

Other California Jurisdictions' Actions Taken Regarding Cannabis Taxes

Agency/Jurisdiction	Action Date(s)	Description of Action
Governor	1/13/2022	<p>“Administration supports cannabis tax reform and plans to work with the Legislature to make modifications to California’s cannabis tax policy to help stabilize the market; better support California’s small licensed operators; and strengthen compliance with state law.” (See pages 222-223)</p> <p>https://www.ebudget.ca.gov/2022-23/pdf/BudgetSummary/FullBudgetSummary.pdf</p>
SB 1074 (McGuire). Cannabis: excise tax: cultivation tax.	2/15/2022	<p>This bill would discontinue, beginning on July 1, 2022, the imposition of the cultivation tax. The bill would increase, from July 1, 2025, until July 1, 2026, the excise tax by an additional percentage that the Department of Finance estimates will generate half the amount of revenue that would have been collected pursuant to the cultivation tax, and would, beginning July 1, 2026, instead increase the excise tax by an additional percentage estimated by the department to generate the full amount of revenue that would have been collected pursuant to the cultivation tax.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1074</p>
Mendocino	12/7/2021 and 1/4/2022	<p>Resolution in December 2021 requesting that the state eliminate the cultivation tax.</p> <p>Adopted Legislative Platform in January 2022 advocating for the elimination of the State cultivation tax; the reduction in the State excise tax; and the restructuring of the State excise tax to be assessed at the retail level.</p> <p>December 2021 Item Materials: https://mendocino.legistar.com/LegislationDetail.aspx?ID=5348660&GUID=4C509EA6-4A40-4876-9419-8D9795F17A3C&Options=&Search=</p> <p>January 2022 Item Materials: https://mendocino.legistar.com/LegislationDetail.aspx?ID=5370076&GUID=8D681379-39DD-4A9C-8958-D71FFD3FDD9E&Options=&Search=</p>

Agency/Jurisdiction	Action Date(s)	Description of Action
Lake	1/25/2022 & 2/1/2022	Resolution postponing the cannabis tax payment due date to May 15, 2022; suspending late payment penalty during the period of postponement; and suspending tax rate increases pursuant to the Consumer Price Index (CPI) until January 1, 2024. https://countyoflake.legistar.com/LegislationDetail.aspx?ID=5397541&GUID=F933F2C4-872A-4155-A096-75F3CCE4DB39
Humboldt	2/7/2022 (final action pending)	Extend due date for March 2021 tax payment until 9/15/2022 (penalties will accrue until paid); defer October 2021 tax payment to 9/15/2022 (waiving the penalties); and reduce the 2022 tax rate by 85%. 2023 taxes will be re-evaluated in 10/2022. https://humboldt.legistar.com/MeetingDetail.aspx?ID=929614&GUID=0F251466-E6CA-4F89-B051-53E72FB99CBD&Options=info &Search=
Yolo	N/A	No action at this time.
San Francisco	12/7/2021	Ordinance to delay the imposition of cannabis business tax through December 31, 2022. Since November 2020, the City and County have delayed the imposition of the tax and have subsequently not yet collected any cannabis business tax. https://sfgov.legistar.com/LegislationDetail.aspx?ID=5205755&GUID=7CB28102-7A1A-4CA1-BF9D-CA4F91FEB924
Nevada	N/A	No action at this time. Will be converting from the gross receipts to the square footage methodology of taxation during current fiscal year.

Agency/Jurisdiction	Action Date(s)	Description of Action
Monterey	2/1/2022 and 2/11/2022 (final action taken 3/1/2022)	<p>Introduced ordinance reducing cannabis cultivation and distribution tax rates, removing automatic increases, and removing delinquent penalties and fines on unpaid 3rd quarter FY 21-22 installments, as long as all payments are made by July 31, 2022.</p> <p>Rates of reduction:</p> <ul style="list-style-type: none"> • Mixed Light – 40% (\$5 to \$3) • Indoor – 12.5% (\$8 to \$7) • Outdoor – 60% (\$2.50 to \$1) • Distribution – reduced to 0% of gross receipts <p>Adopted Legislative Platform in February 2022 supporting legislative action for state tax reform to provide relief.</p> <p>Tax Item Materials: https://monterey.legistar.com/LegislationDetail.aspx?ID=5391898&GUID=DFD131C4-E5B9-427A-8CFF-1481029A4A4D&Options=&Search=</p> <p>Legislative Workshop Item Materials: https://monterey.legistar.com/LegislationDetail.aspx?ID=5449534&GUID=4028BD51-0CE9-4B16-8C6B-25314992A7A4</p>
Calaveras	2/15/2022	<p>Reduced the gross receipts tax from 5% to 2% for cannabis operations other than cultivation effective 1/1/2022 through 9/30/2022. Reduced the square footage canopy tax rate for cultivation by 50% effective 1/1/2022 through 9/30/2022:</p> <ul style="list-style-type: none"> • Outdoor – \$2 to \$1 • Mixed Light - \$3 to \$1.50 • Indoor - \$4 to \$2 <p>http://calaverascountyca.iqm2.com/Citizens/Detail_LegiFile.aspx?Frame=&MeetingID=2416&MediaPosition=4390.832&ID=6499&CssClass=</p> <p>http://calaverascountyca.iqm2.com/Citizens/Detail_LegiFile.aspx?Frame=&MeetingID=2416&MediaPosition=4512.020&ID=6561&CssClass=</p>

Agency/Jurisdiction	Action Date(s)	Description of Action
Santa Cruz	1/25/2022	Resolution requesting the Governor work with the State Legislature to reform the tax structure including the immediate suspension of the State cultivation tax. <a data-bbox="688 315 1665 380" href="http://santacruzcountyca.iqm2.com/Citizens/Detail_LegiFile.aspx?Frame=&MeetingID=1917&MediaPosition=2601.113&ID=12112&CssClass=">http://santacruzcountyca.iqm2.com/Citizens/Detail_LegiFile.aspx?Frame=&MeetingID=1917&MediaPosition=2601.113&ID=12112&CssClass=
San Luis Obispo	6/25/2021	Held tax rate at 6% rather than letting it automatically increase to 8%. This will be discussed again closer to the July 1 date. <a data-bbox="688 493 1562 526" href="https://agenda.slocounty.ca.gov/iip/sanluisobispo/meeting/Details/1410">https://agenda.slocounty.ca.gov/iip/sanluisobispo/meeting/Details/1410
Santa Barbara	12/7/2021	Adopted Legislative Platform in December 2021 supporting actions to review of state cannabis tax rates. <a data-bbox="688 639 1665 704" href="https://santabarbara.legistar.com/LegislationDetail.aspx?ID=5345778&GUID=A059CC01-9483-445D-82D0-DF62DCC678C0">https://santabarbara.legistar.com/LegislationDetail.aspx?ID=5345778&GUID=A059CC01-9483-445D-82D0-DF62DCC678C0
City of Santa Rosa	N/A	No action at this time.
City of Cloverdale	N/A	Will be discussing at March 9, 2022 City Council Meeting.
City of Cotati	N/A	No action at this time.