

Exhibit B

(C) Pursuant to subsection (A) of this section, the cannabis business tax is set at seven percent of gross receipts. Commencing on the operative date of this chapter, every person engaged in cannabis business in the unincorporated area of the County shall pay a cannabis business tax at the rate of seven percent of gross receipts. [Added by Measure K, November 4, 2014].

(1) Exception: Pursuant to the authority described above in subsection (B), the business tax rate for cannabis cultivation business and cannabis manufacturing business is modified as set forth below.

(2) Commencing on January 1, 2018, every person engaged in cannabis cultivation business shall pay a cannabis business tax at the rate of five percent of gross receipts through December 31, 2019. Commencing on January 1, 2020, every person engaged in cannabis cultivation business shall pay a cannabis business tax at the rate of six percent of gross receipts through December 31, 2021. Commencing on January 1, 2022, and continuing thereafter, every person engaged in cannabis cultivation business shall pay a cannabis business tax rate at the rate of seven percent of gross receipts.

(3) Commencing on January 1, 2018, every person engaged in cannabis manufacturing business shall pay a cannabis business tax at the rate of five percent of gross receipts through December 31, 2019. Commencing on January 1, 2020, every person engaged in cannabis manufacturing business shall pay a cannabis business tax at the rate of six percent of gross receipts through December 31, 2021. Commencing on January 1, 2022, and continuing thereafter, every person engaged in cannabis manufacturing business shall pay a cannabis business tax at the rate of seven percent of gross receipts.