

**ORDINANCE OF THE CITY OF GLOUCESTER CITY
COUNTY OF CAMDEN, STATE OF NEW JERSEY
#O 02 - 2023**

**AN ORDINANCE OF THE CITY OF GLOUCESTER CITY, COUNTY OF CAMDEN AND
STATE OF NEW JERSEY TO AMEND AND SUPPLEMENT THE CODE OF THE CITY OF
GLOUCESTER CITY, ENTITLED "CANNABIS MUNICIPAL TAX" TO COLLECT A
STATUTORILY AUTHORIZED TWO PERCENT (2%) MUNICIPAL TRANSFER TAX ON
CANNABIS SALES BY CLASS I, II AND V LICENSE HOLDERS AND ONE PERCENT (1%)
MUNICIPAL TRANSFER TAX ON CANNABIS SALES BY CLASS III LICENSE HOLDERS**

WHEREAS, the City of Gloucester City, ("City") is a municipal entity organized and existing under the laws of the State of New Jersey and located in Camden County; and

WHEREAS, on February 21, 2021, the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act ("CREAMMA") was signed into law; and

WHEREAS, CREAMMA both legalizes and decriminalizes adult use cannabis within New Jersey; and

WHEREAS, the law establishes six (6) specific classes of cannabis businesses that may be licensed by the State and allows each municipality to determine whether or not each of these types of businesses shall be permitted within their municipal boundaries; and

WHEREAS, the City is concurrently amending its zoning ordinance to permit Class I through VI licensed cannabis businesses to operate within a Cannabis Overlay Zone within the City; and

WHEREAS, Section 40 of CREAMMA authorizes the imposition of a municipal tax on the lawful sale of cannabis; and

WHEREAS, the City desires to impose a two percent (2%) municipal transfer tax on revenues generated by the lawful sale of cannabis by Class I, II and V license holders, and a one percent (1%) municipal tax on revenues generated by the lawful sale of cannabis by Class III license holders;

NOW, THEREFORE BE IT ORDAINED, by the Mayor and Common Council of the City of Gloucester City, County of Camden, and State of New Jersey as follows:

SECTION 1. Title II: General Legislation, Chapter _____ of the Code of the City of Gloucester City, is amended to include a provision entitled: "Cannabis Municipal Tax" with a new Section ____ as follows:

§ _____ Cannabis Municipal Tax.

Pursuant to Section 40 of the New Jersey Cannabis Regulatory, Enforcement and Marketplace Modernization Act (CREAMMA), the following municipal tax shall be collected from the following cannabis license holders:

- A. A two percent (2%) municipal transfer tax shall be imposed on the lawful sale of cannabis produced by any Class I, II and V license holder.

- B. A one percent (1%) municipal transfer tax shall be imposed on the lawful sale of cannabis produced by any Class III license holder.
- C. All municipal taxes identified herein shall be paid to the City of Gloucester City no later than February 1st in the subsequent year from when it is incurred and collected by the license holder.

SECTION 2: Any article, section, paragraph, subsection, clause, or other provision of the Code of the City of Gloucester City inconsistent with the provisions of this ordinance is hereby repealed to the extent of such inconsistency.

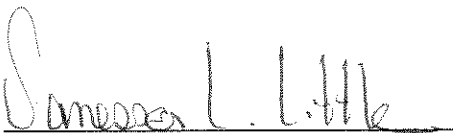
SECTION 3: If any section, paragraph, subsection, clause, or provision of this ordinance shall be adjudged by a court of competent jurisdiction to be invalid, such adjudication shall apply only to the section, paragraph, subsection, clause, or provision so adjudged, and the remainder of this ordinance shall be deemed valid and effective.

SECTION 4: This ordinance shall take effect upon its passage and publication as provided for by law.


Dayl R. Baile, Mayor

Passed on First Reading: January 23, 2023

Adopted by the Mayor and Common Council of Gloucester City this 15th day of May, 2023.


Vanessa L. Little, RMC,
Certified Municipal Registrar