

Tax Rates for Cannabis in California Cities and Counties

California Counties

Calaveras County	1) For Outdoor and Mixed Light Licensees or Registrants: \$2.00 per square foot of registered or permitted canopy area commencing upon adoption of the voters until the Department of Food and Agriculture has established and implemented a track and trace program under Business and Professions Code 19335 et seq. And thereafter \$45.00 per pound of dry weight flower and bud and \$10.00 per pound of dry weight trim; 2) For Indoor Licensees or Registrants: \$5.00 per square foot of registered or permitted canopy area commencing upon adoption of the voters until the Department of Food and Agriculture has established and implemented a track and trace program under Business and Professions Code 19335 et seq; and thereafter \$70.00 per pound of dryweight flower and bud and \$15.00 per pound of dry weight trim; 3) A gross proceeds tax of seven percent (7%) on the manufacturing of cultivated cannabis; and a gross proceeds tax of seven percent (7%) on retail medicinal or legal cannabis storefronts, collectives, and dispensaries for general governmental purposes upon approval of the voters.
Humboldt County	There is a \$1 - \$3 per square foot, based upon type of grow, annual commercial marijuana cultivation tax. [Measure S.]
Inyo County	There is a 5% gross receipts tax on commercial marijuana businesses (but no less than \$1,250 per growing cycle for cultivation businesses) in the unincorporated area of Inyo County, with an increase to a maximum of 12.5% over time. (Measure I (November 2016).)
Lake County	There is a of \$1.00 per square foot of an outdoor cultivation site, \$2.00 per square foot of a mixed-light cultivation site, and \$3.00 per square foot of an indoor cultivation site, subject to annual CPI (Measure C (November 2016).)
Mendocino County	There is a 2.5 percent to 10 percent tax on growers and flat \$2,500 rate a year on other operators. (Measure AI and Measure AJ (2016).)
Monterey County	There is a tax on commercial marijuana businesses in the unincorporated area of Monterey County only (not cities) up to a maximum of: \$25 per square foot on cultivation with an annual adjustment by Consumer Price Index (CPI) thereafter; \$5 per square foot on nurseries with annual CPI adjustment thereafter; and 10% of gross receipts on other marijuana business activities with no CPI. (Commercial Cannabis Activity Tax Ballot Measure (Nov. 2016).)
Santa Cruz County	There is a tax with a maximum tax rate of 10% of gross receipts but sets the initial tax rate at 7%. The ordinance broadly defines "cannabis business" to include any for-profit or non-profit business that distributes, delivers, dispenses, exchanges, barter or sells either medical or non-medical cannabis and includes, but is not limited to, medical marijuana cooperatives and businesses, and any other business which transports, manufactures, compounds, converts, processes, prepares, stores, packages, sells at wholesale, or sells at retail, cannabis or products made of cannabis. (Tit. 4, Ch. 4.06 - Cannabis Business Tax.)
Solano County	There is a general business license tax on marijuana businesses within the County of up to 15% of annual gross receipts. (Measure C (2016).)
Sonoma County	A cannabis tax measure on the March 7, 2017, ballot passed. It imposes a maximum 10% tax on cannabis businesses.

California Cities

Adelanto	Voters approved an excise tax on each commercial marijuana activity business of not more than five percent of the gross revenue. (Measure R (2016).)
Albany	There is a tax on for-profit marijuana dispensaries at \$25 per \$1,000 of gross receipts. Non-profit marijuana dispensaries were to be taxed at the rate of \$25 per square foot. (Measure Q (2010).)
Alturas	There is a cannabis tax of 10% of gross receipts. (Ord. 506)
Bakersfield	[The next election will have the "Medical Cannabis Initiative" on it, which includes a proposed 7.5 percent of all cannabis business gross income.
Bellflower	<p>Measure B - Cannabis Tax passed on the March 7, 2017. It has tiered tax rates for all cannabis license types</p> <ul style="list-style-type: none"> • For commercial cannabis cultivation (except for nurseries) the tax would be \$15.00 per fiscal year, per square foot of authorized space. Commencing July 1, 2020, this tax will increase each fiscal year by \$2.50 per square foot until it reaches a maximum annual tax rate of \$25.00 per square foot. For nurseries, the tax would be \$2.00 per square foot of authorized space. Beginning July 1, 2020, this tax will increase each fiscal year by \$1.50 per square foot until it reaches a maximum annual tax rate of \$5.00 per square foot. • Every person transporting cannabis or cannabis products from one permitted business location of one permittee to another must pay an annual tax of \$1,500.00 per year. • Every person who operates a dispensary, manufacturing facility, testing laboratory, or distribution facility, or engages in delivery of cannabis in the City must pay an initial annual tax of 5% of the gross receipts per fiscal year. That rate would increase on July 1, 2020 (and for each fiscal year thereafter) by 2.5% until it reaches an annual maximum tax rate of 10%. <p>Note: Beginning July 1, 2024, and continuing each July 1st thereafter, non-gross receipt based cannabis taxes (cultivation, nurseries, and transportation) would increase based upon the consumer price index</p>
Berkeley	In Berkeley, voters approved Measure S, which enacts a 2.5 percent business license tax on medical marijuana operators. The new fee will be imposed in addition to the Berkeley's existing business tax, which applies to all businesses that operate within the municipal limits.

California City	<p>Tax Rates enacted by Measure A (approved 6/6/17):</p> <p>For cultivation:</p> <ol style="list-style-type: none"> Seven dollars (\$7.00) annually per square foot of canopy space in a facility that uses exclusively artificial lighting. Five dollars (\$5.00) annually per square foot of canopy space in a facility that uses a combination of natural and supplemental artificial lighting. One dollar (\$1.00) annually per square foot of canopy space in a facility that uses no artificial lighting. Fifty cents (\$0.50) annually per square foot of canopy space for any nursery. <p>For testing laboratories: two percent (2%) of gross receipts.</p> <p>For all other cannabis businesses: six percent (6%) of gross receipts.</p>
Campbell	Gross receipts tax at the initial rate of 7% and a maximum rate of 15% (Measure A, 4-25-2017)
Carson City	There is a tax of \$25 per square foot of space utilized for cultivation and 18% of gross proceeds (adjusted annually on July 1 based on CPI) apply on all cannabis related business activities in Carson with annual revenues ranging from \$500,000 to \$3.5 million. (Measure KK (November 2016).)
Cathedral City	Retail sales - maximum rate of \$.15 on each \$1.00 in sales; cultivation — use tax of a maximum of \$25 per gross square foot of building space; manufactured products — use tax at a maximum of \$1.00 per gram or ounce of manufactured product. (Measure P (2016))
Cloverdale	There is a business tax at a rate of up to ten percent of gross receipts.
Coachella	<ol style="list-style-type: none"> Up to a maximum of six (6) cents for each \$1.00 of gross receipts or fractional part thereof, whether at wholesale or retail, subject to adjustment by the City Council pursuant to Section 4.31.050; and Up to a maximum of fifteen dollars (\$15.00) per square foot of space utilized in connection with the cultivation/manufacturing of cannabis or cannabis-infused products, subject to adjustment by the City Council pursuant to Section 4.31.050.
Coalinga	There are two taxes. The first is a tax on all cannabis businesses of \$25.00 per square foot used in connection with each commercial marijuana operation for the first 3,000 square feet, and \$10.00 per square foot for each additional square foot thereafter. The second is a 10 percent of the gross receipts on dispensaries. (Measure G and Measure E (November 2016) .)
Costa Mesa	There is a cannabis business tax of six percent based on the gross receipts of the business. (\$9-29.5.)
Davis	<p>There is a tax on sellers of recreational marijuana of up to 10 percent of the annual gross receipts. (Measure C (June 2016).)</p> <p>Cannabis manufacturing, cannabis research and development, and cannabis testing: 5% for receipts from \$0-\$50,000/month; 4% for receipts from \$50,001 to \$100,000/month; 3% for receipts over \$100,001/month.</p>
Desert Hot Springs	There are two cannabis taxes. The first is a tax of \$25 per square foot for the first 3,000 square feet, and then \$10 per square foot for the remaining space utilized in connection with the cultivation of marijuana for medical or recreational use. The second is a ten percent tax on the proceeds from the sale of marijuana for medical or casual/recreational use (Measures HH and II (November 2014).)
Dixon	The city imposes a 15% tax on the gross receipts of cannabis businesses and dispensaries if such businesses or dispensaries are approved to operate in the City of Dixon. Dixon passed an ordinance prohibiting cultivation and distribution of medical marijuana in January 2016.
Fillmore	There are two taxes. The first is a \$30 per square foot for the first 3,000 square feet of space, and not to exceed \$15.00 per square foot for the remaining space, tax on space used for the cultivation of marijuana with annual CPI increases. The second is a tax not to exceed 15% of all proceeds of marijuana sales
Gonzales	There is a tax of \$15 (may go to \$25) per square foot on marijuana cultivators and 5% (may go to 15%) on the annual gross receipts of marijuana manufacturers. (Measure W (November 2016).)
Greenfield	There are two taxes. The cultivation tax shall not exceed \$25.00 per square foot; a CPI may be adjusted annually; all other cannabis activities shall be taxed at a rate not to exceed 10%. (Measure O (November 2016).)
Grover Beach	There are three taxes. 1. Commercial Medical Marijuana Activates: 5% tax on gross receipts. 2. Non-medical Commercial Medical Marijuana Activities: 10% tax on gross receipt. 3. Cultivation and Nurseries: \$25 per sq ft on the first 5,000 sq ft and \$10 per sq ft on the remainder. (Measure L-16 (2016).)
Hayward	There is a tax of up to 15% of gross sales for all products associated with medical or adult use of cannabis, from cultivation, distribution, manufacturing, and retailing of cannabis or products derived therefrom, if the City of Hayward permits cannabis business activities. (Measure EE (November 2016).)
King City	There is a tax on lawful medical and nonmedical marijuana businesses at \$25.00 per square foot for the first 5,000 square feet and \$10.00 per square foot thereafter for cultivation; not to exceed \$5.00 per square foot for nurseries; \$30,000.00 each for manufacturing and testing facilities; and it may be adjusted annually by CPI. (Measure J (November 2016).)
La Puente	There is an annual business license tax of 10% per \$1,000 of gross receipts on marijuana products.
Lemon Grove	A Business permit tax is set at fifteen dollars plus two dollars a person up to fifty employees. Mobile dispensaries, with no fixed business location in Lemon Grove, shall pay fifteen dollars plus two dollars per employee, maximum of fifty. A per Dispensary member charge of fifteen dollars is also required.

Long Beach	Medical Marijuana Retail Sales or Delivery: 6% of gross receipts (Council can increase to 8%) Recreational Marijuana Retail Sales or Delivery: 8% of gross receipts (Council can increase to 12%) See 3.80.261(C)(3) for businesses engaged in both medical and recreational retail sales or delivery. Medical/Recreational distribution, transport, processing, or testing: 6% of gross receipts (Council can increase to 8%) See 3.80.261(C)(4) for businesses engaged in retail sales or delivery as well as distribution, transport, processing, or testing. Medical/Recreational cultivation: \$12 per sq foot (Council can increase to \$15)
Los Angeles	Los Angeles has two: 1) Medical Cannabis Business Tax of 6% of gross receipts. (LA Muni. Code Art. 1, Ch. II §21.50.) 2) On the March 2017 ballot, voters added a tax of 8% of gross receipts from adult use marijuana sales.
Marysville	There are two cannabis taxes for both medical and recreational: 1) up to 15% gross receipts; and 2) up to \$25 per square foot on cultivation. (Measure F (November 2016).)
Oakland	Oakland also has a Medical Cannabis Business Tax of 5% of gross receipts. (§5.04.480.)
Palm Springs	There is a tax at a rate of 15 cents per \$1.00 of proceeds on cannabis or marijuana collectives operating in the City. (§ 3.35.010.)
Perris	There is a maximum tax rate of ten cents for each \$1 of dispensary proceeds, and if cultivation is allowed, an annual maximum tax rate of \$25 per square foot of cultivation area, subject to CPI adjustments. (Measure J (November 2016).)
Pittsburg	The city imposes a tax on all for-profit and nonprofit medical and recreational marijuana businesses within the city of no more than 10% of gross receipts. Personal cultivation of marijuana that is not sold, bartered or exchanged is excluded from this tax.
Point Arena	There is a tax of up to 7 cents per each \$1.00 of proceeds or fractional part thereof on non-medical cannabis or marijuana businesses, and a tax of up to 3 cents per each \$1.00 of proceeds or fractional part thereof on medical cannabis or marijuana businesses. (Measure AE (November 2016).)
Rancho Cordova	There are two types of cannabis taxes: I. Businesses: A. Every for-profit cannabis business with annual gross receipts of \$1,000,000 or less shall pay an annual tax of \$120.00 for each \$1,000 of gross receipts. B. Every for-profit cannabis business with annual gross receipts of over \$1,000,000 shall pay an annual tax of \$120.00 for each \$1,000 of gross receipts for the first \$1,000,000, and then \$150.00 for each \$1,000 of gross receipts over \$1,000,000. C. Every nonprofit organization cannabis business, including all of its ancillary locations regardless of the number of square feet it occupies, shall pay an annual tax of \$100.00 per square foot on all business improvements occupied by the cannabis business. II. Personal Cultivation: 1. For indoor cultivation: a. If the cultivated area is equal to or less than 25 square feet, \$600.00 per year for each square foot of cultivated area; or b. If the cultivated area is over 25 square feet, \$900.00 per year for each square foot of cultivated area. 2. For outdoor cultivation: a. If the cultivated area is equal to or less than 25 square feet, \$600.00 per year for each 12.5 square feet of cultivated area; or b. If the cultivated area is over 25 square feet, \$900.00 per year for each 12.5 square feet of cultivated area.
Richmond	There is a 5% tax on gross sales receipts of marijuana. (§7.04.139.)
Sacramento	There is a 4% tax on gross receipts. (§ 3.08.205.)
Salinas	There is a tax of \$15 per square foot for the first three years, with a ceiling of \$25 per square foot proposed for cultivation. The other three business types are taxed 5% of gross revenues for the first three years, with a max of 10% of gross revenues. (Measure L (2016).)
San Diego	Every Operator engaged in Cannabis Business in the City shall pay a Cannabis Business Tax at a rate of up to 15 percent of Gross Receipts. Commencing on December 12, 2016, the Cannabis Business Tax rate shall be five percent of Gross Receipts. Commencing on July 1, 2019, the Cannabis Business Tax rate shall be set at eight percent of Gross Receipts unless the City Council, by ordinance, takes action to set a different tax rate. (Ch. 3, Art. 4, Div. 1.)
San Leandro	There is a cannabis business tax set at 6% of gross receipts until June 30, 2019 and increasing to 7% on July 1, 2019 and 8% on July 1, 2021 (§2--21--400 & Reso. 2017-044.)
San Jacinto	There are the following tax rates: <ul style="list-style-type: none"> • \$15 for each \$1.00 of gross receipts for retail sales. • \$10 per square foot for distribution, transport, and other commercial activity. • \$15 per square foot for outdoor cultivation of cannabis. • \$15 per square foot for testing of any type of marijuana. • \$25 per square foot for indoor cultivation of cannabis. • \$25 per square foot for manufacturing of marijuana of any type.
San Jose	San Jose has a Medical Cannabis Business Tax of 10% of gross receipts. (San Jose Muni. Code §4.66.250(D).)
Santa Ana	Santa Ana has a Medical Cannabis Business Tax of 10% of gross receipts. (Santa Ana Muni. Code §21-127(b)(1).)
Santa Barbara	There is a tax of 20% of gross receipts for medical marijuana and non- medical marijuana. (Measure D2016 (November 2016).)
Santa Cruz	There is a 7 percent tax on all gross receipts of marijuana businesses in the city. The city is authorized to increase this tax to up to 10 percent. (§5.07.070.)
Santa Rosa	Tax Rates enacted by Measure D (approved 6/6/17): Initial cannabis business tax rates, shall be set as follows for a term of 2 years beginning the day the Ordinance goes into effect: <ul style="list-style-type: none"> a. Cultivation Initial Rate: 2% of gross receipts or \$5.00 per square foot of cannabis cultivation area, at the taxpayer's election b. Manufacturing Initial Rate: 1% of gross receipts c. Distribution Initial Rate: 0% (instead subject to standard city business tax under Santa Rosa City Code Chapter 6-04) d. Dispensaries: 3% of gross receipts (recreational only and only after state and local regulations are in place)

Seaside	Up to 10% of gross receipts of a marijuana business. (Measure G, June 2017)
Shasta Lake	There is a 6 percent tax on the retail sale of medical marijuana. The city is authorized to increase this tax to up to 10 percent. (§3.17.010.)
Stockton	Stockton has two Medical Cannabis Business Taxes for an annual combined 15% gross receipts tax (5% of gross receipts (Measure Q (2016)) + 10% of gross receipts from Stockton Muni. Code §5.99.030(A)).
Vallejo	There is a tax on marijuana businesses in the city at the rate of 10% of gross receipts.,with a minimum base tax of \$500. (Measure C (November 2011).)
Watsonville	There is a tax of not more than \$20 per square foot per year of canopy area, not more than 2.5% on gross receipts from manufactured cannabis product, and not more than 10% on gross receipts from the retail sale of cannabis. (Measure L (2016).)