

**99-O-19**

**AN ORDINANCE**

**Amending Title 3, Chapter 2, “Municipal Occupation Taxes” of the City of Evanston by Adding a New Section 20 “Adult Use Cannabis Retailers’ Occupation Tax”**

**WHEREAS**, the City of Evanston (“City”) as a home rule unit of local government as provided by Article VII, Section 6 of the Illinois Constitution of 1970 has the authority to exercise any power and perform any function pertaining to its government and affairs except as limited by Article VII, Section 6 of the Illinois Constitution of 1970; and

**WHEREAS**, the Cannabis Regulation and Tax Act, Public Act 101-27 (the “Act”), was signed into law and went into effect on June 25, 2019; and

**WHEREAS**, the Municipal Cannabis Retailers’ Occupation Tax Law, 65 ILCS 5/8-11-22 (the “Law”), was enacted as part of the Act; and

**WHEREAS**, the Law provides that the City may “impose a tax 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 “on the gross receipts from these sales made in the course of that business” in an amount not to exceed “3% of the gross receipts;” and

**WHEREAS**, pursuant to said authority and the City’s home rule powers, the City has determined to impose a tax on persons engaged in the business of selling cannabis at retail within the City pursuant to the Law as set forth in this Ordinance; and

**WHEREAS**, the tax imposed herein shall be imposed and take effect on the earliest date provided in the Act and the Law and any amendments thereto,

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS, THAT:**

**SECTION 1:** The above recitals are incorporated herein as though fully set forth.

**SECTION 2:** Title 3, Chapter 2 of the Evanston City Code of 2012, as amended, is hereby amended to add a new Section 20 entitled "Adult Use Cannabis Retailers' Occupation Tax" to read as follows:

**3-2-20. – ADULT USE CANNABIS RETAILERS' OCCUPATION TAX.**

**3-2-20-1. - ADULT USE CANNABIS RETAILERS' OCCUPATION TAX IMPOSED.**

A tax is imposed upon any person engaged in the business of selling cannabis, other than cannabis purchased under the Compassionate Use of Medical Cannabis Pilot Program Act, 410 Illinois Compiled Statutes 130/1 *et seq.*, at retail in the City of Evanston on the gross receipts from these sales made in the course of that business at the rate of three percent (3.0%). This tax shall be in addition to any and all other taxes imposed upon such sales and is imposed pursuant to the Municipal Cannabis Retailers' Occupation Tax Law, 65 Illinois Compiled Statutes 5/8-11-22.

**3-2-20-2. - COLLECTION OF TAX BY THE ILLINOIS DEPARTMENT OF REVENUE.**

The tax imposed by this Section, and all civil penalties that may be assessed as an incident of the tax shall be collected and enforced by the Department of Revenue of the State of Illinois. The Department shall have the full power to administer and enforce the provisions of this Section.

**3-2-20-3. - DEPOSIT OF FUNDS.**

All proceeds resulting from the imposition of the tax set forth in this Section, including interest and penalties, shall be deposited in the City's reparations fund.

**SECTION 3:** All ordinances or parts of ordinances in conflict herewith are hereby repealed.

**SECTION 4:** If any provision of this ordinance or application thereof to any person or circumstance is held unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this ordinance that can be given effect without the invalid application or provision, and each invalid provision or invalid application of this ordinance is severable.

**SECTION 5:** A certified copy of this Ordinance shall immediately be filed by the City with the Illinois Department of Revenue.

**SECTION 6:** This Ordinance shall be in full force and effect after its approval, passage and publication as provided by law.

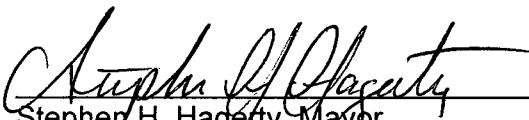
**SECTION 7:** The findings and recitals contained herein are declared to be prima facie evidence of the law of the City and shall be received in evidence as provided by the Illinois Compiled Statutes and the courts of the State of Illinois.

Introduced: November 13, 2019

Approved:

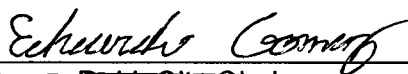
Adopted: November 25, 2019

December 16, 2019

  
Stephen H. Hagerty, Mayor

Attest:

Approved as to form:

  
Devon Reid, City Clerk  
Eduardo Gomez, Deputy City Clerk

  
Michelle Masoncup, Corporation Counsel