CANNABIS TAX STRUCTURE

The law enacts a tax rate structure on the retail sale of cannabis that will bring a new source of revenue for municipalities and the State of Connecticut.



Municipal Tax

A 3% municipal sales tax on the sale of cannabis was imposed. This revenue will be directed to the town or city where the retail sale occurred and may only be used for the following purposes:

- Streetscape improvement
- Education programs
- Services for individuals living in the municipality
- Mental health or addiction services
- Youth services bureaus and municipal juvenile review boards
- Community civic engagement efforts.

State Tax

In addition, the 6.35% state cannabis sales tax and an additional tax based on the THC content of the product will apply. State Revenue from the retail sales of cannabis will be directed to support economic opportunities in targeted communities and to support substance misuse prevention and recovery services.

GROWING CANNABIS FOR PERSONAL CONSUMPTION



The law includes requirements to keep the plants secure from anyone else. Home grow of up to six cannabis plants is defelonized beginning July 1, 2021, and instead will result in infractions.

Home Grow Regulations for Medical Marijuana License Holders:

Patients who are participating in Connecticut's medical marijuana program will be permitted to cultivate up to six cannabis plants indoors within their homes beginning October 1, 2021.

Home Grow Regulations for Adults over 21 Not in a Medical Marijuana Program:

All adults age 21 and over will be permitted to grow a similar number of plants indoors within their homes beginning July 1, 2023.



Town of Southbury 501 Main Street South Southbury, CT 06488 southbury-ct.org

Southbury's Guide to the New Cannabis Law



Information about SB 1201

"An Act Concerning Responsible and Equitable Regulation of Adult-Use Cannabis"

Town of Southbury southbury-ct.org/cannabis

MUNICIPAL ZONING'S ROLE IN CANNABIS REGULATION

Local officials will play an important role in the implementation of cannabis legalization. For example, local officials can control the number and locations of cannabis retailers through zoning.

The Southbury Zoning Commission has begun to discuss the new law legalizing adult-use cannabis and intends to adopt a temporary nine-month moratorium on cannabis establishments in Town. This will afford them the opportunity to carefully craft a regulation addressing the topic. The public hearing regarding the moratorium will be held on September 8, 2021 at 7:30pm. No decisions will be made at this meeting regarding cannabis establishments. This meeting is solely for the enactment of the moratorium.

The establishment and changing of zoning regulations to regulate cannabis requires a public hearing and at such time the public will have an opportunity to voice their opinions. The date of this public hearing has yet to be determined.

Southbury's local zoning ordinances may establish rules regulating cannabis establishments.



Zoning Regulations Can:

- 1. Prohibit cannabis retailers from opening (i.e. prohibit their operation).
- 2. Reasonably restrict cannabis retailers' hours and signage.
- 3. Restrict cannabis retailers' proximity to religious institutions, schools, charitable institutions, hospitals, veterans' homes, or certain military establishments.

Zoning Regulations Cannot:

- 1. Prohibit the delivery of cannabis to consumers or qualifying medical marijuana patients or their caregivers if the delivery is made by someone authorized to do so under the law.
- 2. Prohibit the transport of cannabis to, from, or through the municipality by anyone licensed or registered to do so.
- 3. Prohibit the delivery of cannabis when the delivery is made by a person or entity authorized to make such delivery pursuant to the cannabis act.
- 4. Condition any official action on, or accept any donations from, any cannabis establishment or applicants for cannabis establishment licenses in the municipality.
- Negotiate or enter into a local host agreement with a cannabis establishment or license applicant.
- 6. Determine where recreational cannabis can and cannot be smoked or vaped on public property (e.g. in town parks and, on sidewalks or streets) although this may be determined through local ordinance changes.
- 7. Allow cannabis use in state parks, state beaches, and on state waters. Use is prohibited in these areas by the law.



Under the new law, the retail sale of cannabis aims to begin in Connecticut by the end of 2022.

The sale, manufacture, and cultivation of cannabis (aside from home grow) requires a license from the state. Products that contain delta-8-THC, delta-9-THC, or delta-10-THC are considered cannabis and may only be sold by licensed retailers.

Individuals who are not licensed by the state may gift cannabis to others but may not sell it. Individuals may not gift cannabis to another individual who has "paid" or "donated" for another product.

Cannabis retailers are currently permitted anywhere retail is permitted under current Southbury Zoning Regulations. These locations include:

- Main Street South
- Sections of Heritage Road
- Route 67 (Southford Road)
- Route 188 (Strongtown Road)

One cannabis retailer and one cannabis micro-cultivator can be approved for every 25,000 residents. Therefore Southbury may be permitted:

- 1 cannabis retailer
- 1 cannabis micro-cultivator

This may change on or after 7/1/2024.

This law implements strong standards for advertising that exceed those for the tobacco and alcohol industries. The advertising restrictions apply to all cannabis advertising, whether or not the advertiser has a state license.