

Desert Hot Springs Municipal Code[Up](#)[Previous](#)[Next](#)[Main](#)[Collapse](#)[Search](#)[Print](#)[Title 3 RNU AND INANC](#)**Chapter 3.34 MARIJUANA TAX**

3.34.005 Imposition of tax.

In the event the casual/recreational use of marijuana is legalized or decriminalized in California, any person or entity legally selling or providing marijuana for casual/recreational use within the City shall pay to the City a monthly tax of 10 percent of its proceeds from such sales or provision. (Ord. 560 11-4-14)

3.34.010 Purpose.

The purpose of this tax is to raise revenue to fund general municipal services. (Ord. 560 11-4-14)

3.34.020 Customers.

This tax shall not be specifically charged or assessed to any customers or consumers of marijuana subject to this tax. Payment and remittance of the tax to the City shall solely be the responsibility of the person or entity selling or providing the marijuana in the City. (Ord. 560 11-4-14)

3.34.030 Proceeds.

“Proceeds” shall mean gross receipts of any kind, including, without limitation, membership dues; the value of in-kind contributions, exchanges, bartered goods or services; the value of volunteer work; reimbursements provided by members regardless of form; cash payments; and anything else of value obtained by any person or entity for legally selling or providing marijuana in the City. (Ord. 560 11-4-14)

3.34.040 Modification, repeal or amendment.

The City Council may repeal this chapter, or amend it in a manner which does not result in an increase in the amount of the tax or broaden the scope of the tax imposed herein, without further voter approval. If the City Council repeals any provision of this chapter, it may subsequently reenact it without voter approval, as long as the reenacted provision does not result in an increase in the amount of the tax or broaden the scope of the tax imposed herein. (Ord. 560 11-4-14)

3.34.050 Administration.

The City Manager, or designee, and/or the City Council by ordinance, may promulgate regulations to implement and administer the provisions of this chapter. (Ord. 560 11-4-14)

3.34.060 Penalties.

Any entity that fails to pay the taxes required by this chapter within 30 days after the due date shall pay in addition to the taxes a penalty for nonpayment in a sum equal to 25 percent of the total amount due. Additional penalties will be assessed in the following manner: 10 percent shall be added on the first day of each calendar month following the month of the imposition of the 25 percent penalty if the tax remains unpaid—up to a maximum of 100 percent of the tax payable on the due date. Receipt of the tax payment by the City shall govern the determination of whether the tax is delinquent. Postmarks will not be accepted as adequate proof of a timely payment. (Ord. 560 11-4-14)

3.34.070 Additional penalties.

Any violation of this chapter shall constitute a public nuisance and infraction pursuant to the provisions of Chapters 4.16 and 4.28 of this municipal code. (Ord. 560 11-4-14)

3.34.080 Records inspection.

Whenever it is necessary to examine any books or records, including tax returns, of any entity subject to the provisions of this chapter, to ascertain the amount of any tax due pursuant to this chapter, the City shall have the power and authority to examine such necessary books and records at any reasonable time including, but not limited to, during normal business hours. Records must be maintained at least seven years. (Ord. 560 11-4-14)

3.34.090 Application of provisions.

No payment of any tax required under the provisions of this chapter shall be construed as authorizing the conduct or continuance of any illegal business or of a legal business in an illegal manner. Nothing in this chapter implies or authorizes that any activity connected with the cultivation, possession or provision of marijuana is legal unless otherwise authorized and allowed by the State of California and permitted by the City. (Ord. 560 11-4-14)

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