

**MODEL ORDINANCE
MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX**

ORDINANCE NO. 19-09

**AN ORDINANCE AMENDING THE MUNICIPAL CODE
OF THE CITY/VILLAGE OF Elanayan
BY THE ADDITION OF [ARTICLE/CHAPTER] _____
IMPOSING A MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX**

WHEREAS, the City/Village has the authority to adopt ordinances and to promulgate rules and regulations [that pertain to its government and affairs and] that protect the public health, safety and welfare of its citizens; and

WHEREAS, this Ordinance is adopted pursuant to the provisions of the Illinois Municipal Cannabis Retailers' Occupation Tax Law, 65 ILCS 5/11-8-22 *et seq.* (Act); and

WHEREAS, this Ordinance is intended to impose the tax authorized by the Act providing for a municipal cannabis retailers' occupation tax which will be collected by the Illinois Department of Revenue;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City/ Board of Trustees of the Village of Elanayan as follows:

SECTION 1. Recitals. The facts and statements contained in the preamble to this Ordinance are found to be true and correct and are hereby adopted as part of this Ordinance.

SECTION 2. Adoption of Tax. Chapter ____ of the Municipal Code of the City/Village of Elanayan shall be amended by the addition of [Article/Chapter] ____ that will read as follows:

ARTICLE [CHAPTER] ____ Municipal Cannabis Retailers' Occupation Tax.

1. Tax imposed; Rate.

(a) 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 Pilot Program Act, at retail in the City/Village at the rate of 3% of the gross receipts from these sales made in the course of that business.

(b) The imposition of this tax is in accordance with the provisions of Sections 8-11-22, of the Illinois Municipal Code (65 ILCS 5/8-11-22).

2. Collection of tax by retailers.

(a) The tax imposed by this Ordinance shall be remitted by such retailer to the Illinois Department of Revenue (Department). Any tax required to be collected pursuant to or as

authorized by this Ordinance and any such tax collected by such retailer and required to be remitted to the Department shall constitute a debt owed by the retailer to the State. Retailers may reimburse themselves for their seller's tax liability hereunder by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with any State tax that sellers are required to collect.

(b) The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Department. The Department shall have full power to administer and enforce the provisions of this article.

3. Severability. If any provision of this Ordinance, or the application of any provision of this Ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Ordinance, or their application, that can be given effect without the unconstitutional or invalid provision or its application. Each unconstitutional or invalid provision, or application of such provision, is severable, unless otherwise provided by this Ordinance.

4. Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval and publication as required by law, provided, however, that the tax provided for herein shall take effect for all sales on or after the first day of January, 2020.

Copies of this Ordinance shall be certified and sent to the Illinois Department of Revenue prior to September 30, 2019.

[NOTE: Any new ordinance or amendment to an existing ordinance can take effect only on September 1. To be effective September 1, an ordinance must be adopted and filed with the Department of Revenue by June 1.]

ADOPTED THIS 30th day of September, 2019.

AYES: 4

NAYS: 0

ABSTENTIONS:

ABSENT: 2

APPROVED THIS 30th day of September, 2019



Mayor/Village President

ATTEST:



City/Village Clerk

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