The Cannabis Business Tax is imposed on every person engaged in cannabis business in the City of Bellflower pursuant to Chapter 3.37 of Bellflower Municipal Code. Paying the tax required by this chapter, and its acceptance by the City, does not entitle any person to carry on any cannabis business unless the person has complied with all of the requirements of this Code and all other applicable State laws. If you are operating more than one Cannabis business type, a separate return and payment must be submitted for each activity. This Cannabis Business Tax Return is only applicable to the following business type: Dispensary / Retail.

Calculation of Tax Due

1. Total (gross) receipts for reporting period
   Line 1 $ 

2. Adjustments (must be itemized, documented and attached)
   Line 2 $ 

3. Taxable gross receipts (line 1 plus/minus line 2)
   Line 3 $ 

4. Applicable tax rate (enter percentage per below)
   Line 4 % 
   (The applicable tax rates are 5% on July 1, 2017, 7.5% on July 1, 2020, and 8.5% on July 1, 2021 (Resolution No. 21-35). Per BMC 3.37.060.D.2, the tax rate is increased each fiscal year by 2.5% beginning on July 1, 2020, to a maximum rate of 10%).

5. Cannabis business tax (multiply lines 3 and 4)
   Line 5 $ 

6. Tax prepayments
   1st prepayment: $ 
   2nd prepayment: $ 
   Line 6 $ 

7. Remaining tax due (line 5 minus line 6)
   Line 7 $ 

8. Penalties if tax is not paid by the due date (see reverse)
   Line 8 $ 

9. Interest if tax is not paid by the due date (see reverse)
   Line 9 $ 

10. Total amount due and payable with this return (add lines 7 thru 9)
    Line 10 $ 

I declare under penalty of perjury that the statements herein and any attachments are true, correct and complete.

Authorized Signature: ____________________________ Date: __________
Print Name & Title: ________________________________ Phone No.: ____________________________

Rev 07/01/21
3.37.140 Interest and Penalty.

A. Taxes collected from a person, or owed by a person which are not received by the administrator on or before the due dates provided in this chapter are delinquent and are subject to penalties and interest. Should the due date occur on a weekend or legal holiday, the return must be received by the administrator on the first regular working day following a Saturday/Sunday or legal holiday. A direct deposit, including electronic fund transfers and other similar methods of electronically exchanging monies between financial accounts, made by a person in satisfaction of its obligations under this subsection is considered timely if the transfer is initiated on or before the due date, and the transfer settles into the City's account on or before the following business day.

B. If the person required to remit the tax fails to remit the tax, the administrator will attach a penalty for such delinquencies or deficiencies at the rate of five percent (5%) of the total tax that is delinquent or deficient in the remittance, and if not remitted within two (2) working days after the date of the delinquency, will pay a total penalty of twenty percent (20%) of the amount of tax owed.

C. In addition to all other authorizations under this section, the administrator may impose a maximum civil penalty of five thousand dollars ($5,000.00) per day upon an unlicensed cannabis facility that fails to remit any tax required by this chapter.

D. The administrator has the power to impose additional penalties upon persons required to remit taxes under the provisions of this chapter for fraud or gross negligence in reporting or remitting at the rate of fifty percent (50%) of the amount of the tax required to be remitted, or as recomputed by the administrator.

E. In addition to any other penalties imposed by this chapter, any person required to remit any tax imposed by the provisions of this chapter who fails to remit the tax must pay interest at the rate of three-quarters of one percent (0.75%) per month, or any fraction thereof, on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent, until paid.

F. No penalty or interest will be applied if delinquencies are the result of natural disasters or other phenomena beyond the control of the person charged with remitting the tax, provided the person being delinquent notifies the administrator as soon as normal communications permit. (Ord. 1332 § 1, 12/12/16; Ord. 1338 § 3, 5/22/17)

3.37.080 Reporting and Remittance of Tax.

<table>
<thead>
<tr>
<th>Tax Period</th>
<th>Quarter</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1 - September 30</td>
<td>1st</td>
<td>October 31</td>
</tr>
<tr>
<td>October 1 - December 31</td>
<td>2nd</td>
<td>January 31</td>
</tr>
<tr>
<td>January 1 - March 31</td>
<td>3rd</td>
<td>April 30</td>
</tr>
<tr>
<td>April 1 - June 30</td>
<td>4th</td>
<td>July 31</td>
</tr>
</tbody>
</table>

CANNABIS TAX PREPAYMENT VOUCHER

<table>
<thead>
<tr>
<th>Business Name:</th>
<th>1st Quarter</th>
<th>1st Prepayment</th>
<th>2nd Prepayment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Address:</td>
<td>Jul-Sep, 20</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>2nd Quarter</td>
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<td>$</td>
</tr>
<tr>
<td></td>
<td>3rd Quarter</td>
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<td>$</td>
</tr>
<tr>
<td>Cannabis Permit No.:</td>
<td>Jan-Mar, 20</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Business License No.:</td>
<td>Apr-Jun, 20</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Submit Voucher & Payment to: City of Bellflower, Finance Department, 16600 Civic Center Drive, Bellflower, CA 90706