

Attachment D

This page intentionally left blank.

EXHIBIT D

Example of County Cannabis Business Tax Implementation – Year by Year			
	Cultivation	Nurseries	All Other Cannabis Business
Year 1 (1/1/2017)	\$15/sq. ft.	\$2/sq. ft.	5% Gross Receipts
Year 2 (7/1/2018)	\$15/sq. ft.	\$2/sq. ft.	5% Gross Receipts
Year 3 (7/1/2019)	\$15/sq. ft.	\$2/sq. ft.	5% Gross Receipts
Year 4 (7/1/2020)	\$20/sq. ft.	\$3.50/sq. ft.	7.5% Gross Receipts
Year 5 (7/1/2021)	\$25/sq. ft.	\$5/sq. ft.	10% Gross Receipts
Year 6 (7/1/2022)	\$25/sq. ft. + CPI	\$5/sq. ft. + CPI	10% Gross Receipts (No CPI)
Year 7 Onward	Prior Year + CPI	Prior Year + CPI	10% Gross Receipts (No CPI)

Other Jurisdictions – Draft Tax Rates as of 6-30-16

	Monterey County	Salinas	Gonzales	Greenfield	King City*
Starting/Minimum	\$15	\$15	\$15	\$15	11.47*
Maximum (NTE)	\$25	\$25	\$25	\$25	11.47*
Guaranteed Base Period	3 Years	3 Years	3 Years	None	None
Rate Increase Method	Automatic	City Council	City Council	City Council	City Council
CPI	Yes	Yes	Yes	No	No
Expected # of Permits	150-300	3	3	12 to 15	6 to 12

*King City proposing weighted tax: 5,000 sq. ft. or less = \$25/s.f.; 5,001sq. ft. or more = \$7.50/s.f. (Blended avg. of \$11.47/s.f.)