



Please Send Tax Return & Payment to:
 City of San Jose – Finance
 Attn: Revenue Management
 200 E. Santa Clara St., 13th Floor
 San Jose, CA 95113-1905

CANNABIS BUSINESS TAX RETURN

Business Name:	Tax Period (Month & Year):
Address:	Business Tax Certificate #:

The Cannabis Business Tax is imposed on every person engaged in cannabis business in the City of San José. Payment of the tax in accordance with Municipal Code Chapter 4.66 does not authorize unlawful business. Cannabis Business Tax filings due on or before the last day of each calendar month for the total gross receipts and the amount of the tax owed for the preceding calendar month.

Cannabis Business Activity	A Gross Receipts	B Adjustments *	C Taxable Gross Receipts	Tax Rate	D Cannabis Business Tax	Line 1
Retail				10%		Line 2
Delivery				10%		Line 3
Manufacturing				3%		Line 4
Distribution				2%		Line 5
Lab Testing				0%		Line 6
Totals (Sum of Lines 2-6 for above column)				Tax Due		Line 7
Penalty 1 – If tax is not remitted by the due date. <i>(Line 7D x 0.25)</i>						Line 8
Penalty 2 – If Tax is remitted more than one calendar month after the due date. <i>(Line 7D x 0.25)</i>						Line 9
Interest on Tax Due – If tax is not remitted by the due date. <i>(# of days past due x Line 7D x 0.0004931507)</i>						Line 10
Interest on Penalty 1 – If tax is not remitted by the due date. <i>(# of days past due x Line 8 x 0.0004931507)</i>						Line 11
Interest on Penalty 2 – Accrues from the first day Penalty 2 was assessed. <i>(# of days Penalty 2 outstanding x Line 9 x 0.0004931507)</i>						Line 12
Total Cannabis Business Tax Due (Sum of Lines 7D-12)						Line 13

**Adjustments must be itemized on a separate sheet.*

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

Name	Telephone #	Title	Date
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Cannabis Business Tax Return Instructions

Cannabis Business Tax is due on or before the last day of each calendar month for the preceding calendar month.

1. Column A – Gross Receipts: Enter Gross Receipts (Sales) figure into the Gross Receipts column for the respective business activity.
 - a. DO NOT combine various business activities into one area. If your business has cannabis activity in more than one of the described areas on the form (Lines 2-6), report the amounts individually in the appropriate areas.
2. Column B – Adjustments – Enter any adjustments to Gross Receipts.
 - a. Adjustments are deductions from Gross Receipts such as non-taxable sales or another qualifying amount that should not be included in the Taxable Gross Receipts.
 - b. Adjustments can also be an increase to Gross Receipts. An example of this would be reporting previously unreported sales that occurred in a previous tax period.
 - c. Any and all claimed adjustment should be itemized on a separate sheet with support documentation. The City of San José reserves the right to request additional documentation into claimed adjustments and may reject adjustments determined to be unqualified.
3. Column C – Taxable Gross Receipts: Determine Taxable Gross Receipts
 - a. Gross Receipts plus/minus Adjustments.
4. Column D – Cannabis Business Tax: Determine Cannabis Business Tax
 - a. Taxable Gross Receipts multiplied by the applicable tax rate.
5. Line 7 – Totals: Sum the amounts reported for the column. Tax Due is indicated in Line 7 Column D (Line 7D).
6. Line 8 – Penalty 1: Applicable if tax is unpaid by the due date.
 - a. 25% of tax due.
7. Line 9 – Penalty 2: Applicable if the tax remains unpaid for a period exceeding one calendar month beyond the due date.
 - a. 25% of tax due.
8. Line 10 – Interest on Tax Due: Applicable if tax is unpaid by the due date.
 - a. Days past due multiplied by Tax Due multiplied by 0.0004931507.
9. Line 11 – Interest on Penalty 1: Applicable if tax is unpaid by the due date.
 - a. Days past due multiplied by Penalty 1 multiplied by 0.0004931507.
10. Line 12 – Interest on Penalty 2: Applicable if the tax remains unpaid for a period exceeding one calendar month beyond the due date.
 - a. Days Penalty 2 has been outstanding multiplied by Penalty 2 multiplied by 0.0004931507.
11. Line 13 – Total Cannabis Business Tax Due: The sum of Line 7D through Line 12.
 - a. The sum of Tax Due, Penalty 1, Penalty 2, Interest on Tax Due, Interest on Penalty 1, and Interest on Penalty 2.