

**ORDINANCE 2019-074**

**PASSED: NOVEMBER 25, 2019**

**ADOPTING CHAPTER 13 "MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX" TO THE MUNICIPAL CODE OF THE CITY OF DEKALB, ILLINOIS.**

**WHEREAS**, the Municipal Cannabis Retailers' Occupation Tax Law (65 ILCS 5/11-8-22) (the "Act") allows municipalities to impose a tax upon those engaged in the business of selling cannabis for recreational adult use; and

**WHEREAS**, the Corporate Authorities find and determine that it is in the best interests of the City of DeKalb to impose the tax authorized by the Municipal Cannabis Retailers' Occupation Tax Act which will be collected by the Illinois Department of Revenue;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL** of the City of DeKalb, Illinois, 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.** The Municipal Code of the City of DeKalb, Illinois shall be amended by the addition of Chapter 13 that will read as follows:

**CHAPTER 13 Municipal Cannabis Retailers' Occupation Tax.**

**13.01. 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 of DeKalb at the rate of three percent (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).

**13.02. Collection of Tax by Retailers.**

a) The tax imposed by this Ordinance shall be collected and remitted by such retailer to the Illinois Department of Revenue (Department) as required by the Act. Persons subject to the tax under the authority of the Act and this Ordinance may reimburse themselves for their seller's tax liability by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with any other State of Illinois 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, administered, enforced and paid over to the City of DeKalb by the Department in accordance with the authority given to the Department in the Act.

**13.03. Severability.**

If any provision of this Chapter, or the application of any provision of this Chapter, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Chapter, or their application, to the extent they 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.

**SECTION 3:** A certified copy of this Ordinance shall be file with the Illinois Department of Revenue.

**SECTION 4:** The sections, paragraphs, sentences, clauses and provisions of this Ordinance are severable and if any provision is held unconstitutional or invalid for any reason, such decision shall not affect the remainder of this Ordinance nor any part thereof, other than that part affected by such decision.

**SECTION 5:** Except as to the amendments heretofore mentioned, all Chapters of the Municipal Code of the City of DeKalb, Illinois shall remain in full force and effect.

**SECTION 6:** This Ordinance shall be in full force and effect upon its passage and approval according to law and shall be published in pamphlet form.

**ADOPTED BY THE CITY COUNCIL** of the City of DeKalb, Illinois at a Regular meeting thereof held on the 25<sup>th</sup> day of November 2019 and approved by me as Mayor on the same day. Passed on First Reading by a 7-0-1 roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Faivre, Mayor Smith. Nay: None. Absent: Verbic. Second Reading waived by a 7-0-1 roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Faivre, Mayor Smith. Nay: None. Absent: Verbic.

**ATTEST:**

  
JERRY SMITH, Mayor