannabis" and any other words used or intended to convey the presence or availability of marijuana shall not appear on the outside of the permitted premises nor be visible outside of the permitted premises on the permitted property.
- j. Sales to the public, public consumption or use of cannabis, alcohol, cannabis or other controlled substances on the permitted premises is strictly prohibited.
- k. No facility shall be operated in a manner creating noise, dust, vibration, glare, fumes, or odors beyond the boundaries of the property on which the facility is operated; or creating any other nuisance that hinders the public health, safety and welfare of the residents of the Township.
- l. Odor control devices and techniques shall be incorporated in all cannabis businesses to ensure that odors from cannabis are not detectable off-site. Cannabis businesses shall provide a sufficient odor-absorbing ventilation and exhaust system so that odor generated inside the cannabis business that is distinctive to its operation is not detected outside of the facility or on adjacent property or public rights-of-way.

If and where applicable, cannabis businesses shall install measures such as an exhaust air filtration system with odor control that prevents internal odors from being emitted externally, or an air system that creates negative air pressure between the cannabis business's interior and exterior, so that the odors generated inside the cannabis business are not detectable on the outside of the cannabis business, or such other technology or systems to prevent external emissions of odor.

- m. No person operating or employed by a cannabis Class II licensed business shall provide or otherwise make available cannabis to any person who is not legally authorized to possess same under state law.
- n. The owner and operator of a cannabis Class II licensed business facility shall use lawful methods in controlling and disposing of waste or by-products from any activities allowed under the State license or permit.
- o. Cannabis may be transported within the Township under this Ordinance by a company licensed to do so by the State, and to effectuate its purpose, only:
  - 1. In a manner consistent with all applicable State laws and rules, as amended;
  - 2. In a secure manner designed to prevent the loss of the cannabis;
  - 3. Using vehicles that do not have exterior markings including the words "marijuana," "cannabis" or any similar or slang words; pictures or other renderings of the cannabis plant; advertisements for cannabis or for its transfer, cultivation, delivery, transportation or manufacture; or any other word, phrase or symbol indicating or tending to indicate that the vehicle is transporting cannabis.

- p. No vehicle, trailer or portable storage unit may be used for the storage of cannabis, but may only be used incidental to, and in furtherance of, the transportation of cannabis and cannabis products on and off the premises.
- q. Coordination of safety and security measures. Any application for a cannabis Class II licensed business facility shall coordinate with the Chief of Police, or his or her designee, regarding the measures to be taken to ensure the security of the facility and the safety of the public and facility employees. Such measures may include, but are not limited to, facility access controls, surveillance systems and site lighting consistent with the requirements of State law.
- r. Inspection. Subject to the requirements and limitations of state law, the municipality shall have the reasonable right to inspect the premises of any approved dispensary, cannabis cultivation or cannabis manufacturing facility during its regular hours of operation to ensure compliance with local ordinances and regulations.

#### **SECTION 4. LICENSING, REGISTRATION AND BUSINESS REGULATIONS.**

##### **Cannabis Establishments.**

The regulations of this Ordinance are subject to the enabling authority of the State of New Jersey and are subject to compliance with all statutes and/or regulations adopted by the State of New Jersey or its instrumentalities, including the Cannabis Regulatory Commission. If any provision of this Ordinance is inconsistent with the State statutes and/or regulations, the State statutes and/or regulations shall prevail.

##### **Licensing.**

- a. Local licensing authority.
  - 1. The Township Council is hereby designed to act as the local licensing authority for the Township for all cannabis establishments. Under all circumstances in which State law requires communication to the Township by the Cannabis Regulatory Commission or any other State agency with regard to the licensing of cannabis establishments by the State, or in which State law requires any review or approval by the Township of any action taken by the State licensing authority, the exclusive authority for receiving such communications and granting such approvals shall be exercised by the Council.
  - 2. Under no circumstances shall a local license for a cannabis establishment issued by the Township be effective until or unless the State has issued the requisite permits or licenses to operate such a facility. It is the intent of this Chapter that no cannabis establishment may lawfully operate in the Township without the issuance of a State permit or license and fully regulatory oversight of the cannabis establishment by the Cannabis Regulator Commission or other state licensing authority as well as well as oversight and issuance of a license by the Township.
- b. Classification of licenses. The Township, subject to Township and/or County land use approval and State licensure, may issue the following municipal licenses to operate a cannabis establishment:

Class II: Cannabis manufacturer license

- c. Maximum number of licenses. The Township may issue a maximum of three (3) Class II licenses. Any license conditionally issued by the Township is contingent upon the locally licensed entity's or individual's subsequent recipient of a State permit or license of the same class or type of regulated cannabis activity.
- d. Application. Persons wishing to obtain any classification of cannabis license shall file a license application with the Township Clerk, on a standardized form established by the Township Council and available at the Clerk's Office. The Township Council shall establish a reasonable application period and deadline for all applications. An application shall be deemed incomplete, and shall not be processed by the Township Council, until all documents and application fees are submitted. To be deemed complete, all applications shall be accompanied by the following:
  1. A photocopy of a valid, unexpired driver's license or state issued identification card for all owners, directors, and officers of the proposed cannabis establishment.
  2. A signed application, which must include all of the following information and documents:
    - i. If the applicant is an individual, the applicant's name; date of birth; Social Security number; physical address, including resident and any business address or addresses; copy of government issued photo identification; email address; one or more valid phone numbers, including emergency contact information; or
    - ii. If the applicant is not an individual, the names; dates of birth; physical addresses, including residential and any business address; copy of government-issued photo identifications; email address; and one or more phone numbers of each stakeholder of the applicant entity, including designation of the highest ranking officer or representative as an emergency contact person; contact information for the emergency contact person; copy of articles of incorporation or organization; assumed name registration; copy of Internal Revenue Service EIN confirmation letter; copy of the operating agreement of the applicant, if a limited liability company; copy of the partnership agreement, if a partnership; names and addresses of the beneficiaries, if a trust, or a copy of the bylaws or shareholder agreement, if a corporation; and New Jersey Business Registration Certification.
  3. Consent to perform a background check/investigation by the Township.
  4. The applicant shall submit proof that the applicant has or will have lawful possession of the premises proposed for the cannabis establishment, which proof may consist of: a deed, a lease, a real estate contract contingent upon successful licensing, or a binding letter of intent by the owner of the premises indicating an intent to lease the premises to the applicant contingent upon successful licensing.
  5. The applicant shall submit an affidavit and documentary proof of compliance with all state and local laws regarding affirmative action, anti-discrimination and fair employment practices. The applicant shall also

certify under oath that they will not and shall not discriminate based on race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations.

6. The location proposed for licensing by the applicant shall comply with all applicable municipal zoning laws.
7. The applicant shall submit, to the satisfaction of the Township Council, proof of financial capability to open and operate the cannabis establishment for which the applicant is seeking a license. Standards for proof of financial capability shall be determined by the Township CFO and/or Administrator.
8. The applicant shall submit all required non-refundable fees for the application and conditional license in accordance with the following fee schedule:  
  
Class II:           \$10,000 Cannabis manufacturer license (processor) per location
9. The applicant shall submit all annual license fees (including renewal) required in accordance with the following fee schedule, which shall be refunded in the event the applicant does not receive a renewal license:  
  
Class II:           \$10,000 Cannabis manufacturer license (processor)
10. In addition to complying with the State requirement related to good character and criminal background, any person proposed to have an ownership interest in the license shall not have had any cannabis license or permit revoked for a violation affecting public safety in the State of New Jersey or a subdivision thereof within the preceding five (5) years.
11. The applicant and the application shall otherwise comply with any, and all qualifications standards set forth in the State and Township laws or regulations.
12. In the event there are multiple applicants for a license, the Township Council shall evaluate all applicants and issue a notification of award after consideration and evaluation of the following criteria:
  - i. Applicant's owners' or principals' qualifications and experience operating in highly regulated industries, including cannabis, healthcare, pharmaceutical manufacturing, and retail pharmacies, with preference to experience operating such business within the State of New Jersey and where the value of owners' experience shall outweigh the experience of non-owner principals (twenty percent (20%), not to exceed 2,500 words);
  - ii. Applicant's qualifications and experience related to public safety and security, including any of the applicant's owners' or principals' experience in law enforcement and drug enforcement (ten percent (10%), not to exceed 1,000 words), and a summary of the applicant's plans for storage of products and currency, physical security, video surveillance, security personnel, and visitor management (ten percent (10%), (total possible twenty percent (20%), not to exceed 2,500 word);

- iii. Applicant's or its owners' experience conducting or supporting or plans to conduct institutional review board-approved research involving human subjects that is related to medical cannabis or substances abuse, where the value of past or ongoing clinical research with IRB approval shall outweigh plans to conduct such research (five percent (5%), whether the applicant has had any assurance accepted by the U.S. Department of Health & Human Services indicating the applicant's commitment to complying with 45 CFR Part 46 (five percent), and whether the applicant has a research collaboration or partnership agreement in effect with an accredited U.S. school of medicine or osteopathic medicine with experience conducting cannabis-related research (five percent (5%)) (total possible ten percent (10%), not to exceed 2,500 words);
  - iv. Applicant's or its owners' demonstrated commitment or sufficient experience as responsible employers, defined as the applicant entity being a party to a labor peace agreement or the applicant entity or its parent company being a party to a collective bargaining agreement in the regulated cannabis industry for at least one year prior to application for a Cannabis Establishment license, in an effort to create well-paying jobs with employee benefits in the municipality and/or paying at \$15.00 minimum wage (twenty percent (20%), not to exceed 1,500 words);
  - v. Summary of the applicant's environmental impact and sustainability plan; whether the applicant entity or its parent company has any recognitions from or registrations with federal or New Jersey state environmental regulators for innovation in sustainability; and whether the applicant entity or its parent company holds any certification under international standards demonstrating the applicant has an effective environmental management system or has an designated sustainability officer to conduct internal audits to assess the effective implementation of an environmental management system (five percent (5%), not to exceed 500 words);
  - vi. Applicant's ties or proposed contribution to the host community, demonstrated by at least one shareholder's proof of residency in the Township for two or more years in the past ten years or at least one shareholder's continuous ownership of a business based in the Township for two or more years in the past ten years (fifteen percent (15%), not to exceed 500 words); and
  - vii. Applicant's demonstrated commitment to diversity in its ownership composition and hiring practices and whether the applicant entity or its parent company holds any certifications as a NJ minority-owned, women-owned, or veteran-owned business (ten percent (10%), not to exceed 1,500 words).
13. Notwithstanding the foregoing competitive application process, a notification of award and conditional municipal license shall entitle the recipient applicant to pursue a State permit or license in the appropriate classification for up to six (6) months, which may be extended in the Township Council's discretion for an additional six (6) months for good cause. No license to operate shall issue until the applicant has received a State permit and satisfied other prerequisites of municipal licensure. If



the recipient of a notice of award and conditional license has not received a State permit or license within twelve (12) months from issuance, unless extended for good cause, the Township Council shall issue a new request for application and evaluation all applicants for licensure under the above criteria.

e. Term of license and license renewals.

1. Any local license issued pursuant to this Chapter shall be valid for a period of one (1) year from the date of issuance and shall be renewed in accordance with the provisions of this Chapter.
2. The Township Council may, at their discretion, adjust the renewal date of the local license to correlate with an applicant's State licensing and renewal schedule.
3. Renewal of any license shall be governed by any code amendments, additional restrictions or changes in regulations adopted since the previous license was issued or renewed.
4. Transfer of ownership of any local license or change of location of any license or modification to expand a licensed premise shall be subject to the submission of an amended Application, Township Planning or Zoning review and approval.
5. Except where the Township Council has received a complete renewal application along with the requisite fees, and has issued a license renewal, it shall be unlawful for any person to manufacture, sell, distribute, transfer, transport, or otherwise remove cannabis or cannabis products from the premises of any license after the expiration date recorded on the face of the license.
6. Limitations on liability. As a condition to the issuance of any cannabis business authorization permit, the applicant shall be required to:
  - i. Execute an agreement, in a form approved by the Township Solicitor, agreeing to indemnify, defend at applicant's sole cost and expense and hold harmless the Township of Logan, its officers, officials, employees, representatives, and agents from any and all claims, losses, damages, injuries, liabilities or losses, which arise out of or are in any way related to, the Township's issuance of the cannabis business authorization permit or the process used by the Township in making its decision to issue a permit.
  - ii. Agree to reimburse the Township of Logan for costs and expenses, including, but not limited to, attorney fees, litigation costs, and court costs which the Township of Logan may be required to pay as a result of any legal challenge related to the Township's approval of the applicant's cannabis business authorization permit, or related to the Township's approval of a cannabis activity. Any participation by the Township of Logan at its own expense in the defense of any such action shall not relieve or release the applicant(s) from any obligations imposed under this section.
7. Disciplinary Actions; Sanctions; Penalties.

- i. Disciplinary actions. Procedures for investigation of license violations and for suspension revocation, or other licensing sanctions as a result of any such violation shall be as follows:
  - A. First offense: Up to \$250 per violation per day;
  - B. Second offense: Up to \$500 per violation per day;
  - C. Third violation shall result in summary suspension.
- ii. Summary suspension. Notwithstanding the foregoing section, when the Township Council has reasonable grounds to believe that a licensee has engaged in deliberate and willful violation of any applicable law or regulation, or that the public health, safety and/or general welfare has been jeopardized and requires emergency action, the Township Council may enter a summary suspension order for the immediate suspension of such license pending further investigation.
  - A. The summary suspension order shall be in writing and shall State the reasons therefore. The licensee shall be afforded an opportunity for a hearing as outlined herein.
  - B. The Township Council shall convene a review panel consisting of the two (2) Council members, a second administrative officer designated by the Mayor, and the Chief of Police. The hearing shall be scheduled within 30 days of the date of the order of suspension.
  - C. The review panel is authorized to impose any fines, conditions, restrictions, suspensions or combination thereof authorized by the State of New Jersey. In the absence of State specified penalties, the Township may issue fines up to, but not to exceed, \$2,500 per offense and/or suspension of license for a period not to exceed six (6) months.
- iii. Inactive licenses. Following the commencement of a Class II licensed business, the Township Council may suspend or revoke any license if the licensed premises have been inactive or unoccupied by the licensee by for at least six (6) months.
- iv. State license. The Township Council may suspend or revoke any license if the corresponding State license or permit for the subject location is expired, surrendered, suspended or revoked.

## **SECTION 5. TRANSFER TAX.**

- a. Transfer tax imposed. There is hereby imposed a transfer tax of two percent (2%) on receipts from the sale of cannabis by a cannabis cultivator or manufacturer, or receipts from the sale of cannabis items from one cannabis cultivator or manufacturer to another cannabis establishment; and a tax of one percent (1%) of the receipts from each sale by a cannabis wholesaler. Such tax shall be collected or paid, and remitted to the municipality by the cannabis establishment from the cannabis establishment purchasing or receiving the cannabis or cannabis item. The transfer tax shall be stated, charged, and shown separately on any sales slip, invoice, receipt or other statement or memorandum

of the price paid or payable, or equivalent value of the transfer, for the cannabis or cannabis item.

- b. Tax liability. Every cannabis establishment required to collect a transfer tax pursuant to this section shall be personally liable for the transfer tax or user tax imposed, collected, or required to be collected under this section. Any cannabis establishment shall have the same right with respect to collecting the transfer tax from another cannabis establishment as if the transfer tax was a part of the sale and payable at the same time, or with respect to non-payment of the transfer tax or user tax by the cannabis establishment, as if the transfer tax was a part of the purchase price of the cannabis or cannabis item, or equivalent value of the transfer of the cannabis or cannabis item, and payable at the same time; provided however, that the Chief Fiscal Officer of the municipality shall be joined as a party in any action or proceeding brought to collect the transfer tax or user tax.
- c. Collection of taxes and lien. All revenues collected from a transfer tax imposed pursuant to this section shall be remitted to the Chief Financial Officer in the manner prescribed herein. The Chief Financial Officer shall collect and administer any transfer tax imposed pursuant to this chapter. The municipality may enforce the payment of delinquent taxes or transfer fees imposed pursuant to this section in the same manner as provided for municipal real property taxes. In the event that the transfer tax imposed pursuant to this section is not paid as and when due by a cannabis establishment, the unpaid balance, and any interest accruing thereon, shall be a lien on the parcel of real property comprising the cannabis establishment's premises in the same manner as all other unpaid municipal taxes, fees or other charges. The lien shall be superior and paramount to the interest in the parcel of any owner, lessee, tenant, mortgagee, or other person, except the lien of municipal taxes, and shall be on a parity with and deemed equal to the municipal lien on the parcel for unpaid property taxes due and owing in the same year. The municipality shall file in the office of its Tax Collector a statement showing the amount and due date of the unpaid balance and identifying the lot and block number of the parcel of real property that comprises the delinquent cannabis establishment's premises. The lien shall be enforced as a municipal lien in the same manner as all other municipal liens are enforced.
- d. Administration of transfer tax. The Chief Financial Officer is charged with the administration and enforcement of the provisions of this Chapter, and is empowered to prescribe, adopt, promulgate and enforce rules and regulations relating to any matter pertaining to the administration and enforcement of this chapter, including provisions for reexamination and corrections of declarations and returns, and of payments alleged or found to be incorrect, or as to which an overpayment is claimed or found to have occurred, and to prescribe forms necessary for the administration of this Chapter. Should a cannabis establishment fail or refuse to provide adequate information to the Chief Financial Officer to determine the amount of tax due, the Chief Financial Officer may use information provided to the Chief Financial Officer from other sources (i.e., the Commission or Department of Treasury) to determine the amount of tax liability.
  - i. It shall be the duty of the Chief Financial Officer to collect and receive the taxes, fines, and penalties imposed by this chapter. It shall also be the duty of the Chief Financial Officer to keep a record showing the date of such receipt. The Chief Financial Officer is authorized to enter into agreements with the State of New Jersey to obtain information to facilitate administration of the tax. The Chief Financial Officer is

authorized to issue a ruling upon written request of a taxpayer or upon its own volition.

- ii. The Chief Financial Officer is hereby authorized to examine the books, papers and records of any taxpayer to verify the accuracy of any declaration or return, or if no declaration or return was filed, to ascertain the tax due. Every taxpayer is hereby directed and required to give to the Chief Financial Officer, or to any agent designated by him/her, the means, facilities and opportunity for such examinations and investigations, as are hereby authorized.
- e. Recordkeeping. Taxpayers liable for the transfer tax are required to keep such records as will enable the filing of true and accurate returns or the tax and such records shall be preserved for a period of not less than three (3) years from the filing date or due date, whichever is later, in order to enable the Chief Financial Officer or any agent designated by him to verify the correctness of the declarations or returns filed. If records are not available in the municipality to support the returns which were filed or which should have been filed, the taxpayer will be required to make them available to the Chief Financial Officer either by producing them at a location in the municipality or by paying for the expenses incurred by the Chief Financial Officer or his agent in traveling to the place where the records are regularly kept.
- f. Returns. All cannabis establishments operating in the municipality are required to file a transfer tax return with the Chief Financial Officer to report their sales during each calendar quarter and the amount of tax in accordance with the provision of this chapter. Returns shall be filed and payments of tax imposed for preceding calendar quarter shall be made on or before the last day of April, July, October and January, respectively. A taxpayer who has overpaid the transfer tax, or who believes it is not liable for the tax, may file a written request on an amended tax return with the Chief Financial Officer for a refund or credit of the tax. For amounts paid as a result of a notice asserting or informing a taxpayer of an underpayment, a written request for a refund shall be filed with the Chief Financial Officer within two (2) years of the date of the payment. Thereafter, no refund will issue.
- g. Confidentiality. The returns filed by taxpayers, and the records and files of the Chief Financial Officer respecting the administration of the transfer tax, shall be considered confidential and privileged and neither the municipality nor any employee or agent engaged in the administration thereof or charged with the custody of any such records or files, nor any former officer or employee, nor any person who may have secured information therefrom, shall divulge, disclose, use for their own personal advantage, or examine for any reason other than a reason necessitated by the performance of official duties any information obtained from the said records or files or from any examination or inspection of the premises or property of any person except as required by the New Jersey Open Public Records Act or Right to Know Law. Neither the Chief Financial Officer nor any employee engaged in such administration or charged with the custody of any such records or files shall be required to produce any of them for the inspection of any person or for use in any action or proceeding except when the records or files or the facts shown thereby are directly involved in an action or proceeding under the provisions of the State Uniform Tax Procedure Law or of the tax law affected, or where the determination of the action or proceeding will affect the validity or amount of the claim of the municipality under the tax provisions of this chapter.

- h. Audit and assessment. The Chief Financial Officer may initiate an audit by means of an audit notice. If, as a result of an examination conducted by the Chief Financial Officer, a return has not been filed by a taxpayer or a return is found to be incorrect and transfer taxes are owed, the Chief Financial Officer is authorized to assess and collect any tax due. If no return has been filed and tax is found to be due, the tax actually due may be assessed and collected with or without the formality of obtaining a return from the taxpayer. Deficiency assessments (i.e., where a taxpayer has filed a return but is found to owe additional tax) shall include taxes for up to three (3) years to the date when the deficiency is assessed. Where no return was filed, there shall be no limit to the period of assessment.

Upon proposing an assessment, the Chief Financial Officer shall send the taxpayer an interim notice by certified mail, return receipt requested, which advises the taxpayer of additional taxes that are due. Should the taxpayer wish to dispute the assessment administratively by requesting a hearing with the Chief Financial Officer it must do so within thirty (30) days of the date of such interim notice. If, after the Chief Financial Officer sends an interim notice, a taxpayer fails to timely request a hearing with the Chief Financial Officer or requests a hearing and after conducting a hearing, the Chief Financial Officer determines that the taxes are due, the Chief Financial Officer shall send the taxpayer by certified mail, return receipt request, a final notice. Should the taxpayer wish to dispute the assessment set forth in the final notice, he or she must initiate an appeal in the New Jersey Tax Court within ninety (90) days after the mailing of any final notice regarding a decision, order, finding, assessment, or action hereunder.

- i. Time limitations. The following periods of limitations shall apply to suits for collection of taxes: When a return has been filed but no tax paid, any suit brought to recover the tax due and unpaid shall be filed within two (2) years after the return was due or filed, whichever is later. Where no return was filed or a fraudulent return was filed, there shall be no limits to file suit for the collection of taxes. Where, before the expiration of the time prescribed in this section for the filing of a lawsuit against the taxpayer, both the Chief Financial Officer and taxpayer have consented in writing to its extension after such time, the suit may be filed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.
- j. Hearings. Any person who receives an interim notice from the Chief Financial Officer may within thirty (30) days after the date of an interim notice, request a hearing with the Chief Financial Officer. Any person who fails to request a Chief Financial Officer's hearing in a timely manner waives the right to administratively contest any element of the assessments. The Chief Financial Officer shall accept payments of disputed tax amounts under protest pending appeals; however, any request for refund of such monies must be filed in accordance with this section.
- k. Appeals. Any aggrieved taxpayer may, within ninety (90) days after the mailing of any final notice regarding a decision, order, finding, assessment, or action hereunder, or publication of any rule, regulation, or policy of the Chief Financial Officer, appeal to the Tax Court pursuant to the jurisdiction granted by N.J.S.A. 2B:13-2a(3) to review actions or regulations of municipal officials by filing a complaint in accordance with the New Jersey Court Rule 8:3-1. The appeal provided by this section shall be the exclusive remedy available to any taxpayer for review of a final decision of the Chief Financial Officer in respect to a determination of liability for the tax imposed by this Chapter.

**Severability.**

Should any section, clause, sentence, phrase or provision of this Ordinance be declared unconstitutional or invalid by a Court of competent jurisdiction, such decision shall not affect the remaining portions of this Ordinance.

**Repealer.**

All prior Ordinances or parts of Ordinances inconsistent with this Ordinance be and the same are hereby repealed to the extent of such inconsistencies.

**When effective.**

This Ordinance shall take effect immediately upon final passage and publication in accordance with law.

TOWNSHIP OF LOGAN

BY:

  
FRANK W. MINOR, Mayor


ATTEST:

  
LINDA L. OSWALD, Municipal Clerk

First Reading: November 21, 2023  
Second Reading: December 19, 2023  
Adopted: December 19, 2023

**NOTICE**

The Foregoing Ordinance was introduced at a regular meeting of the Mayor and Council of the Township of Logan, in the County of Gloucester and State of New Jersey, held on the 21st of November, 2023. It will be further considered for final passage, after public hearing hereon, at a meeting of said Mayor and Council to be held at the Township Building of Logan, 125 Main Street, Bridgeport, New Jersey on the 19th day of December, 2023, at 7:00 P.M at which time any person who is interested thereon would be given the opportunity to be heard. During the week prior to and up to and including the date of such meeting, copies of said Ordinance will be made available at the Clerk's office, 125 Main Street, Bridgeport, New Jersey to the members of the general public who shall request the same.

  
LINDA L. OSWALD, Municipal Clerk