



MENDOCINO COUNTY TREASURER-TAX COLLECTOR
501 LOW GAP RD., ROOM 1060, UKIAH, CA 95482
(707) 234-6848

Cannabis Business Tax – Calendar Year 2022
Notice of Minimum Tax Due

Effective May 4, 2017, the Mendocino County Cannabis Business Tax was imposed on all commercial cannabis cultivators located in the unincorporated areas of the County.

Tax Imposed Per Chapter 6.32 - Cannabis Business Tax

*Section 6.32.050(B)(1) Every person who cultivates commercial cannabis in the unincorporated area of the County shall pay an annual commercial cannabis business tax. The initial tax rate effective January 1, 2017 through December 31, 2020, shall be set at two and one half percent (2.5%) of the gross receipts per calendar year. **In addition, minimum tax due requirements are also mandated, as indicated below:***

Minimum Annual Tax Amounts for the 2022 Calendar Year are as follows:

Authorization pursuant to Chapter 10A.17 for the cannabis cultivation of square feet indicated below:	Annual Minimum Tax Required
Maximum of 2,500 square feet (Cottage Permit)	\$1,250
From 2,501 square feet to a maximum of 5,000 square feet (Type 1 Permit)	\$2,500
From 5,001 square feet to a maximum of 10,000 square feet (Type 2 Permit)	\$5,000

Chapter 6.32, first and foremost, mandates that annual quarterly remittances are required based on gross receipts. Further requirements mandate a minimum tax due per calendar year based on applied for or permitted cultivation application size. After the close of the 2022 calendar year calculations were completed to determine if a balance was due. This calculation was determined by defining the annual minimum tax due amount indicated above and subtracting the taxes already paid. If you are receiving this notice, the balance of your minimum tax due is indicated on the enclosed invoice and remains outstanding.

Important Information on the Appeal Process

Pursuant to Resolution 19-372, adopted by the Mendocino County Board of Supervisors on October 22, 2019, if no cannabis cultivation occurred during the tax period indicated on the enclosed invoice, you may appeal the imposition of the minimum tax imposed as stated on the invoice.

DEADLINE TO SUBMIT: Friday, April 28, 2023 at 4 p.m. Late or incomplete applications will NOT be accepted.

PLEASE BE ADVISED: This will be your **ONLY** opportunity to appeal the 2022 Cannabis Business Tax. All 2022 cultivation tax appeal applications **MUST** be submitted by the **deadline listed above**.

You may submit an Appeal Application in person to the County of Mendocino Cannabis Department (MCD), **Tuesday - Thursday from 9 a.m. to 4 p.m.**

Appeal Applications can be submitted by mail but **must be received** by the MCD office no later than **4:00 p.m. on Friday, April 28, 2023.**

Applications for Appeal will only be accepted for the **2022 Cannabis Business Tax.** **All prior year appeal periods have expired.**

Your appeal packet must include the following:

- 1. A completed Notice of Appeal;**
- 2. A copy of the attached invoice;**
- 3. Any and all other documentation supporting your appeal; and**
- 4. The initial appeal fee of \$329.17.**

Incomplete applications will be returned to the applicant **without review**.

To obtain a Notice of Appeal form and additional information visit, www.mendocinocounty.org/departments/cannabis-department/cannabis-business-tax-appellate-process, contact the MCD by telephone at (707) 234-6680, or contact the MCD in person at 125 E Commercial St, Willits CA, 95490.

Important Dates for 2023

Applicable Month/Quarter:	Remittance Due by Cultivator:
January, February, March 2023	May 1, 2023
April, May, June 2023	July 31, 2023
July, August, September 2023	October 31, 2023
October, November, December 2023	January 31, 2024
<u>2022 True-up</u> (Minimum Due Based on Permit Type, Minus Gross Receipts Taxes Already Paid for the Calendar Year).	May 31, 2023 <u>(If not paid timely, penalties and interest will apply on June 1, 2023)</u>

Please feel free to contact the MCD directly with any questions or concerns you may have regarding the appeal process by emailing cannabisprogram@mendocinocounty.org.

Dated this 13th day of April, 2023
Cheyanne Gordon - Assistant Treasurer-Tax Collector