

Cannabis Industry Economic & Policy Update

NEVADA CANNABIS ASSOCIATION | JULY 2024

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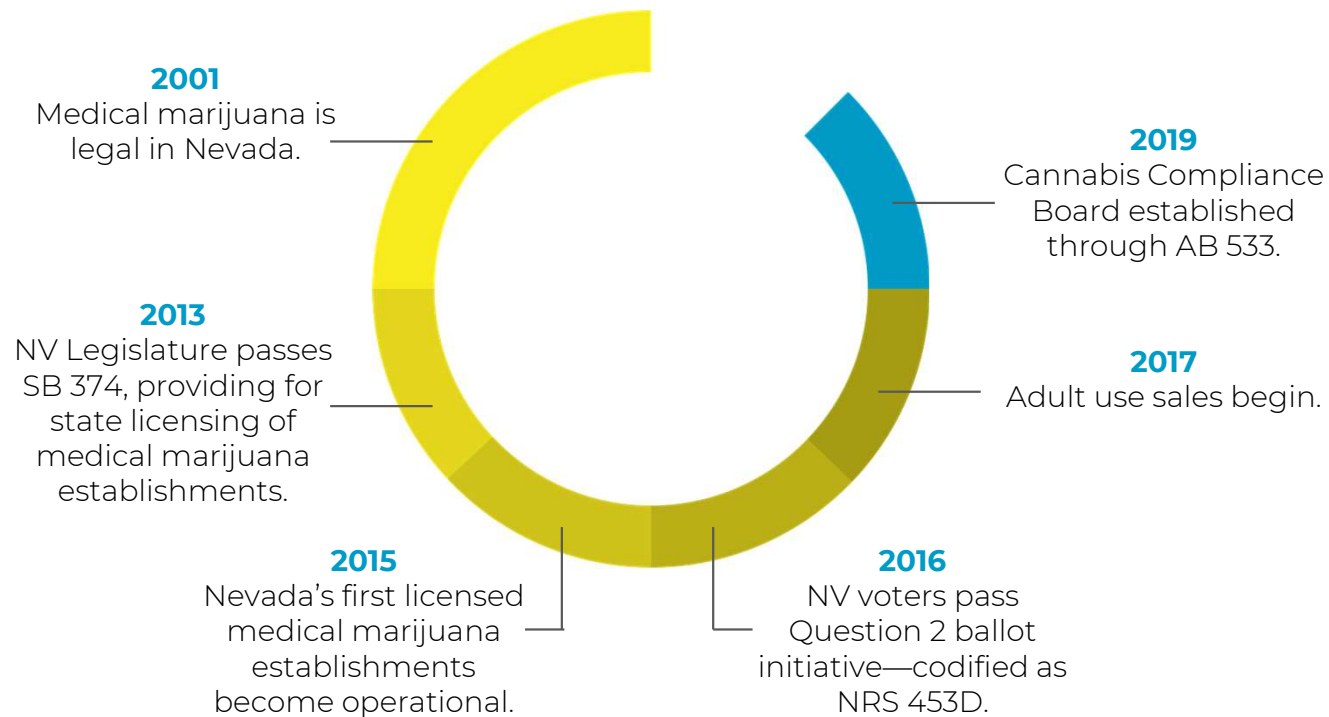
NCA MEMBERS

Acres Cannabis, Aether Gardens, Cannavative, Cultivate, Curaleaf, Deep Roots Harvest, Desert Evolution, Essence, First Foundation Bank, Fleur/Evergreen Organix, Flora Vega, GB Sciences, Green Cannabis Co., Greenleaf Wellness, Green Life Productions, Green Thumb Industries, Greenscape Productions LLC, Greenway Medical, Howard & Howard Attorneys, Jade, Jardín Premium Cannabis Dispensary, Kaempfer Crowell, Las Vegas Cannabis, Las Vegas Releaf, Metrc, Mynt Cannabis/Ayr, Nabis, Nevada Made Marijuana, NuWu Cannabis Marketplace, Oasis Cannabis, Pisos, Pure Tonic Concentrates, Redwood, Curaleaf, Reset, Rise, Shango, ShowGrow, Silver Sage Wellness, Silver State Relief, Tetra Gardens, The Dispensary, TapRoot, Veracious Compliance Consulting, Wallflower, ZenLeaf, Zenway Corporation

The Nevada Cannabis Association is the oldest and largest trade association for Nevada's cannabis licensees.



THE HISTORY OF CANNABIS IN NEVADA



CANNABIS TAX REVENUE

WHOLESALE

15%

OF FAIR MARKET
VALUE OR ACTUAL
SALES PRICE
MEDICAL & ADULT-USE

\$53 MILLION

IN FY 2023

RETAIL

10%

OF SALES PRICE
FOR ADULT-USE

\$80 MILLION

IN FY 2023

SALES TAX

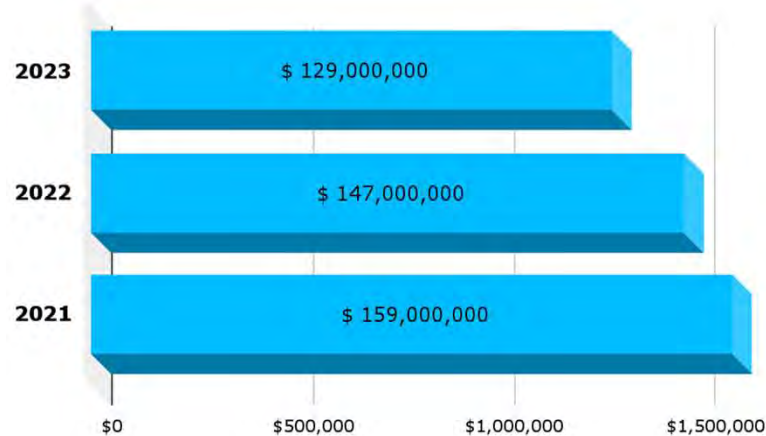
~8%

MEDICAL & ADULT-USE

\$68 MILLION

ESTIMATED FY 2023

CANNABIS TAXES SENT TO STATE EDUCATION FUND (K-12)



\$606 MILLION

*FY 2018-2023
ESTIMATED

NRS 372A.290

All retail excise tax goes to State Education Fund.

NRS 372A.290

Wholesale excise tax pays for CCB budget, \$5 million to counties, and remainder to State Education Fund.

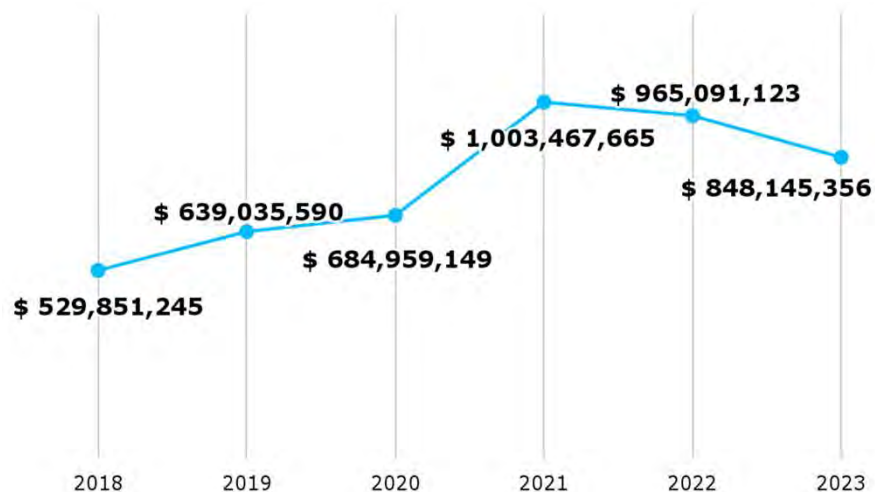
CANNABIS TAXES BY JURISDICTION

FEDERAL	No deduction or credit shall be allowed for any amount paid or incurred during the taxable year. 26 U.S. Code Sec. 280E		
STATE	WHOLESALE EXCISE 15%	RETAIL EXCISE 10%	SALES TAX ~8%
LOCAL	Up to 3% of gross revenue on each establishment.		

INDUSTRY SNAPSHOT

TAXABLE SALES
\$848,145,356
IN FY 2023
\$965,091,123
IN FY 2022

↓ **\$113 MILLION**
↓ **12%** YEAR OVER YEAR

TOTAL TAXABLE
SALES

EMPLOYMENT & ECONOMIC IMPACT

TOTAL # OF LICENSES

462

\$2 BILLION

STATEWIDE ECONOMIC IMPACT

TOTAL # OF DISPENSARIES

101

14,961

ACTIVE AGENT CARDS

2023 LEGISLATIVE SESSION

SB 195

Ended time and effort billing
Ended stacking of charges in disciplinary violations
Self-reporting of violations to be considered a mitigating factor
Reduced maximum fines

SB 328

Administrative Procedure Act
Board governance
Unlicensed cannabis activity

SB 277

Increase daily purchase limit
Merge medical and rec licenses
Allow previously excluded individuals to petition for an agent card
Advisory Commission to study impact of descheduling or rescheduling

AB 430

Wholesale excise tax
Fair Market Value calculation

SHIFTS IN FEDERAL CANNABIS POLICY

Rescheduling

SAFE Banking

Farm Bill

THE INTOXICATING HEMP PROBLEM

Las Vegas Sun

April 21, 2024

Concerns arise over illegal statewide sales of synthetic hemp products

MJBiz Daily

June 11, 2024

California hemp bill could bring 'clarity,' squash intoxicating derivatives

MJBiz Daily

July 17, 2024

Feds warn 6 more companies to stop selling delta-8 THC in 'copycat' labels

"Federal authorities have warned six companies selling products containing intoxicating hemp-derived delta-8 THC in packaging that mimics popular snack-food brands to stop or face consequences."

MARIJUANA MOMENT

May 19, 2024

New Jersey Senators Approve Bill Directing Marijuana Regulators to Oversee Intoxicating Hemp Products

2025 LEGISLATIVE OUTLOOK

Streamlining Operations

Unlicensed Sales and Intoxicating Hemp

Growth and Sustainability