

ORDINANCE 2022-35

AN ORDINANCE OF THE BOROUGH OF SOUTH RIVER, COUNTY OF MIDDLESEX, STATE OF NEW JERSEY, AMENDING CHAPTER 120 OF THE BOROUGH CODE OF THE BOROUGH OF SOUTH RIVER, ENTITLED "CANNABIS"

BE IT ORDAINED, by the governing body of the Borough of South River, County of Middlesex, State of New Jersey, as follows:

SECTION 1. The Borough Code of the Borough of South River is hereby amended and supplemented so as to amend Chapter 120, entitled "Cannabis" so as to amend Section 120-7 entitled "Number of Licenses in the Borough" which shall read entirely as follows:

§ 120-7 Number of Licenses Permitted within the Borough.

- A. Class 1 – Five (5) total licenses.
- B. Class 2 - Five (5) total licenses.
- C. Class 3- Five (5) total licenses.
- D. Class 4 - Five (5) total licenses.
- E. Class 6 - Five (5) total licenses.

SECTION 2. The Borough Code of the Borough of South River is hereby amended and supplemented so as to amend Chapter 120, entitled "Cannabis" so as to amend Section 120-10 entitled "Imposition and Rate of Cannabis Tax" which shall read entirely as follows:

§ 120-10 Imposition and Rate of Cannabis Tax.

- A. A tax to be paid to the Borough by the Licensee as set forth in Section C below is imposed upon each of the following:
 - 1. any sale by a cannabis grower (Class 1 License);
 - 2. any sale by a cannabis processor (Class 2 License);
 - 3. any sale by a cannabis wholesaler (Class 3 License); and
 - 4. A user tax as required by statute.
- B. The transfer tax authorized by this Section shall be assessed at the following rates:
 - 1. 2% of the receipts from each sale by a cannabis grower;
 - 2. 2% of the receipts from each sale by a cannabis processor; and
 - 3. 1% of the receipts from each sale by a cannabis wholesaler.
- C. A municipal user tax is hereby imposed at the equivalent transfer tax rates, on any concurrent license holder operating, more than one cannabis establishment. The user tax shall be imposed on the value of each transfer or use of cannabis or cannabis items not otherwise subject to the transfer tax imposed

pursuant to this section, from the license holder's establishment that is located in the municipality to any of the other license holder's establishments, whether located in the municipality or another municipality.

D. For each calendar quarter, no later than thirty days after the close of the quarter, or at such other times as the Borough shall require:

(a) Every licensee shall file with the Borough a return setting out, in form satisfactory to the Borough:
 (1) The amount of sales by the licensee; and
 (2) The amount of tax owing based upon the sales.

(b) Simultaneously with the return, every licensee shall remit payment to the Borough such amounts as shown on the return or otherwise required by this Chapter.

(c) The Borough may require licensees to submit such other information as the Borough deems necessary for proper administration of this tax.

(d) The Borough is charged with enforcement and collection of this tax and is empowered to promulgate and enforce reasonable regulations for its enforcement and collection.

SECTION 3. All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

SECTION 5. This ordinance shall take effect after second reading and publication as required by law.

NOTICE

NOTICE IS HEREBY GIVEN that the foregoing ordinance was introduced and passed on first reading at a regular meeting of the Borough Council of the Borough of South River, in the County of Middlesex, State of New Jersey, held on November 14, 2022, and will be considered for second reading and final passage at the regular meeting of said Governing Body to be held on the 5th day of December, 2022, at 7:00 p.m., or as soon thereafter as this matter can be reached, at the Council Chamber of the Criminal Justice Building located at 61 Main Street, South River, New Jersey, and/or virtually via Zoom meeting code 826 6082 9597: password: 000000 at which time all persons interested shall be given an opportunity to be heard concerning this ordinance.


Introduced 11-14-22

COUNCIL	MOTION	2ND	AYES	NAYS	ABSTAIN	ABSENT
<i>Councilwoman Balazs</i>			X			
<i>Councilman Guindi</i>		X	X			
<i>Councilman Gurchensky</i>			X			
<i>Councilwoman Meira</i>			X			
<i>Councilman Oliveira</i>			X			
<i>Council President Ciulla</i>	X		X			

Alyssa Guglietti
 ALYSSA GUGLIETTI, RMC
 BOROUGH CLERK

Adopted 12-05-22

COUNCIL	MOTION	2ND	AYES	NAYS	ABSTAIN	ABSENT
<i>Councilwoman Balazs</i>		X	X			
<i>Councilman Guindi</i>	X		X			
<i>Councilman Gurchensky</i>			X			
<i>Councilwoman Meira</i>			X			
<i>Councilman Oliveira</i>			X			
<i>Council President Ciulla</i>			X			


ALYSSA GUGLIETTI, RMC
MUNICIPAL CLERK

SIGNED BY:



JOHN M. KRENZEL
MAYOR

ATTESTED BY:



ALYSSA GUGLIETTI, RMC
BOROUGH CLERK