

City Attorney's Impartial Analysis of Measure J

The City of Perris currently bans medical marijuana dispensaries. Measure J was placed on the ballot by the City Council. If passed by the voters, Measure J will impose taxes on medical marijuana in the City of Perris. Measure J will not allow medical marijuana or nonmedical marijuana in the City of Perris. Measure J will only impose taxes if medical marijuana is allowed. The same taxes will also be imposed on nonmedical marijuana, if nonmedical marijuana is authorized or legalized by state or federal law.

Measure J would impose a maximum tax rate of ten percent (10%) of monthly business proceeds of medical marijuana dispensaries. This tax is not a sales tax. The estimated revenue from the tax will depend on several factors, but based on a review of taxes imposed by other cities the annual amount of the tax is estimated to be \$875,000 to \$1,200,000. The revenue could be higher or lower than the estimate. The actual tax rate will be set by the City Council, but cannot be higher than the maximum 10% unless approved by voters at a future general election.

Measure J does not authorize cultivation of marijuana. However, Measure J would impose a tax on cultivation if cultivation is authorized in the future by local, state, or federal law. Measure J would impose a maximum tax of twenty-five dollars per square foot for space used for marijuana cultivation, adjusted annually based on the Consumer Price Index.

The revenues generated from the taxes will be deposited into the City's general fund and used for expenditures as determined by the City Council. Historically, one of the largest expenditures from the general fund is contracting for law enforcement and fire protection services. Other typical expenditures include youth and senior programs, street and sidewalk repair, staffing parks, graffiti removal, construction and maintenance of public parks and facilities, City recreational and park programs, and City special events.

Regulations would be established to administer the tax, including collection, enforcement, penalties and refunds. All of the regulations established by Measure J may be amended or repealed by future City Council action, except that the maximum tax rates may only be increased with voter approval at a future general election.

A "Yes" vote means you support taxing marijuana in the City of Perris. A "No" vote means you oppose taxing marijuana in the City of Perris. This measure will take effect only if a majority of those voting on this ballot measure cast a "Yes" vote at the November 8, 2016 general municipal election.

The above statement is an impartial analysis of Measure J. If you desire a copy of the ordinance or measure, please call the Perris City Clerk's Office at (951) 943-6100 and a copy will be mailed to you at no cost.