ORDINANCE NO.

AN ORDINANCE OF THE CITY OF SAN BRUNO AMENDING TITLE 3 (REVENUE AND FINANCE) OF THE MUNICIPAL CODE TO INCREASE THE TAX IMPOSED ON CANNABIS BUSINESSES

WHEREAS, a "Notice of Public Meeting and Public Hearing in Connection with the Proposed Adoption of an Ordinance to Increase the Tax Imposed on Cannabis Businesses" was duly published for consideration of the ordinance amendment at the City of San Bruno City Council meeting of January 24, 2023, and at the meeting on February 14, 2023, on which date the Public Hearing was opened, held and closed.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN BRUNO ORDAINS AS FOLLOWS:

<u>Section 1.</u> Section 3.18.010 (Imposition of tax) of Chapter 3.18 (Cannabis Business Tax) of Title 3 (Revenue and Taxation Code) of the San Bruno Municipal Code is hereby amended to read as follows, with additions shown in underlined text and deletions shown in strikethrough text, with all other provisions of Chapter 3.18 remaining unchanged:

3.18.010 Imposition of tax.

A. Every person engaged in a cannabis business in the city shall pay a cannabis business tax of ten percent of gross receipts.

B. Beginning January 1, 2023, the tax rate for cannabis businesses shall be set at five six percent of gross receipts of the cannabis business, unless further amended by the City Council. The City Council may, by further action, increase or lower the tax rate but in no event shall the tax rate be higher than ten percent of gross receipts.

<u>Section 2.</u> If any section, subsection, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion or sections of the Ordinance. The City Council of the City of San Bruno hereby declares that it should have adopted the Ordinance and each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.

<u>Section 3</u>. This Ordinance shall take effect and be in force 30 days after its adoption.

<u>Section 4.</u> The City Clerk shall publish this Ordinance according to law.

ATTEST:

Lupita Huerta, City Clerk

APPROVED AS TO FORM

Trisha Ortiz, City Attorney

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I hereby certify that the foregoing Ordinance No. was introduced on February 14, 2023, and adopted at a regular meeting of the San Bruno City Council on February 28, 2023, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
RECUSE:	COUNCILMEMBERS: