



Legislation Text

File #: 20-0326, **Version:** 1

Recommendation to authorize the Financial Management Department to process a refund in the amount of \$38,880 to Plantonics, Inc., at 235 East Pacific Coast Highway. (District 6)

On November 30, 2018, Plantonics, Inc., made a payment of \$64,800 for the medical cannabis cultivation business license tax based on a maximum cultivation canopy of 4,000 square feet and a 35 percent penalty due to nonpayment of the business license tax by the due date. Subsequent to the payment, the business reduced their maximum cultivation canopy to 1,600 square feet, which amended the business license tax and penalty amount to \$25,920. A refund for the difference of \$38,880 must be processed to reflect the correct tax amount due.

Pursuant to Long Beach Municipal Code (LBMC) Section 3.80.427.5(c), a business is eligible for a refund of the tax if, for any reason, the payment for any license is an amount in excess of that required. LBMC Section 3.48.040 requires refunds exceeding \$10,000 be authorized by the City Attorney and City Council. The Business Services Bureau in the Department of Financial Management has received the request for refund and recommends the refund be granted.

This matter was reviewed by Deputy City Attorney Amy R. Webber on March 30, 2020 and by Budget Management Officer Rhutu Amin Gharib on March 26, 2020.

City Council action is requested on April 21, 2020, to expedite the processing of the refund.

The amount of \$38,880 will be refunded from the General Fund Group in the Financial Management Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

THOMAS B. MODICA
ACTING CITY MANAGER