

**TOWNSHIP OF NEPTUNE  
ORDINANCE NO. 22-42**

**AN ORDINANCE TO FURTHER AMEND AND SUPPLEMENT CHAPTER 2 “ADMINISTRATION”  
ARTICLE VII “ADMINISTRATIVE POLICIES AND PROCEDURES” OF THE TOWNSHIP OF  
NEPTUNE BY DEFINING AND REGULATING CANNABIS TAXATION AND COLLECTION.**

BE IT ORDAINED, by the Township Committee of the Township of Neptune that the Land Development Ordinance be and is hereby amended as follows:

**SECTION 1.**

**§2-67 CANNABIS TAXATION**

1. It is the purpose of this Section to implement the provisions of P.L., 2021,c,16 which authorizes the governing body of a municipality to adopt an ordinance imposing a tax at a uniform percentage rate not to exceed (2%) of the receipt from each sale by a cannabis cultivator; two percent (2%) of the receipts from each sale by a cannabis manufacturer; one (1%) of the receipts from each sale by a cannabis wholesaler; and two (2%) of the receipts from each sale by a cannabis retailer, which shall be in addition to any other tax or fee imposed pursuant to statute or local ordinance or resolution by any governmental entity upon the cannabis establishment.
2. Unless otherwise defined herein, as used herein, the Township adopts by reference the terms and definitions established in Chapter 24 of this Code and Section 40 of N.J.S.A 24:61-33.
3. There is hereby established a local cannabis transfer tax in the Township of Neptune which shall be fixed at a uniform percentage rate of two percent (2%) of receipts from each sale by a cannabis cultivator and two percent (2%) of the receipts from each sale by a cannabis manufacturer, one (1%) of the receipts from each sale by a cannabis wholesaler; and two (2%) of the receipts from each sale by a cannabis retailer.
4. Any transaction for which the transfer or user tax is imposed, or could be imposed, pursuant to this section, other than those which generate receipts from retail sales by cannabis retailers, shall be exempt from the tax imposed under the "Sales and Use Tax Act," P.L.1966,c30 (C.54:32B-1 et seq.).
5. The cannabis transfer tax shall be in addition to any other tax or fee imposed pursuant to statute or local ordinance or resolution by any governmental entity upon property or cannabis establishment.

**SECTION 2.**

**§2-67.1. COLLECTION**

1. The transfer tax or user tax imposed by this article shall be collected or paid, and remitted to Neptune Township by the cannabis establishment from the cannabis establishment purchasing or receiving the cannabis or cannabis item. The transfer Tax or user Tax shall be stated, charged, and shown separately on any sales slip, invoice, receipt, or other statement or memorandum of the price paid or payable, or equivalent value of the transfer, for the cannabis or cannabis item.
2. Every cannabis establishment required to collect a transfer tax or user tax imposed by ordinance pursuant to this section shall be personally liable for the transfer tax or user tax imposed, collected, or required to be collected under this section. Any cannabis establishment shall have the same right with respect to collecting tax or user tax from another cannabis establishment as if the transferor user tax was part of the purchase price of the cannabis or cannabis item and payable at the same time; provided, however, that the Chief Financial Officer of Neptune Township shall be joined as a party in any action or proceeding brought to collect the transfer tax.
3. No cannabis establishment required to collect a transfer tax or user tax imposed by this section shall advertise or hold out to any person or to the public in general, in any manner directly or indirectly that the transfer tax or user tax will not be separately charged and stated to another cannabis

establishment, or that the transfer tax or user tax will be refunded to the cannabis establishment.

4. All revenues collected from the transfer tax or user tax imposed by ordinance pursuant to this section shall be remitted to Neptune Township Chief Financial Officer on a quarterly basis payable for the prior three month's activities and due at the same time as quarterly dates for the collection of property taxes. The revenues due on February 1 of each year shall include all transfer taxes and user taxes collected for the immediate prior months of October, November and December. The revenues due on May 1 of each year shall include all transfer taxes and user taxes collected for the immediate prior months of January, February and March. The revenues due on 1 of each year shall include all transfer taxes and user taxes collected for the immediate prior months of April, May and June. The revenues due on November 1 of each year shall include all transfer taxes and user taxes collected for the immediate prior months of July, August and September. There shall be a ten (10) day grace period for the payment of said transfer tax and/or user tax which will coincide with the ten (10) day grace period typically permitted for property tax payments. There shall be no extension of the cannabis transfer tax / user tax grace period without a resolution of the governing body authorizing a specific extension.
5. All payments to Neptune Township shall be accompanied by certain supporting data and made in a manner prescribed by the Chief Financial Officer.
6. The Chief Financial Officer shall collect and administer the Local Cannabis Transfer Tax and User Tax imposed by this ordinance. The Township shall enforce the payment of delinquent Local Cannabis Transfer Tax and User Tax in the same manner and at the same interest rates as provided for municipal real property taxes.
7. In the event that the Local Cannabis Transfer Tax and User Tax imposed by this section is not paid as and when due by a cannabis business, the unpaid balance, and any interest accruing thereon, shall be a lien on the parcel of real property comprising the cannabis business in the same manner as all other unpaid municipal taxes, fees, or other charges. The lien shall be superior and paramount to the interest in the parcel of any owner, lessee, tenant, mortgagee, or other person, except the lien of municipal taxes, and shall be on a parity with and deemed equal to the municipal lien on the parcel for unpaid property taxes due and owing in the same year. In the event of a delinquency, the Chief Financial Officer shall file with the Tax Collector a statement showing the amount and due date of the unpaid balance and identifying the lot and block number of the parcel of real property that comprises the delinquent cannabis business. The lien shall be enforced as a municipal lien in the same manner as all other municipal liens are enforced.

#### **SECTION 5.**

The remainder of all other sections and subsections of the aforementioned ordinance not specifically amended by this Ordinance shall remain in full force and effect.

#### **SECTION 6.**

All other Ordinances or parts thereof inconsistent with the provisions of this Ordinance are hereby repealed as to such inconsistency.

#### **SECTION 7.**

If any section, paragraph, subdivision, clause or provision of this Ordinance shall be adjudged invalid, such adjudication shall apply only to the section, paragraph, subdivision, clause or provision so adjudged and the remainder of this Ordinance shall be deemed valid and effective.

#### **SECTION 8.**

This Ordinance shall take effect upon its passage and publication according to law.

<b>Motion/ Second</b>	<b>Roll Call To Adopt On First Reading</b>	<b>YAY</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>	<b>Adopted on First Reading Dated: July 25, 2022</b>
	Dr. Michael Brantley				X	
Second	Keith Cafferty	X				
Motion	Robert Lane, Jr.	X				
	Tassie D. York	X				
	Nicholas Williams	X				
						Gabriella Siboni, RMC Township Clerk
<b>Motion/ Second</b>	<b>Roll Call To Adopt On Second and Final Reading</b>	<b>YAY</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>	<b>Adopted on Second Reading Dated: August 22, 2022</b>
Motion	Dr. Michael Brantley	X				
Second	Keith Cafferty	X				
	Robert Lane, Jr.	X				
	Tassie D. York	X				
	Nicholas Williams	X				
						Gabriella Siboni, RMC Township Clerk

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Gabriella Siboni  
Township Clerk

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Nicholas Williams  
Mayor