



CITY OF SAN JOSÉ, CALIFORNIA

Office of the City Clerk
200 East Santa Clara Street
San José, California 95113
Telephone (408) 535-1260
FAX (408) 292-6207

City Clerk

STATE OF CALIFORNIA)
COUNTY OF SANTA CLARA)
CITY OF SAN JOSÉ)

I, Toni J. Taber, Acting City Clerk & Ex-Officio Clerk of the Council of and for the City of San José, in said County of Santa Clara, and State of California, do hereby certify that "**Ordinance No. 29262**, the original copy of which is attached hereto, was adopted on the **4th day of June, 2013** by the following vote:

AYES: CAMPOS, CHU, CONSTANT, HERRERA, KHAMIS, LICCARDO,
NGUYEN, OLIVERIO, ROCHA; REED.

NOES: KALRA.

ABSENT: NONE.

ABSTAINED: NONE.

VACANT: NONE.

Said ordinance was published pursuant to City Charter Section 604 and is effective as of **June 4, 2013**.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City of San José, this **June 10, 2013**.

(SEAL)

TONI J. TABER, CMC
ACTING CITY CLERK & EX-OFFICIO
CLERK OF THE CITY COUNCIL

ORDINANCE NO. 29262

AN ORDINANCE OF THE CITY OF SAN JOSE AMENDING SECTION 4.66.250 OF CHAPTER 4.66 OF TITLE 4 OF THE SAN JOSE MUNICIPAL CODE TO INCREASE THE RATE OF TAXATION FOR MARIJUANA BUSINESSES FROM 7% TO 10% OF GROSS RECEIPTS

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SAN JOSE:

SECTION 1. Section 4.66.250 of Chapter 4.66 of Title 4 of the San José Municipal Code is amended to read as follows:

4.66.250 Amount of Business Tax Owed

- A. In addition to the business tax imposed under Chapter 4.76 of this Code and the requirements set forth therein, every person engaged in marijuana business in the City shall pay a business tax at a rate of up to ten percent (10%) of gross receipts. The tax under this Chapter shall not be imposed on marijuana businesses unless and until the City Council, by ordinance, takes action to set a tax rate not to exceed ten percent (10%) of gross receipts.
- B. Notwithstanding the maximum tax rate of ten percent (10%) of gross receipts imposed under Subsection A, the City Council may, in its discretion, at any time by ordinance, implement a lower tax rate for all marijuana businesses or establish differing tax rates for different categories of marijuana businesses, as defined in such ordinance, subject to the maximum rate of ten percent (10%) of gross receipts. The City Council may, by ordinance, also increase any such tax rate from time to time, not to exceed the maximum tax rate of ten percent (10%) of gross receipts established under Subsection A.
- C. Pursuant to Subsection A, the City Council adopted Ordinance No. 28867 setting the marijuana business tax at seven percent (7%) of gross receipts. Commencing on the

operative date of this Chapter, every person engaged in marijuana business in the City shall pay a marijuana business tax at the rate of seven percent (7%) of gross receipts.

- D. Pursuant to Subsection A, the City Council adopted Ordinance No. 29262 increasing the marijuana business tax rate to ten percent (10%) of gross receipts. Commencing on July 1, 2013, every person engaged in marijuana business in the City shall pay a marijuana business tax at the rate of ten percent (10%) of gross receipts.

SECTION 2. This ordinance shall take effect immediately upon adoption under Section 605(c) of the City Charter.

ADOPTED this 4th day of June, 2013, by the following vote:

AYES: CAMPOS, CHU, CONSTANT, HERRERA, KHAMIS,
LICCARDO, NGUYEN, OLIVERIO, ROCHA; REED.

NOES: KALRA.

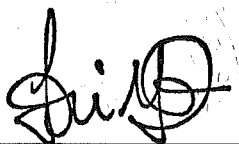
ABSENT: NONE.

DISQUALIFIED: NONE.



CHUCK REED
Mayor

ATTEST:



TONI J. TABER, CMC
Acting City Clerk