



MATANUSKA-SUSITNA BOROUGH

Planning and Land Use Department

Development Services Division

350 E. Dahlia Avenue, Palmer, AK 99645
Phone (907) 861-7822 | Fax (907) 861-8158

E-mail: permitcenter@matsugov.us

October 24, 2019

Alcohol & Marijuana Control Office
550 W. 7th Avenue, Suite 1600
Anchorage, AK 99501

SUBJECT: Kushtopia # 11611
1044 S Old Glenn Hwy
Renewal – Standard Cultivation Facility

A review of the files relating to the subject business and license application, as they relate to Matanuska-Susitna Borough Code, has been completed. Based on that review, the Matanuska-Susitna Borough hereby takes the following action:

- ☐ WAIVE THE RIGHT TO PROTEST
- ☒ PROTEST the issuance of the license for the following reason(s):
 - ☐ Delinquent Real Property Taxes owed:
 - ☐ Other debts owed:
 - ☐ The required Conditional Use Permit has not been issued:
 - ☒ There is a violation of the Conditional Use Permit:
 - ☐ There is a resident objection to the facility on file:
 - ☐ Other:

Upon curing all of the above referenced deficiencies the Matanuska-Susitna Borough will rescind any protest. It is the applicant's responsibility to notify the Development Services Division that any debts or taxes owed have been paid in full.

The applicant(s) has been sent a copy of this letter by certified mail or via email, only if a protest has been issued. Should you have any questions, please feel free to contact my office.

Sincerely,

Adam Bradway, Planner II
Development Services Division
Matanuska-Susitna Borough

From: Adam Bradway
To: [AMCO Local Government Only \(CED sponsored\)](#)
Subject: RE: Kushtopia 11611 MSB Protest and OutPost 17068 MSB Protest
Date: Monday, October 28, 2019 11:19:06 AM
Attachments: [image001.png](#)

Tj,

I can write up an official letter if necessary, but these are fixable violations. Both Kushtopia and Outpost, under Prestige Worldwide Management, LLC, have CUP violations and both licenses are being protested. Both violations relate to fences that were supposed to be constructed within an allotted timeframe but were not. When these fences are constructed the protest will be lifted. The applicant has been contacted and they are working to fix the violations. If you need any more information or an official letter please let me know.

Adam Bradway

Matanuska-Susitna Borough: Planner II
350 E Dahlia Ave, Palmer, Alaska 99645
(907) 861-8608

From: AMCO Local Government Only (CED sponsored) <amco.localgovernmentonly@alaska.gov>
Sent: Monday, October 28, 2019 10:59 AM
To: Adam Bradway <Adam.Bradway@matsugov.us>
Cc: AMCO Local Government Only (CED sponsored) <amco.localgovernmentonly@alaska.gov>
Subject: RE: Kushtopia 11611 MSB Protest and OutPost 17068 MSB Protest

[EXTERNAL EMAIL - CAUTION: Do not open unexpected attachments or links.]

Good morning Adam,

I received the Matanuska-Susitna Borough's protests of the renewals of these applications, but I was wondering if you could provide us with a little more information regarding the violations of the conditional use permits, and whether or not they are fixable issues. This will help the Board to determine how best to respond to these protests.

Sincerely,



TJ Zielinski

Occupational Licensing Examiner
Alcohol & Marijuana Control Office
550 West 7th Avenue, Suite 1600
Anchorage, Alaska 99501

From: Adam Bradway [<mailto:Adam.Bradway@matsugov.us>]
Sent: Thursday, October 24, 2019 3:34 PM
To: AMCO Local Government Only (CED sponsored) <amco.localgovernmentonly@alaska.gov>
Cc: phil@kushtopia.co
Subject: Kushtopia 11611 MSB Protest

AMCO: Please see the attached letter protesting license #11611

Dear Applicant,

Our office must protest your licenses (#11611) due to recorded violations of your conditional use permit . This protest will be rescinded once these violations are resolved.

This email is to inform you that you have the option to defend your application before a meeting of the Borough Assembly, as per 3 AAC 304.145(d).

If you would like to appear in front of the Assembly, you may do so by filling out the attached form and submit it to me at least 11 days prior to the meeting you wish to speak at.

Thank you.

Adam Bradway

Matanuska-Susitna Borough: Planner II
350 E Dahlia Ave, Palmer, Alaska 99645
(907) 861-8608

Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date:

License #/Type:

Designated Licensee:

AMCO Case#:

DBA:

Premises Address:

Mailing Address:

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator:

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA:

Date:



THE STATE
of ALASKA
GOVERNOR BILL WALKER

Department of Revenue

TAX DIVISION

Robert B. Atwood Building
550 West 7th Avenue, Suite 500
Anchorage, Alaska 99501-3566
Main: 907.269.6620
Fax: 907.269.6644

November 15, 2018

Marijuana Control Board
Alcohol & Marijuana Control Office
550 W. 7th Avenue, Suite 1600
Anchorage, AK 99501

Re: Failure to pay taxes under AS 43.61.010 by licensed marijuana cultivation facilities

Pursuant to Alaska Statutes and Regulations, AS 43.61.030 and 15 AAC 61.020, the Department of Revenue will inform the Marijuana Control Board of licensed cultivators that have failed to pay tax due or file a return as required by law.

As of November 15, 2018, there were 20 licensed cultivation facilities that failed to pay marijuana excise taxes as required under AS 43.61.010 totaling \$392,000. The list below does not include accounts that are currently on payment plans or have past due balances under \$100. If we reported the total number of past due accounts, we would report 32 taxpayers owing a total of \$728,400 – this is 25% of all marijuana taxpayers that owe past due taxes.

The high number of past due accounts is alarming and the Department of Revenue will continue to report the names of the delinquent taxpayers monthly to the Marijuana Control Board through AMCO, excluding the accounts that are currently on payment plans.

Taxpayer Name	MCB Licensee Name	License No.
BRANDEN M. ROYBAL	ALASKA CANNABIS CULTIVATORS	10592
ALASKA CANNABIS PROP	ALASKA CANNABIS PROPAGATION	11651 (Expired)
DAVID J. STRAUB	ALASKA PRECISION	10040
AZDREN POSHKA	ALASKA TASTY CANNABIS, LLC.	11488
JACOB NYMAN	ALASKAN DEVILS LETTUCE	11556
ARCTIC GREENERY, LLC	ARCTIC GREENERY, LLC	10286
BRENNAN NORDEN	BOB'S MORNING BEAR CULTIVATION	10063
DANISH GARDENS, LLC	DANISH GARDENS, LLC	10310
DAVID PARKER	FAT TOPS, LLC	11138
DARREN PHILLIPS	FIBERFLITE	13577
GREEN LEAF, INC	GREEN LEAF	10066
GREENSTAR INC	GREENSTAR, INC.	12872
TIMELESS ADVENTURES, LLC	HERBAL INSTINCTS	10156
PRESTIGE WORLDWIDE MANAGEMENT	KUSHTOPIA	11611
MIKE D. KEISER	LAST FRONTIER JOINT OPERATIONS LLC	11957
LAZY MOUNTAIN HARVEST, LLC	LAZY MOUNTAIN HARVEST LLC	10291 (Expired)
JONATHAN MANSKER	MUSKY OX, LLC	10135
SE MOOG DROOG LLC	SE MOOG DROOG LLC	10814
CASEY J. WILKINS	STONED SALMON FARMS	11605
KRYSTAL DIETRICH	TALKEETNA HERB COMPANY	10004

Kelly Mazzei, Excise Tax Supervisor
Department of Revenue – Tax Division

From: KushTopia, Alaska
To: [Davies, Jason M \(CED\)](#)
Subject: Re: FW: NOV Delinquency in Tax 11611
Date: Monday, December 3, 2018 2:11:19 AM
Attachments: [image002.png](#)
[image002.png](#)
[Paid.png](#)
[Tax Structure Change-1.docx](#)

Please see attached payment screenshot and a letter to AMCO and MCB.

Thank You,
Phillip Izon

On Wed, Nov 21, 2018 at 8:19 AM Davies, Jason M (CED) <jason.davies@alaska.gov> wrote:

To Mr. Izon,

To settle your Notice of Violation, AMCO Enforcement requires a receipt from the Division of Tax that shows you are up to date with your payments. Please email the receipt to amco.enforcement@alaska.gov

Regards,

Jason M Davies – Criminal Justice Tech I

AMCO/ENFORCEMENT

jason.davies@alaska.gov

907-754-3410

From: Hoelscher, James C (CED)
Sent: Friday, November 16, 2018 2:10 PM
To: akushtopia@gmail.com
Cc: McConnell, Erika B (CED) <erika.mcconnell@alaska.gov>; Mazzei, Kelly A (DOR) <kelly.mazzei@alaska.gov>; Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov>; CED AMCO Enforcement (CED sponsored) <amco.enforcement@alaska.gov>
Subject: NOV Delinquency in Tax 11611

Please see attached Notice of Violation.

Thank you,

James



James Hoelscher

Special Investigator II

Enforcement Supervisor

Alcohol & Marijuana Control Office

550 W. 7th Ave, Suite 1600

Anchorage, Ak 99501

Office (907)269-0353

Cell (907) 891-9660

James.hoelscher@alaska.gov

--

Thanks,
Phillip Izon
KushTopia, Alaska
KushTopia.Co



Alaska Department of Revenue - Tax Division
Revenue Online[Log Off](#)

Support ID

on

unts

If you have questions concerning your Account Balance(s), please call 907-465-2385 or 907-465-2321.
If you need help with or have questions about Revenue Online please call 907-269-0041 or 907-269-6627.

PRESTIGE WORLDWIDE MANAGEMENT, LLC**NAMES AND ADDRESSES****I WANT TO...**

Federal Employer Id



DBA Name

[KUSHTOPIA](#)[View My Profile](#)

My Balance



Legal Name

PRESTIGE WORLDWIDE MANAGEMEN

[Make a Payment](#)

Mailing Address

[8010 E 32ND AVE # B ANCHORAGE AK](#)[View My Payoff Amount](#)[File an Appeal](#)[Add a Power of Attorney](#)[Remove a Power of Attorney](#)**ACCOUNTS¹****HISTORY****MESSAGES⁹****LETTERS¹⁷****MY ACCOUNTS¹****MY ACCOUNTS****Hide History**

Group	Account Id	Account Type	Name	Frequency	Address	Balance
3		Marijuana Tax	PRESTIGE WORLDWIDE M	Monthly	8010 E 32ND AVE # B ANCH	

To AMCO and MCB,

It is time to reform marijuana taxes in Alaska. If we follow other recreational marijuana states' example (see attachment) we will have more tax revenue, in some cases two to three times as much as our State has made with our current structure.

Issue: Current tax structure puts the entire state tax on the cultivation companies, both large and small. As more cultivation companies come online, the supply of product in the market has increased and price of product has started to decrease, the flat tax rate puts undue stress on cultivation alone.

In a normal free market a price equilibrium occurs between the supply and demand throughout the year depending on supply in the market and the demand in the market. This is normally great for the industry as the competition benefits the community, and the consumer benefits first and foremost with better pricing.

Instead of a flat percentage of sale-based system taxing the result of all cannabis production in Alaska, we built a tax structure like Alaska's Alcohol tax structure, also attached. We blame the flat tax rate that inevitably keeps the cost of cannabis artificially high and believe it will eventually eliminate some cultivators unable to compete with lower pricing due to increased production and competition, and the high flat tax structure. The only companies that will be able to compete are the ones that are vertically integrated and can absorb the high tax rate because of sales at an owned retail store.

One issue is that in the alcohol structure, the taxes go up or down depending on the strength of the alcohol. The cannabis industry does not benefit from a sliding scale structure based on the percentage of THC. For instance a product that tests with a 20% THC level will sell for \$4000.00 a pound where a product that tests with a 15% THC level will sell for \$2500.00. Both however receive the same tax rate of \$800 per pound. This is an injustice as many residents of Alaska do not want the higher THC levels because they are using the products medicinally and the higher THC might not be desirable, however a cultivator will not desire to provide these lower THC level products because they are not as profitable. At this time the tax is taken prior to the final sale on the flower and trim. Another loss of taxable income to the state is on the 40% of sales in most retail stores from the sale of extracts/concentrates/edibles and other cannabis products.

I do not believe a sliding scale tax structure would be the most effective way to manage our tax structure. I believe considering other state's tax structures is important in making the decision and somewhere along the line under the Walker Administration this research was not completed, or the information was not used in crafting our tax structure. As can be seen from the attachment, Alaska currently taxes their farmers/cannabis growers five times as much as California, California uses a 15% sales tax to offset the tax they charge growers and in my data analysis, using our sales numbers I know that California's tax plan will outperform our existing tax structure by \$10 million dollars over the same time period.

Other states have moved to a simple sales tax, or excise tax, or sin tax on all cannabis products sold (Washington 37% and Oregon 17%). I believe this is the most effective way to manage our taxes here in Alaska. The reasons and benefits are many and the cons are few.

- This would help our farmers/cannabis cultivation companies (by spreading the cannabis tax burden across the industry).
- This will allow competition to take hold and we can compete with the black-market cannabis industry (Currently our tax structure limits how low we can price our products because it is based on a flat rate \$800/lb. tax or \$50/oz. instead of a percentage of the sale. So, the market has already hit the bottom and black market can undercut that pricing.
- The State will benefit from more tax revenue and the management is very simple compared to the existing system.
- The community, industry, and consumers will benefit from increased pricing competition, black market will naturally become smaller over time due to economies of scale.

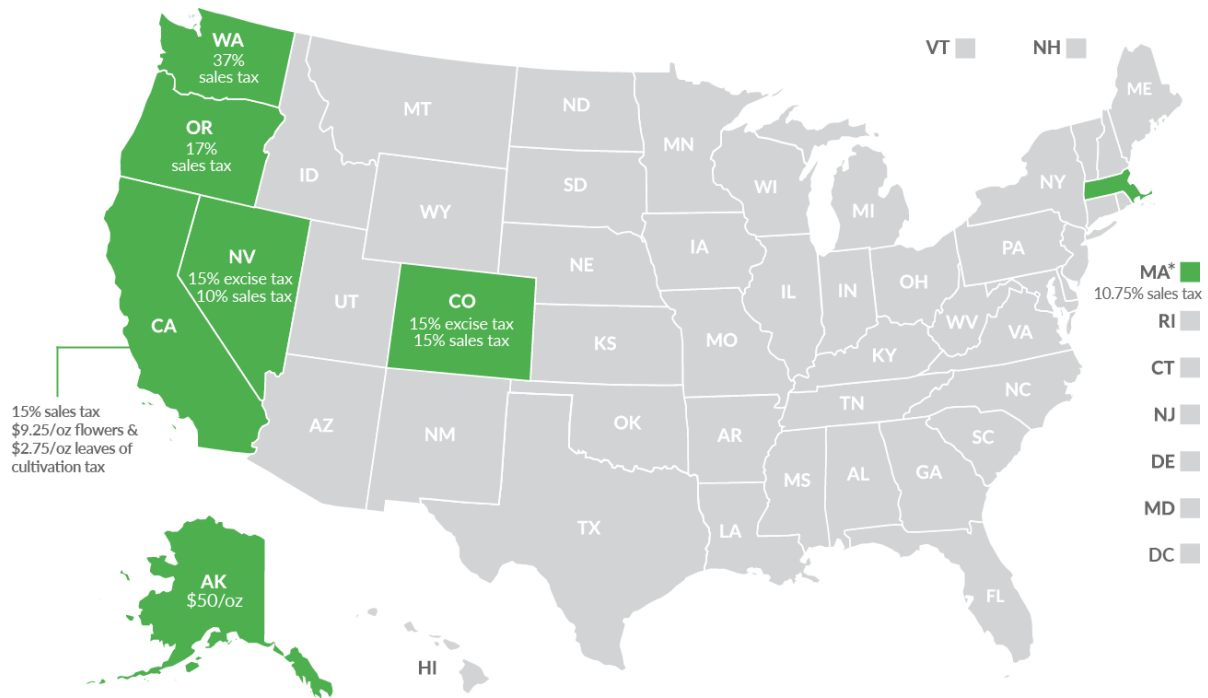
We hope you find value in my work and we hope we get a chance to present our tax plan to you for your review.

Kindest Regards,

Phil A. Izon II

How High Are Marijuana Taxes in Your State?

State Recreational Marijuana Excise Tax Rates, January 2018



Note: (*) Massachusetts has not yet begun recreational sales.

D.C. voters approved legalization and purchase of marijuana in 2014 but federal law prohibits any action to implement it. The New Hampshire Legislature voted this year to legalize the possession and growing of marijuana, but sales are not permitted. Alabama, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Minnesota, Nebraska, Oklahoma, Rhode Island, Tennessee, and Wisconsin impose a controlled substance tax on the purchase of illegal products. Vermont legalized the possession of recreational marijuana legislatively in January 2018, but is not implementing a legal recreational market. Maine legalized recreational marijuana in November 2016 by ballot initiative, but the state has not implemented a legal recreational market. Legislation is pending that would create a taxing structure.

Source: Tax Foundation, "Massachusetts Increases Marijuana Tax Rate" (2017); state statutes; Bloomberg BNA.

Alaska Department of Revenue
Tax Division
Alcoholic Beverage Excise Tax Increase
Effective October 1, 2002

Alcoholic Beverage Type and Amount	Old Tax Rate	New Tax Rate	Tax Inci
Beer manufactured by small breweries¹			
1 gallon	\$0.35	\$0.35	
12 oz. bottle/can (1 drink)	\$0.03	\$0.03	
16 oz. draft	\$0.04	\$0.04	
6-pack (12 oz. bottles/cans)	\$0.20	\$0.20	
case (24 12 oz. bottles/cans)	\$0.79	\$0.79	
Malt Beverages & Beer²			
1 gallon	\$0.35	\$1.07	
12 oz. bottle/can (1 drink)	\$0.03	\$0.10	
16 oz. draft	\$0.04	\$0.13	
6-pack (12 oz. bottles/cans)	\$0.20	\$0.60	
case (24 12 oz. bottles/cans)	\$0.79	\$2.41	
Hard Cider with alcohol content of .5 to 7 percent			
1 gallon	\$0.85	\$1.07	
12 oz. bottle (1 drink)	\$0.08	\$0.10	
6-pack (12 oz. bottles)	\$0.48	\$0.60	
Wine & Other Beverages with 21% or less alcohol by volume			
1 gallon	\$0.85	\$2.50	
5 oz. glass (1 drink)	\$0.03	\$0.10	
750 ml bottle	\$0.17	\$0.50	
1 liter bottle	\$0.22	\$0.66	
Liquor with greater than 21% alcohol by volume			
1 gallon	\$5.60	\$12.80	
1 oz. cocktail (1 drink)	\$0.04	\$0.10	
750 ml bottle	\$1.10	\$2.54	
1 liter bottle	\$1.48	\$3.38	

¹Alaska allows breweries, both in and out of the state, that produce less than 2,000,000 barrels of beer a year to pay the excise tax on the first 60,000 barrels (1,860,000 gallons) sold in the state during a fiscal year.

²Malt beverages includes beer and all other alcoholic beverages, e.g. "wine coolers", "hard lemonade", etc. that

FOR BUSINESSES

TAXES

Retail marijuana is subject to the following taxes:

- 15 percent excise tax on the wholesale sale; paid by the cultivator
- 10 percent excise tax on the retail sale; paid by the retail store
- Retail sales tax at the local rate

The 15 percent excise tax on the wholesale sale is calculated on the [Fair Market Value at Wholesale](#), established by the Department of Taxation.

During the 2017 legislative session, the tax structure for medical marijuana was changed from 2 percent excise tax on each sale to 15 percent excise tax on the wholesale sale, paid by the cultivator. This change means marijuana establishments that hold both medical registration certificates and retail licenses do not have to designate which portion of their inventory is medical and which is retail. Marijuana inventory can be kept as a single stream until the point it is sold to the consumer. If it is sold to a retail customer, the additional 10 percent retail excise tax will be applied. If it is sold to a medical cardholder, the 10 percent will not be applied to the sale. Regular sales tax at the local rate will be charged to both medical and retail customers.

Revenue from the 15 percent wholesale excise tax will go toward Nevada schools (less the amount to cover the costs of the program for the state and local governments).

Revenue from the 10 percent retail excise tax will go the state Rainy Day Fund.

Nevada Tax Structure

Revenue disbursement

State marijuana tax revenues—minus tax program administration costs—will be distributed quarterly as follows:

- 40 percent for education.
- 20 percent for mental health treatment or for alcohol and drug abuse prevention, early intervention, and treatment.*
- 15 percent for state law enforcement.
- 10 percent to cities, based on population and number of licensees.
- 10 percent to counties, based on total available grow canopy size and number of licensees.
- 5 percent for alcohol and drug abuse prevention, early intervention, and treatment services.

Marijuana taxes



www.oregon.gov/dor/news

An overview of Oregon's recreational marijuana taxes

- The state tax rate is 17 percent.
- Municipalities can enact an additional tax of up to 3 percent with the approval of voters.
- Only retailers licensed by the Oregon Liquor Control Commission (OLCC) can sell recreational marijuana.
- Our rules require monthly payments. Payments are due on the last day of each month for retail sales from the previous month. For example, the tax for January's sales would be due by February 28.
- Payments are accepted by check, money order, cashier's check, or cash. Cash payments are by appointment only at the Revenue building in Salem only.
- Taxpayers can keep 2 percent of the state tax to cover their administrative costs.
- Returns are due on the last day of the month following the quarter's end (January 31, April 30, July 31, October 31).
- Returns are only accepted electronically through Revenue Online at www.oregon.gov/dor.

Oregon Tax Structure

Notice of Violation

Email

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 6/26/19

License #/Type: 11611

Standard Cultivation

Designated Licensee: Phillip Izon II

AMCO Case#:

DBA: Kushtopia

Premises Address: 1044 S Old Glenn Hwy, Palmer, AK 99645

Mailing Address: 8010 E 32nd Ave Unit B, Anchorage, AK 99504

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

As of 6/25/2019, Kushtopia, 11611, Standard Cultivation, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation will be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Notice of Violation

Email

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 9/18/19

License #/Type: 11611

Standard Cultivation

Designated Licensee: Phillip Izon II

AMCO Case#:

DBA: Kushtopia

Premises Address: 1044 S Old Glenn Hwy Palmer, AK 99645

Mailing Address: 8010 E 32nd Ave. Unit B Anchorage, AK 99504

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

As of 9/18/2019, Kushtopia, 11611, Standard Cultivation license, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation may be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE: 

SIGNATURE:

Delivered VIA: Email

Date:

Notice of Violation

Email

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 10/17/19

License #/Type: 11611

Standard Cultivation

Designated Licensee: Jennifer Huffman

AMCO Case#:

DBA: Kushtopia

Premises Address: 1044 S Old Glenn Hwy Palmer, AK 99645

Mailing Address: 8010 E 32nd Ave. Unit B Anchorage, AK 99504

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

As of 10/17/2019, Kushtopia, 11611, Standard Cultivation, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation may be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Alcohol & Marijuana Control Office

Initiating License Application

6/30/2019 7:36:43 PM

License Number: 11611**License Status:** Active-Operating**License Type:** Standard Marijuana Cultivation Facility**Doing Business As:** KUSHTOPIA**Business License Number:** 1033019**Designated Licensee:** Phillip Izon II**Email Address:** akushtopia@gmail.com**Local Government:** Matanuska-Susitna Borough**Community Council:** Butte**Latitude, Longitude:** 61.572758, -149.047532**Physical Address:** 1044 s old Glenn hwy
Palmer, AK 99645
UNITED STATES**Licensee #1****Type:** Entity**Alaska Entity Number:** 10036223**Alaska Entity Name:** Prestige Worldwide Management, LLC**Phone Number:** 907-521-4823**Email Address:** phil@kushtopia.co**Mailing Address:** 8010 E 32nd Ave. Unit B
Anchorage, AK 99504
UNITED STATES**Entity Official #1****Type:** Individual**Name:** Phillip Izon II**SSN:** [REDACTED]**Date of Birth:** [REDACTED]**Phone Number:** 907-521-4823**Email Address:** phil@kushtopia.co**Mailing Address:** 8010 E 32nd Ave
B
Anchorage, AK 99504
UNITED STATES**Entity Official #2****Type:** Individual**Name:** Kenneth Izon**SSN:** [REDACTED]**Date of Birth:** [REDACTED]**Phone Number:** 907-227-0292**Email Address:** akushtopia@gmail.com**Mailing Address:** 8010 E 32nd Ave
B
Anchorage, AK 99504
UNITED STATES***Note:** No affiliates entered for this license.*



Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	Prestige Worldwide Management, LLC.	License Number:	11611		
License Type:	Standard Cultivation				
Doing Business As:	KushTopia				
Premises Address:	1044 S. Old Glenn Hwy				
City:	Palmer	State:	AK	ZIP:	99645

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Phillip A. Izon II
Title:	Member

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

I certify that a notice of violation has **not** been issued for this license.

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

**Form MJ-20: Renewal Application Certifications****Section 4 – Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.



I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.



I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.



I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.



I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.



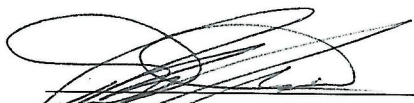
I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.



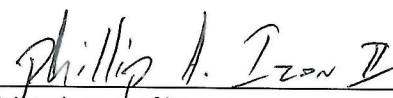
I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.



As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.


Signature of licensee


Notary Public in and for the State of Alaska


Printed name of licensee

My commission expires: 10-13-2020

Subscribed and sworn to before me this 21 day of August, 2019.





Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	Prestige Worldwide Management, LLC.	License Number:	11611		
License Type:	Cultivation				
Doing Business As:	KushTopia				
Premises Address:	1044 OLD GLENN HWY				
City:	Palmer	State:	AK	ZIP:	99645

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Kenneth Izon
Title:	Member

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

K.I

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

K.I

I certify that a notice of violation has **not** been issued for this license.

--

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

K.I

**Form MJ-20: Renewal Application Certifications****Section 4 – Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.

K.I.

I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.

K.I.

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

K.I.

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.

K.I.

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

K.I.

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

K.I.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.

K.I.

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Kenny Izon
Signature of licensee

Stephanie Renteria-Lopez
Notary Public in and for the State of Alaska

Kenny Izon
Printed name of licensee

My commission expires: 12-01-21

Subscribed and sworn to before me this 20 day of August, 2019.

AMCO

Prestige World Wide LLC
License Number 11611
Cultivation
KushTopia

We received a notice of violation issued for failure to pay tax.

We are working with the State of Alaska and are now set up with a payment plan.

AMCO

AUG 21 2019

Amerd 1.1