

**BOROUGH OF FRANKLIN
ORDINANCE NO. 12-2021**

**AN ORDINANCE AMENDING CODE OF THE BOROUGH OF FRANKLIN
TO CREATE A CANNABIS TAX**

WHEREAS, N.J.S.A. 40:48I-1, et seq., permits municipalities to adopt transfer and user taxes for the growing, manufacturing, wholesale, distribution, retail sale, and/or delivery of cannabis

NOW, THEREFORE BE IT ORDAINED, by the Borough Council of the Borough of Franklin, County of Sussex, State of New Jersey, that Chapter 239 of the Borough Code is hereby modified as follows:

Section 1. There is hereby a new Article entitled "Cannabis Tax" as follows:
Article II. Cannabis Taxation.

§239-20 – Definitions.

"Cannabis", "Cannabis cultivator", "Cannabis establishment", "Cannabis items", "Cannabis manufacturer", "Cannabis retailer", and "Cannabis wholesaler" means the same as those terms are defined in N.J.S.A. 24:6I-33.

§239.21 – Cannabis Tax.

A tax on the sale or transfer of cannabis and cannabis items is hereby established on the following transactions.

1. Sale of cannabis by a cannabis cultivator to another cannabis cultivator.
2. Sale of cannabis items from one cannabis establishment to another cannabis establishment.
3. Retail sales of cannabis items by a cannabis retailer to retail consumers who are twenty-one (21) years of age or older; and/or,
4. Any combination thereof.

§239-22 - Tax Rate.

A. The following tax rates shall apply to all sales of cannabis and cannabis items:

1. Two percent (2%) of the receipts from each sale by a cannabis cultivator;
2. Two percent (2%) of the receipts from each sale by a cannabis manufacturer;
3. One percent (1%) of the receipts from each sale by a cannabis wholesaler;
4. Two percent (2%) of the receipts from each sale by a cannabis retailer.

B. A transfer tax on any concurrent license holder operating more than one cannabis establishment is imposed on the value of each transfer or use of cannabis or cannabis items not otherwise subject to the tax imposed pursuant to this Ordinance, from the license holder's establishment that is located in the Borough of Franklin to any of the other license holder's establishments, whether located in this Borough of Franklin or another municipality. The transfer tax shall apply to all transfers by a concurrent license holder of cannabis items to any of the other license holder's establishments at the same rates as set forth in this Ordinance based upon the value of the cannabis or cannabis items transferred.

§239-23 – Interpretation.

This Ordinance shall be interpreted and administered in accordance with N.J.S.A. 40:48I-1, as the same may be amended, revised, and/or supplemented from time to time.

Section 2. If any section, paragraph, subdivision, clause, sentence, phrase or provision of this Ordinance is declared unconstitutional or invalid by a court of competent jurisdiction, such decision shall not affect the remaining portions of this Ordinance.

Section 3. The Borough Clerk is hereby directed to give notice at least ten (10) days prior to hearing on the adoption of this Ordinance to the Sussex County Planning Board, the clerk of any adjoining municipality, and to all other persons entitled thereto pursuant to *N.J.S.A.* 40:55D-15 and *N.J.S.A.* 40:55D-63 (if required). Upon adoption of this Ordinance after public hearing thereon, the Borough Clerk is further directed to public notice of the passage thereof and to file a copy of the Ordinance as finally adopted with the Sussex County Planning Board as required by *N.J.S.A.* 40:55D-16. The Clerk shall also forthwith transit a copy of this Ordinance after final passage to the Borough Tax Assessor as required by *N.J.S.A.* 40:49-2.1.

Section 4. This Ordinance shall take effect after twenty (20) days of its final passage by the Borough Council, upon approval by the Mayor and publication as required by law.

ATTEST:

BOROUGH OF FRANKLIN


DARLENE J. TREMONT, CLERK


JOHN M. SOWDEN IV, MAYOR

DATED: September 14, 2021

NOTICE is hereby given that the foregoing Ordinance was introduced to pass on first reading at a regular meeting of the Council of the Borough of Franklin held on August 17, 2021, at 7:00 p.m. and ordered published in accordance with the law. Said Ordinance will be considered for final reading and adoption at a regular meeting of the Borough Council to be held on September 14, 2021, at 7:00 p.m., or as soon thereafter as the Borough Council may hear this Ordinance at the Municipal Building, 46 Main Street, Franklin, New Jersey 07416, at which time all persons interested may appear for or against the passage of said Ordinance.


Darlene J. Tremont
Municipal Clerk

CERTIFICATION: I, DARLENE J. TREMONT, Clerk of the Borough of Franklin, do hereby certify that the Borough of Franklin Council duly adopted the foregoing Ordinance on the 14th day of September, 2021.

Darlene J. Tremont, Clerk
Borough of Franklin

John M. Sowden IV, Mayor

Introduced: August 17, 2021
Adopted: September 14, 2021

RECORD OF COUNCIL VOTES-FIRST READING					Move	2nd
COUNCIL MEMBER	AYES	NAYES	ABSTAIN	ABSENT		
CONCETTO FORMICA	X					X
JOSEPH LIMON	X					
JOHN POSTAS				X		
STEPHEN SKELLENGER	X				X	
GILBERT SNYDER	X					
COUNCIL PRESIDENT						
STEPHAN ZYDON, JR.	X					
MAYOR SOWDEN, IV (Tie Only)						

RECORD OF COUNCIL VOTES-SECOND READING					Move	2nd
COUNCIL MEMBER	AYES	NAYES	ABSTAIN	ABSENT		
CONCETTO FORMICA	X				X	
JOSEPH LIMON				X		
JOHN POSTAS	X					
STEPHEN SKELLENGER	X					
GILBERT SNYDER						
COUNCIL PRESIDENT	X					
STEPHAN ZYDON, JR.	X					X
MAYOR SOWDEN, IV (Tie Only)						

**BOROUGH OF FRANKLIN
LEGAL NOTICE**

ORDINANCE NO. 12-2021

**AN ORDINANCE AMENDING CODE OF THE BOROUGH OF FRANKLIN
TO CREATE A CANNABIS TAX**

NOTICE is hereby given that the above Ordinance was introduced and passed on first reading at a meeting of the Borough Council of the Borough of Franklin, in the County of Sussex, State of New Jersey, held in the Borough Municipal Building, 46 Main Street, Franklin, NJ, on the 17th day of August, 2021, and the same came up for final passage at a meeting of the said Borough Council on the 14th day of September, 2021, at which time, after persons interested were given an opportunity to be heard concerning said ordinance, the same was passed and will be in full force in the Borough according to law by order of the Borough Council of the Borough of Franklin, County of Sussex and State of New Jersey.



Darlene J. Tremont, Municipal Clerk