

ORDINANCE NO. 1452-20

AN ORDINANCE RELATING TO THE TAX ON MARIJUANA SALES; AMENDING TUALATIN MUNICIPAL CODE CHAPTER 13-1; AND CREATING NEW PROVISIONS.

WHEREAS, section 34a of House Bill 3400 (2015), codified as ORS 475B.345, provides that a city council may adopt an ordinance to be referred to the voters that imposes up to a three percent tax or fee on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;

WHEREAS, the Council passed and referred such an ordinance, which was approved by the voters of Tualatin on November 6, 2016;

WHEREAS, the tax on the sale of marijuana items is codified in Tualatin Municipal Code Chapter 13-1; and

WHEREAS, the City wishes to amend TMC Chapter 13-1 to provide certain penalties and interest for nonpayment, consistent with State law and Oregon Department of Revenue regulations.

THE CITY OF TUALATIN ORDAINS AS FOLLOWS:

Section 1. Tualatin Municipal Code 13-1-040 (Interest and Penalty) is created to read as follows:

TMC 13-1-040 – Interest and Penalty.

(1) Interest shall be added to the overall tax amount due at the same rate established under ORS 305.220 for each month, or fraction of a month, from the time the return to the Oregon Department of Revenue was originally required to be filed by the marijuana retailer to the time of payment.

(2) If a marijuana retailer fails to file a return with the Oregon Department of Revenue or pay the tax as required, a penalty shall be imposed upon the marijuana retailer in the same manner and amount provided under ORS 314.400.

(3) Every penalty imposed, and any interest that accrues, becomes a part of the financial obligation required to be paid by the marijuana retailer and remitted to the Oregon Department of Revenue.

(4) Taxes, interest and penalties transferred to the City by the Oregon Department of Revenue will be distributed to the City's general fund.

(5) If at any time a marijuana retailer fails to remit any amount owed in taxes, interest or penalties, the Oregon Department of Revenue is authorized to enforce collection on behalf of the City of the owed amount in accordance with ORS 475B.700 to 475B.755, any agreement between the Oregon Department of Revenue and the City under ORS 305.620 and any applicable administrative rules adopted by the Oregon Department of Revenue.

Section 2. TMC 13-1-050 (Intergovernmental Agreement with the State of Oregon) is created to read as follows:

TMC 13-1-050 – Intergovernmental Agreement with the State of Oregon.

The City Manager is authorized to enter into an intergovernmental agreement (IGA) with the State of Oregon for the administration, collection, distribution, and enforcement of the tax authorized by this Chapter, consistent with State law and applicable State administrative rules.

Section 3. Severability. Each section of this ordinance, and any part thereof, is severable. If any part of this ordinance is held invalid by a court of competent jurisdiction, the remainder of this ordinance remains in full force and effect.

Section 4. Effective Date. As provided in the Tualatin Charter, this ordinance is effective 30 days from the date of adoption.

ADOPTED by the City Council this 14th day of December, 2020.

CITY OF TUALATIN OREGON

BY _____
Mayor

APPROVED AS TO LEGAL FORM

ATTEST

BY _____
City Attorney

BY _____
City Recorder