

Marijuana Price / Tax Tables

Oakland, California

60% Markup

The Oakland Business Tax Revenue Division gives figures of \$291 per ounce retail and \$28 million in revenue on 6,000 pounds of medical marijuana at \$3,000 per pound wholesale. This works out to a 64% markup. The Rand Study's retail price floor of \$38 per ounce (before taxes) comes in at a wholesale price of \$375 per pound using this 64% markup.

A 60% markup was used for these tables because it gives round numbers per ounce while conforming to the data points noted above, except the wholesale price for a \$38 ounce becomes \$380 rather than \$375.

At 100% markup the Rand Study's price floor floor of \$38/ounce works out to \$300/pound wholesale, and \$300/ounce retail works out to \$2,500/pound wholesale, which some believe are more realistic figures. A separate set of tables using 100% markup can be found at http://www.palmspringsbum.org/examiner/marijuana-tax_oakland-markup-100.pdf

Table 1 Before marijuana tax of 1.8%

Production of 4,285 pounds is based on Oakland's statement that production increased 40% in 2009 to 6,000 pounds

Table 2 Current year with 1.8% medical marijuana tax

Marijuana tax of 1.8% was passed 1 year ago, in July of 2009.

Table 3 Impact of increased licensing

Oakland passed an ordinance which authorized 4 industrial cultivation permits at \$211,000 each with an application fee of \$5,000. This ordinance also increased the number of permitted dispensaries from 4 to 6, and the license fee per dispensary from \$30,000 to \$60,000.

Table 4 Impact of medical marijuana tax increase

The local tax ordinance on the ballot in Oakland will add a production tax of up to 5% and increase the tax limit on medical sales from 1.8% to 5%.

Table 5 Impact of recreational marijuana tax

If both the local tax and Prop. 19 pass in November, non-medical marijuana retail purchases in Oakland will be taxed up to 10% tax, in addition to a 5% wholesale/cultivation tax, in addition to 9.75% sales tax.

Table 6 Impact of increased production with no new tax

Jeff Wilcox told *The San Jose Mercury News* on August 1st 2010 that his facility alone could produce 21,000 pounds which will sell for \$60 million. That works out to over \$2,800 per pound, so it appears he isn't anticipating any decline in price.

Table 7 Impact of increased production and medical tax

Production of 21,000 pounds with 5% tax on medical retail and wholesale.

Table 8 Impact of production increase and recreational tax

Production of 21,000 pounds with up to 10% tax on non-medical retail and up to 5% tax on wholesale. Estimates are that there are probably 6 times as many recreational marijuana smokers in California as medical patients.

	license	total
applications		
cultivators		
dispensaries	4	30,000
		120,000
		\$120,000

	cultivation tax	production	pounds	ounces
Wholesale			4,285	68,560
	sales tax	marijuana tax	total retail	markup
Retail	9.75%		9.75%	60%

Previous year with no medical marijuana tax

Wholesale				Retail				Total	Per Ounce		
per pound	per ounce	value	tax	per ounce	tax per oz.	value	tax	taxes & fees	cost	taxes & fees	% of cost
\$5,000	\$312.50	\$21,425,000		\$500	\$48.75	\$34,280,000	\$3,342,300	\$3,462,300	\$548.75	\$50.50	10.10%
4,500	281.25	19,282,500		450	43.88	30,852,000	3,008,070	3,128,070	493.88	45.63	10.14%
4,000	250.00	17,140,000		400	39.00	27,424,000	2,673,840	2,793,840	439.00	40.75	10.19%
3,500	218.75	14,997,500		350	34.13	23,996,000	2,339,610	2,459,610	384.13	35.88	10.25%
3,250	203.13	13,926,250		325	31.69	22,282,000	2,172,495	2,292,495	356.69	33.44	10.29%
3,000	187.50	12,855,000		300	29.25	20,568,000	2,005,380	2,125,380	329.25	31.00	10.33%
2,750	171.88	11,783,750		275	26.81	18,854,000	1,838,265	1,958,265	301.81	28.56	10.39%
2,500	156.25	10,712,500		250	24.38	17,140,000	1,671,150	1,791,150	274.38	26.13	10.45%
2,250	140.63	9,641,250		225	21.94	15,426,000	1,504,035	1,624,035	246.94	23.69	10.53%
2,000	125.00	8,570,000		200	19.50	13,712,000	1,336,920	1,456,920	219.50	21.25	10.63%
1,750	109.38	7,498,750		175	17.06	11,998,000	1,169,805	1,289,805	192.06	18.81	10.75%
1,500	93.75	6,427,500		150	14.63	10,284,000	1,002,690	1,122,690	164.63	16.38	10.92%
1,250	78.13	5,356,250		125	12.19	8,570,000	835,575	955,575	137.19	13.94	11.15%
1,000	62.50	4,285,000		100	9.75	6,856,000	668,460	788,460	109.75	11.50	11.50%
750	46.88	3,213,750		75	7.31	5,142,000	501,345	621,345	82.31	9.06	12.08%
500	31.25	2,142,500		50	4.88	3,428,000	334,230	454,230	54.88	6.63	13.25%
380	23.75	1,628,300		38	3.71	2,605,280	254,015	374,015	41.71	5.46	14.36%

Total taxes & fees = total licenses & fees + wholesale tax + retail tax. Per ounce taxes & fees = total taxes & fees / production ounces

Wholesale	Retail	Per Ounce Tax & Fees					Gross Tax & Fees				
		wholesale	retail	local sales	total local	state sales	wholesale	retail	local sales	total local	state sales
\$5,000	\$500		\$1.75	\$7.50	\$9.25	\$41.25		\$120,000	\$514,200	\$634,200	\$2,828,100
4,500	450		1.75	6.75	8.50	37.13		120,000	462,780	582,780	2,545,290
4,000	400		1.75	6.00	7.75	33.00		120,000	411,360	531,360	2,262,480
3,500	350		1.75	5.25	7.00	28.88		120,000	359,940	479,940	1,979,670
3,250	325		1.75	4.88	6.63	26.81		120,000	334,230	454,230	1,838,265
3,000	300		1.75	4.50	6.25	24.75		120,000	308,520	428,520	1,696,860
2,750	275		1.75	4.13	5.88	22.69		120,000	282,810	402,810	1,555,455
2,500	250		1.75	3.75	5.50	20.63		120,000	257,100	377,100	1,414,050
2,250	225		1.75	3.38	5.13	18.56		120,000	231,390	351,390	1,272,645
2,000	200		1.75	3.00	4.75	16.50		120,000	205,680	325,680	1,131,240
1,750	175		1.75	2.63	4.38	14.44		120,000	179,970	299,970	989,835
1,500	150		1.75	2.25	4.00	12.38		120,000	154,260	274,260	848,430
1,250	125		1.75	1.88	3.63	10.31		120,000	128,550	248,550	707,025
1,000	100		1.75	1.50	3.25	8.25		120,000	102,840	222,840	565,620
750	75		1.75	1.13	2.88	6.19		120,000	77,130	197,130	424,215
500	50		1.75	.75	2.50	4.13		120,000	51,420	171,420	282,810
380	38		1.75	.57	2.32	3.14		120,000	39,079	159,079	214,936

State sales tax = retail per ounce * 8.25%. Local sales tax = retail per ounce * (total retail tax - 8.25%).

Gross retail tax includes dispensary license fees, gross wholesale tax includes cultivation license & application fees.

120,000 license fees included

- City of Oakland Agenda Report 13 Jul 10 - <http://clerkwebsvr1.oaklandnet.com/attachments/25359.pdf>

- The 1.8% marijuana tax took effect one year ago on 21 July 2009. Dispensary sales increased 40% between 2008 and 2009 to \$28 million on 6,000 pounds with a price of \$291/ounce retail and \$3,000/pound wholesale.

- The Rand study's floor price of \$38/ounce retail (before tax) occurs at \$300/pound wholesale with 100% markup, from their Altered State? study released July 2010.

	license	total
applications		
cultivators		
dispensaries	4	30,000
		120,000
		\$120,000

	cultivation tax	production	pounds	ounces
Wholesale			6,000	96,000

	sales tax	marijuana tax	total retail	markup
Retail	9.75%	1.80%	11.55%	60%

Current year with 1.8% medical marijuana tax

Wholesale				Retail				Total	Per Ounce		
per pound	per ounce	value	tax	per ounce	tax per oz.	value	tax	taxes & fees	cost	taxes & fees	% of cost
\$5,000	\$312.50	\$30,000,000		\$500	\$57.75	\$48,000,000	\$5,544,000	\$5,664,000	\$557.75	\$59.00	11.80%
4,500	281.25	27,000,000		450	51.98	43,200,000	4,989,600	5,109,600	501.98	53.23	11.83%
4,000	250.00	24,000,000		400	46.20	38,400,000	4,435,200	4,555,200	446.20	47.45	11.86%
3,500	218.75	21,000,000		350	40.43	33,600,000	3,880,800	4,000,800	390.43	41.68	11.91%
3,250	203.13	19,500,000		325	37.54	31,200,000	3,603,600	3,723,600	362.54	38.79	11.93%
3,000	187.50	18,000,000		300	34.65	28,800,000	3,326,400	3,446,400	334.65	35.90	11.97%
2,750	171.88	16,500,000		275	31.76	26,400,000	3,049,200	3,169,200	306.76	33.01	12.00%
2,500	156.25	15,000,000		250	28.88	24,000,000	2,772,000	2,892,000	278.88	30.13	12.05%
2,250	140.63	13,500,000		225	25.99	21,600,000	2,494,800	2,614,800	250.99	27.24	12.11%
2,000	125.00	12,000,000		200	23.10	19,200,000	2,217,600	2,337,600	223.10	24.35	12.18%
1,750	109.38	10,500,000		175	20.21	16,800,000	1,940,400	2,060,400	195.21	21.46	12.26%
1,500	93.75	9,000,000		150	17.33	14,400,000	1,663,200	1,783,200	167.33	18.58	12.38%
1,250	78.13	7,500,000		125	14.44	12,000,000	1,386,000	1,506,000	139.44	15.69	12.55%
1,000	62.50	6,000,000		100	11.55	9,600,000	1,108,800	1,228,800	111.55	12.80	12.80%
750	46.88	4,500,000		75	8.66	7,200,000	831,600	951,600	83.66	9.91	13.22%
500	31.25	3,000,000		50	5.78	4,800,000	554,400	674,400	55.78	7.03	14.05%
380	23.75	2,280,000		38	4.39	3,648,000	421,344	541,344	42.39	5.64	14.84%

Total taxes & fees = total licenses & fees + wholesale tax + retail tax. Per ounce taxes & fees = total taxes & fees / production ounces

Wholesale	Retail	Per Ounce Tax & Fees					Gross Tax & Fees				
		wholesale	retail	local sales	total local	state sales	wholesale	retail	local sales	total local	state sales
\$5,000	\$500		\$10.25	\$7.50	\$17.75	\$41.25	\$984,000	\$720,000	\$1,704,000	\$3,960,000	
4,500	450		9.35	6.75	16.10	37.13	897,600	648,000	1,545,600	3,564,000	
4,000	400		8.45	6.00	14.45	33.00	811,200	576,000	1,387,200	3,168,000	
3,500	350		7.55	5.25	12.80	28.88	724,800	504,000	1,228,800	2,772,000	
3,250	325		7.10	4.88	11.98	26.81	681,600	468,000	1,149,600	2,574,000	
3,000	300		6.65	4.50	11.15	24.75	638,400	432,000	1,070,400	2,376,000	
2,750	275		6.20	4.13	10.33	22.69	595,200	396,000	991,200	2,178,000	
2,500	250		5.75	3.75	9.50	20.63	552,000	360,000	912,000	1,980,000	
2,250	225		5.30	3.38	8.68	18.56	508,800	324,000	832,800	1,782,000	
2,000	200		4.85	3.00	7.85	16.50	465,600	288,000	753,600	1,584,000	
1,750	175		4.40	2.63	7.03	14.44	422,400	252,000	674,400	1,386,000	
1,500	150		3.95	2.25	6.20	12.38	379,200	216,000	595,200	1,188,000	
1,250	125		3.50	1.88	5.38	10.31	336,000	180,000	516,000	990,000	
1,000	100		3.05	1.50	4.55	8.25	292,800	144,000	436,800	792,000	
750	75		2.60	1.13	3.73	6.19	249,600	108,000	357,600	594,000	
500	50		2.15	.75	2.90	4.13	206,400	72,000	278,400	396,000	
380	38		1.93	.57	2.50	3.14	185,664	54,720	240,384	300,960	

State sales tax = retail per ounce * 8.25%. Local sales tax = retail per ounce * (total retail tax - 8.25%).

Gross retail tax includes dispensary license fees, gross wholesale tax includes cultivation license & application fees.

120,000 license fees included

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- The Rand study's floor price of \$38/ounce retail (before tax) occurs at \$300/pound wholesale with 100% markup, from their Altered State? study released July 2010.

	license	total
applications	4	\$5,000
cultivators	4	211,000
dispensaries	6	60,000
		\$1,224,000

	cultivation tax	production	pounds	ounces
Wholesale			6,000	96,000

	sales tax	marijuana tax	total retail	markup
Retail	9.75%	1.80%	11.55%	60%

Impact of increased licensing

Wholesale				Retail				Total	Per Ounce		
per pound	per ounce	value	tax	per ounce	tax per oz.	value	tax	taxes & fees	cost	taxes & fees	% of cost
\$5,000	\$312.50	\$30,000,000		\$500	\$57.75	\$48,000,000	\$5,544,000	\$6,768,000	\$557.75	\$70.50	14.10%
4,500	281.25	27,000,000		450	51.98	43,200,000	4,989,600	6,213,600	501.98	64.73	14.38%
4,000	250.00	24,000,000		400	46.20	38,400,000	4,435,200	5,659,200	446.20	58.95	14.74%
3,500	218.75	21,000,000		350	40.43	33,600,000	3,880,800	5,104,800	390.43	53.18	15.19%
3,250	203.13	19,500,000		325	37.54	31,200,000	3,603,600	4,827,600	362.54	50.29	15.47%
3,000	187.50	18,000,000		300	34.65	28,800,000	3,326,400	4,550,400	334.65	47.40	15.80%
2,750	171.88	16,500,000		275	31.76	26,400,000	3,049,200	4,273,200	306.76	44.51	16.19%
2,500	156.25	15,000,000		250	28.88	24,000,000	2,772,000	3,996,000	278.88	41.63	16.65%
2,250	140.63	13,500,000		225	25.99	21,600,000	2,494,800	3,718,800	250.99	38.74	17.22%
2,000	125.00	12,000,000		200	23.10	19,200,000	2,217,600	3,441,600	223.10	35.85	17.93%
1,750	109.38	10,500,000		175	20.21	16,800,000	1,940,400	3,164,400	195.21	32.96	18.84%
1,500	93.75	9,000,000		150	17.33	14,400,000	1,663,200	2,887,200	167.33	30.08	20.05%
1,250	78.13	7,500,000		125	14.44	12,000,000	1,386,000	2,610,000	139.44	27.19	21.75%
1,000	62.50	6,000,000		100	11.55	9,600,000	1,108,800	2,332,800	111.55	24.30	24.30%
750	46.88	4,500,000		75	8.66	7,200,000	831,600	2,055,600	83.66	21.41	28.55%
500	31.25	3,000,000		50	5.78	4,800,000	554,400	1,778,400	55.78	18.53	37.05%
380	23.75	2,280,000		38	4.39	3,648,000	421,344	1,645,344	42.39	17.14	45.10%

Total taxes & fees = total licenses & fees + wholesale tax + retail tax. Per ounce taxes & fees = total taxes & fees / production ounces

Wholesale	Retail	Per Ounce Tax & Fees					Gross Tax & Fees				
		per pound	per ounce	wholesale	retail	local sales	total local	state sales	wholesale	retail	local sales
\$5,000	\$500	\$9.00	\$12.75	\$7.50	\$29.25	\$41.25	\$864,000	\$1,224,000	\$720,000	\$2,808,000	\$3,960,000
4,500	450	9.00	11.85	6.75	27.60	37.13	864,000	1,137,600	648,000	2,649,600	3,564,000
4,000	400	9.00	10.95	6.00	25.95	33.00	864,000	1,051,200	576,000	2,491,200	3,168,000
3,500	350	9.00	10.05	5.25	24.30	28.88	864,000	964,800	504,000	2,332,800	2,772,000
3,250	325	9.00	9.60	4.88	23.48	26.81	864,000	921,600	468,000	2,253,600	2,574,000
3,000	300	9.00	9.15	4.50	22.65	24.75	864,000	878,400	432,000	2,174,400	2,376,000
2,750	275	9.00	8.70	4.13	21.83	22.69	864,000	835,200	396,000	2,095,200	2,178,000
2,500	250	9.00	8.25	3.75	21.00	20.63	864,000	792,000	360,000	2,016,000	1,980,000
2,250	225	9.00	7.80	3.38	20.18	18.56	864,000	748,800	324,000	1,936,800	1,782,000
2,000	200	9.00	7.35	3.00	19.35	16.50	864,000	705,600	288,000	1,857,600	1,584,000
1,750	175	9.00	6.90	2.63	18.53	14.44	864,000	662,400	252,000	1,778,400	1,386,000
1,500	150	9.00	6.45	2.25	17.70	12.38	864,000	619,200	216,000	1,699,200	1,188,000
1,250	125	9.00	6.00	1.88	16.88	10.31	864,000	576,000	180,000	1,620,000	990,000
1,000	100	9.00	5.55	1.50	16.05	8.25	864,000	532,800	144,000	1,540,800	792,000
750	75	9.00	5.10	1.13	15.23	6.19	864,000	489,600	108,000	1,461,600	594,000
500	50	9.00	4.65	.75	14.40	4.13	864,000	446,400	72,000	1,382,400	396,000
380	38	9.00	4.43	.57	14.00	3.14	864,000	425,664	54,720	1,344,384	300,960

State sales tax = retail per ounce * 8.25%. Local sales tax = retail per ounce * (total retail tax - 8.25%).

Gross retail tax includes dispensary license fees, gross wholesale tax includes cultivation license & application fees.

864,000 360,000 license fees included

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applications	4	\$5,000
cultivators	4	211,000
dispensaries	6	60,000
		\$1,224,000

	cultivation tax	production	pounds	ounces
Wholesale	5.00%		6,000	96,000
	sales tax	marijuana tax	total retail	markup
Retail	9.75%	5.00%	14.75%	60%

Impact of medical marijuana tax increase

Wholesale				Retail				Total	Per Ounce		
per pound	per ounce	value	tax	per ounce	tax per oz.	value	tax	taxes & fees	cost	taxes & fees	% of cost
\$5,000	\$312.50	\$30,000,000	\$1,500,000	\$500	\$73.75	\$48,000,000	\$7,080,000	\$9,804,000	\$573.75	\$102.13	20.43%
4,500	281.25	27,000,000	1,350,000	450	66.38	43,200,000	6,372,000	8,946,000	516.38	93.19	20.71%
4,000	250.00	24,000,000	1,200,000	400	59.00	38,400,000	5,664,000	8,088,000	459.00	84.25	21.06%
3,500	218.75	21,000,000	1,050,000	350	51.63	33,600,000	4,956,000	7,230,000	401.63	75.31	21.52%
3,250	203.13	19,500,000	975,000	325	47.94	31,200,000	4,602,000	6,801,000	372.94	70.84	21.80%
3,000	187.50	18,000,000	900,000	300	44.25	28,800,000	4,248,000	6,372,000	344.25	66.38	22.13%
2,750	171.88	16,500,000	825,000	275	40.56	26,400,000	3,894,000	5,943,000	315.56	61.91	22.51%
2,500	156.25	15,000,000	750,000	250	36.88	24,000,000	3,540,000	5,514,000	286.88	57.44	22.98%
2,250	140.63	13,500,000	675,000	225	33.19	21,600,000	3,186,000	5,085,000	258.19	52.97	23.54%
2,000	125.00	12,000,000	600,000	200	29.50	19,200,000	2,832,000	4,656,000	229.50	48.50	24.25%
1,750	109.38	10,500,000	525,000	175	25.81	16,800,000	2,478,000	4,227,000	200.81	44.03	25.16%
1,500	93.75	9,000,000	450,000	150	22.13	14,400,000	2,124,000	3,798,000	172.13	39.56	26.38%
1,250	78.13	7,500,000	375,000	125	18.44	12,000,000	1,770,000	3,369,000	143.44	35.09	28.08%
1,000	62.50	6,000,000	300,000	100	14.75	9,600,000	1,416,000	2,940,000	114.75	30.63	30.63%
750	46.88	4,500,000	225,000	75	11.06	7,200,000	1,062,000	2,511,000	86.06	26.16	34.88%
500	31.25	3,000,000	150,000	50	7.38	4,800,000	708,000	2,082,000	57.38	21.69	43.38%
380	23.75	2,280,000	114,000	38	5.61	3,648,000	538,080	1,876,080	43.61	19.54	51.43%

Total taxes & fees = total licenses & fees + wholesale tax + retail tax. Per ounce taxes & fees = total taxes & fees / production ounces

Wholesale	Retail	Per Ounce Tax & Fees					Gross Tax & Fees				
		per pound	per ounce	wholesale	retail	local sales	total local	state sales	wholesale	retail	local sales
\$5,000	\$500	\$24.63	\$28.75	\$7.50	\$60.88	\$41.25	\$2,364,000	\$2,760,000	\$720,000	\$5,844,000	\$3,960,000
4,500	450	23.06	26.25	6.75	56.06	37.13	2,214,000	2,520,000	648,000	5,382,000	3,564,000
4,000	400	21.50	23.75	6.00	51.25	33.00	2,064,000	2,280,000	576,000	4,920,000	3,168,000
3,500	350	19.94	21.25	5.25	46.44	28.88	1,914,000	2,040,000	504,000	4,458,000	2,772,000
3,250	325	19.16	20.00	4.88	44.03	26.81	1,839,000	1,920,000	468,000	4,227,000	2,574,000
3,000	300	18.38	18.75	4.50	41.63	24.75	1,764,000	1,800,000	432,000	3,996,000	2,376,000
2,750	275	17.59	17.50	4.13	39.22	22.69	1,689,000	1,680,000	396,000	3,765,000	2,178,000
2,500	250	16.81	16.25	3.75	36.81	20.63	1,614,000	1,560,000	360,000	3,534,000	1,980,000
2,250	225	16.03	15.00	3.38	34.41	18.56	1,539,000	1,440,000	324,000	3,303,000	1,782,000
2,000	200	15.25	13.75	3.00	32.00	16.50	1,464,000	1,320,000	288,000	3,072,000	1,584,000
1,750	175	14.47	12.50	2.63	29.59	14.44	1,389,000	1,200,000	252,000	2,841,000	1,386,000
1,500	150	13.69	11.25	2.25	27.19	12.38	1,314,000	1,080,000	216,000	2,610,000	1,188,000
1,250	125	12.91	10.00	1.88	24.78	10.31	1,239,000	960,000	180,000	2,379,000	990,000
1,000	100	12.13	8.75	1.50	22.38	8.25	1,164,000	840,000	144,000	2,148,000	792,000
750	75	11.34	7.50	1.13	19.97	6.19	1,089,000	720,000	108,000	1,917,000	594,000
500	50	10.56	6.25	.75	17.56	4.13	1,014,000	600,000	72,000	1,686,000	396,000
380	38	10.19	5.65	.57	16.41	3.14	978,000	542,400	54,720	1,575,120	300,960

State sales tax = retail per ounce * 8.25%. Local sales tax = retail per ounce * (total retail tax - 8.25%).

Gross retail tax includes dispensary license fees, gross wholesale tax includes cultivation license & application fees.

864,000 360,000 license fees included

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	license	total
applications	4	\$5,000
cultivators	4	211,000
dispensaries	6	60,000
		\$1,224,000

	cultivation tax	production	pounds	ounces
Wholesale	5.00%		6,000	96,000
	sales tax	marijuana tax	total retail	markup
Retail	9.75%	10.00%	19.75%	60%

Impact of recreational marijuana tax

Wholesale				Retail				Total	Per Ounce		
per pound	per ounce	value	tax	per ounce	tax per oz.	value	tax	taxes & fees	cost	taxes & fees	% of cost
\$5,000	\$312.50	\$30,000,000	\$1,500,000	\$500	\$98.75	\$48,000,000	\$9,480,000	\$12,204,000	\$598.75	\$127.13	25.43%
4,500	281.25	27,000,000	1,350,000	450	88.88	43,200,000	8,532,000	11,106,000	538.88	115.69	25.71%
4,000	250.00	24,000,000	1,200,000	400	79.00	38,400,000	7,584,000	10,008,000	479.00	104.25	26.06%
3,500	218.75	21,000,000	1,050,000	350	69.13	33,600,000	6,636,000	8,910,000	419.13	92.81	26.52%
3,250	203.13	19,500,000	975,000	325	64.19	31,200,000	6,162,000	8,361,000	389.19	87.09	26.80%
3,000	187.50	18,000,000	900,000	300	59.25	28,800,000	5,688,000	7,812,000	359.25	81.38	27.13%
2,750	171.88	16,500,000	825,000	275	54.31	26,400,000	5,214,000	7,263,000	329.31	75.66	27.51%
2,500	156.25	15,000,000	750,000	250	49.38	24,000,000	4,740,000	6,714,000	299.38	69.94	27.98%
2,250	140.63	13,500,000	675,000	225	44.44	21,600,000	4,266,000	6,165,000	269.44	64.22	28.54%
2,000	125.00	12,000,000	600,000	200	39.50	19,200,000	3,792,000	5,616,000	239.50	58.50	29.25%
1,750	109.38	10,500,000	525,000	175	34.56	16,800,000	3,318,000	5,067,000	209.56	52.78	30.16%
1,500	93.75	9,000,000	450,000	150	29.63	14,400,000	2,844,000	4,518,000	179.63	47.06	31.38%
1,250	78.13	7,500,000	375,000	125	24.69	12,000,000	2,370,000	3,969,000	149.69	41.34	33.08%
1,000	62.50	6,000,000	300,000	100	19.75	9,600,000	1,896,000	3,420,000	119.75	35.63	35.63%
750	46.88	4,500,000	225,000	75	14.81	7,200,000	1,422,000	2,871,000	89.81	29.91	39.88%
500	31.25	3,000,000	150,000	50	9.88	4,800,000	948,000	2,322,000	59.88	24.19	48.38%
380	23.75	2,280,000	114,000	38	7.51	3,648,000	720,480	2,058,480	45.51	21.44	56.43%

Total taxes & fees = total licenses & fees + wholesale tax + retail tax. Per ounce taxes & fees = total taxes & fees / production ounces

Wholesale	Retail	Per Ounce Tax & Fees					Gross Tax & Fees				
		per pound	per ounce	wholesale	retail	local sales	total local	state sales	wholesale	retail	local sales
\$5,000	\$500	\$24.63	\$53.75	\$7.50	\$85.88	\$41.25	\$2,364,000	\$5,160,000	\$720,000	\$8,244,000	\$3,960,000
4,500	450	23.06	48.75	6.75	78.56	37.13	2,214,000	4,680,000	648,000	7,542,000	3,564,000
4,000	400	21.50	43.75	6.00	71.25	33.00	2,064,000	4,200,000	576,000	6,840,000	3,168,000
3,500	350	19.94	38.75	5.25	63.94	28.88	1,914,000	3,720,000	504,000	6,138,000	2,772,000
3,250	325	19.16	36.25	4.88	60.28	26.81	1,839,000	3,480,000	468,000	5,787,000	2,574,000
3,000	300	18.38	33.75	4.50	56.63	24.75	1,764,000	3,240,000	432,000	5,436,000	2,376,000
2,750	275	17.59	31.25	4.13	52.97	22.69	1,689,000	3,000,000	396,000	5,085,000	2,178,000
2,500	250	16.81	28.75	3.75	49.31	20.63	1,614,000	2,760,000	360,000	4,734,000	1,980,000
2,250	225	16.03	26.25	3.38	45.66	18.56	1,539,000	2,520,000	324,000	4,383,000	1,782,000
2,000	200	15.25	23.75	3.00	42.00	16.50	1,464,000	2,280,000	288,000	4,032,000	1,584,000
1,750	175	14.47	21.25	2.63	38.34	14.44	1,389,000	2,040,000	252,000	3,681,000	1,386,000
1,500	150	13.69	18.75	2.25	34.69	12.38	1,314,000	1,800,000	216,000	3,330,000	1,188,000
1,250	125	12.91	16.25	1.88	31.03	10.31	1,239,000	1,560,000	180,000	2,979,000	990,000
1,000	100	12.13	13.75	1.50	27.38	8.25	1,164,000	1,320,000	144,000	2,628,000	792,000
750	75	11.34	11.25	1.13	23.72	6.19	1,089,000	1,080,000	108,000	2,277,000	594,000
500	50	10.56	8.75	.75	20.06	4.13	1,014,000	840,000	72,000	1,926,000	396,000
380	38	10.19	7.55	.57	18.31	3.14	978,000	724,800	54,720	1,757,520	300,960

State sales tax = retail per ounce * 8.25%. Local sales tax = retail per ounce * (total retail tax - 8.25%).

Gross retail tax includes dispensary license fees, gross wholesale tax includes cultivation license & application fees.

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	license	total
applications	4	\$5,000
cultivators	4	211,000
dispensaries	6	60,000
		\$1,224,000

	cultivation tax	production	pounds	ounces
Wholesale			21,000	336,000

	sales tax	marijuana tax	total retail	markup
Retail	9.75%	1.80%	11.55%	60%

Impact of increased production with no new tax

Wholesale				Retail				Total	Per Ounce		
per pound	per ounce	value	tax	per ounce	tax per oz.	value	tax	taxes & fees	cost	taxes & fees	% of cost
\$5,000	\$312.50	\$105,000,000		\$500	\$57.75	\$168,000,000	\$19,404,000	\$20,628,000	\$557.75	\$61.39	12.28%
4,500	281.25	94,500,000		450	51.98	151,200,000	17,463,600	18,687,600	501.98	55.62	12.36%
4,000	250.00	84,000,000		400	46.20	134,400,000	15,523,200	16,747,200	446.20	49.84	12.46%
3,500	218.75	73,500,000		350	40.43	117,600,000	13,582,800	14,806,800	390.43	44.07	12.59%
3,250	203.13	68,250,000		325	37.54	109,200,000	12,612,600	13,836,600	362.54	41.18	12.67%
3,000	187.50	63,000,000		300	34.65	100,800,000	11,642,400	12,866,400	334.65	38.29	12.76%
2,750	171.88	57,750,000		275	31.76	92,400,000	10,672,200	11,896,200	306.76	35.41	12.87%
2,500	156.25	52,500,000		250	28.88	84,000,000	9,702,000	10,926,000	278.88	32.52	13.01%
2,250	140.63	47,250,000		225	25.99	75,600,000	8,731,800	9,955,800	250.99	29.63	13.17%
2,000	125.00	42,000,000		200	23.10	67,200,000	7,761,600	8,985,600	223.10	26.74	13.37%
1,750	109.38	36,750,000		175	20.21	58,800,000	6,791,400	8,015,400	195.21	23.86	13.63%
1,500	93.75	31,500,000		150	17.33	50,400,000	5,821,200	7,045,200	167.33	20.97	13.98%
1,250	78.13	26,250,000		125	14.44	42,000,000	4,851,000	6,075,000	139.44	18.08	14.46%
1,000	62.50	21,000,000		100	11.55	33,600,000	3,880,800	5,104,800	111.55	15.19	15.19%
750	46.88	15,750,000		75	8.66	25,200,000	2,910,600	4,134,600	83.66	12.31	16.41%
500	31.25	10,500,000		50	5.78	16,800,000	1,940,400	3,164,400	55.78	9.42	18.84%
380	23.75	7,980,000		38	4.39	12,768,000	1,474,704	2,698,704	42.39	8.03	21.14%

Total taxes & fees = total licenses & fees + wholesale tax + retail tax. Per ounce taxes & fees = total taxes & fees / production ounces

Wholesale	Retail	Per Ounce Tax & Fees					Gross Tax & Fees				
		wholesale	retail	local sales	total local	state sales	wholesale	retail	local sales	total local	state sales
\$5,000	\$500	\$2.57	\$10.07	\$7.50	\$20.14	\$41.25	\$864,000	\$3,384,000	\$2,520,000	\$6,768,000	\$13,860,000
4,500	450	2.57	9.17	6.75	18.49	37.13	864,000	3,081,600	2,268,000	6,213,600	12,474,000
4,000	400	2.57	8.27	6.00	16.84	33.00	864,000	2,779,200	2,016,000	5,659,200	11,088,000
3,500	350	2.57	7.37	5.25	15.19	28.88	864,000	2,476,800	1,764,000	5,104,800	9,702,000
3,250	325	2.57	6.92	4.88	14.37	26.81	864,000	2,325,600	1,638,000	4,827,600	9,009,000
3,000	300	2.57	6.47	4.50	13.54	24.75	864,000	2,174,400	1,512,000	4,550,400	8,316,000
2,750	275	2.57	6.02	4.13	12.72	22.69	864,000	2,023,200	1,386,000	4,273,200	7,623,000
2,500	250	2.57	5.57	3.75	11.89	20.63	864,000	1,872,000	1,260,000	3,996,000	6,930,000
2,250	225	2.57	5.12	3.38	11.07	18.56	864,000	1,720,800	1,134,000	3,718,800	6,237,000
2,000	200	2.57	4.67	3.00	10.24	16.50	864,000	1,569,600	1,008,000	3,441,600	5,544,000
1,750	175	2.57	4.22	2.63	9.42	14.44	864,000	1,418,400	882,000	3,164,400	4,851,000
1,500	150	2.57	3.77	2.25	8.59	12.38	864,000	1,267,200	756,000	2,887,200	4,158,000
1,250	125	2.57	3.32	1.88	7.77	10.31	864,000	1,116,000	630,000	2,610,000	3,465,000
1,000	100	2.57	2.87	1.50	6.94	8.25	864,000	964,800	504,000	2,332,800	2,772,000
750	75	2.57	2.42	1.13	6.12	6.19	864,000	813,600	378,000	2,055,600	2,079,000
500	50	2.57	1.97	.75	5.29	4.13	864,000	662,400	252,000	1,778,400	1,386,000
380	38	2.57	1.76	.57	4.90	3.14	864,000	589,824	191,520	1,645,344	1,053,360

State sales tax = retail per ounce * 8.25%. Local sales tax = retail per ounce * (total retail tax - 8.25%).

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		license	total
applications	4	\$5,000	\$20,000
cultivators	4	211,000	844,000
dispensaries	6	60,000	360,000
			\$1,224,000

	cultivation tax	production	pounds	ounces
Wholesale	5.00%		21,000	336,000
	sales tax	marijuana tax	total retail	markup
Retail	9.75%	5.00%	14.75%	60%

Impact of increased production and medical tax

Wholesale				Retail				Total	Per Ounce		
per pound	per ounce	value	tax	per ounce	tax per oz.	value	tax	taxes & fees	cost	taxes & fees	% of cost
\$5,000	\$312.50	\$105,000,000	\$5,250,000	\$500	\$73.75	\$168,000,000	\$24,780,000	\$31,254,000	\$573.75	\$93.02	18.60%
4,500	281.25	94,500,000	4,725,000	450	66.38	151,200,000	22,302,000	28,251,000	516.38	84.08	18.68%
4,000	250.00	84,000,000	4,200,000	400	59.00	134,400,000	19,824,000	25,248,000	459.00	75.14	18.79%
3,500	218.75	73,500,000	3,675,000	350	51.63	117,600,000	17,346,000	22,245,000	401.63	66.21	18.92%
3,250	203.13	68,250,000	3,412,500	325	47.94	109,200,000	16,107,000	20,743,500	372.94	61.74	19.00%
3,000	187.50	63,000,000	3,150,000	300	44.25	100,800,000	14,868,000	19,242,000	344.25	57.27	19.09%
2,750	171.88	57,750,000	2,887,500	275	40.56	92,400,000	13,629,000	17,740,500	315.56	52.80	19.20%
2,500	156.25	52,500,000	2,625,000	250	36.88	84,000,000	12,390,000	16,239,000	286.88	48.33	19.33%
2,250	140.63	47,250,000	2,362,500	225	33.19	75,600,000	11,151,000	14,737,500	258.19	43.86	19.49%
2,000	125.00	42,000,000	2,100,000	200	29.50	67,200,000	9,912,000	13,236,000	229.50	39.39	19.70%
1,750	109.38	36,750,000	1,837,500	175	25.81	58,800,000	8,673,000	11,734,500	200.81	34.92	19.96%
1,500	93.75	31,500,000	1,575,000	150	22.13	50,400,000	7,434,000	10,233,000	172.13	30.46	20.30%
1,250	78.13	26,250,000	1,312,500	125	18.44	42,000,000	6,195,000	8,731,500	143.44	25.99	20.79%
1,000	62.50	21,000,000	1,050,000	100	14.75	33,600,000	4,956,000	7,230,000	114.75	21.52	21.52%
750	46.88	15,750,000	787,500	75	11.06	25,200,000	3,717,000	5,728,500	86.06	17.05	22.73%
500	31.25	10,500,000	525,000	50	7.38	16,800,000	2,478,000	4,227,000	57.38	12.58	25.16%
380	23.75	7,980,000	399,000	38	5.61	12,768,000	1,883,280	3,506,280	43.61	10.44	27.46%

Total taxes & fees = total licenses & fees + wholesale tax + retail tax. Per ounce taxes & fees = total taxes & fees / production ounces

Wholesale	Retail	Per Ounce Tax & Fees					Gross Tax & Fees				
		per pound	per ounce	wholesale	retail	local sales	total local	state sales	wholesale	retail	local sales
\$5,000	\$500	\$18.20	\$26.07	\$7.50	\$51.77	\$41.25	\$6,114,000	\$8,760,000	\$2,520,000	\$17,394,000	\$13,860,000
4,500	450	16.63	23.57	6.75	46.96	37.13	5,589,000	7,920,000	2,268,000	15,777,000	12,474,000
4,000	400	15.07	21.07	6.00	42.14	33.00	5,064,000	7,080,000	2,016,000	14,160,000	11,088,000
3,500	350	13.51	18.57	5.25	37.33	28.88	4,539,000	6,240,000	1,764,000	12,543,000	9,702,000
3,250	325	12.73	17.32	4.88	34.92	26.81	4,276,500	5,820,000	1,638,000	11,734,500	9,009,000
3,000	300	11.95	16.07	4.50	32.52	24.75	4,014,000	5,400,000	1,512,000	10,926,000	8,316,000
2,750	275	11.17	14.82	4.13	30.11	22.69	3,751,500	4,980,000	1,386,000	10,117,500	7,623,000
2,500	250	10.38	13.57	3.75	27.71	20.63	3,489,000	4,560,000	1,260,000	9,309,000	6,930,000
2,250	225	9.60	12.32	3.38	25.30	18.56	3,226,500	4,140,000	1,134,000	8,500,500	6,237,000
2,000	200	8.82	11.07	3.00	22.89	16.50	2,964,000	3,720,000	1,008,000	7,692,000	5,544,000
1,750	175	8.04	9.82	2.63	20.49	14.44	2,701,500	3,300,000	882,000	6,883,500	4,851,000
1,500	150	7.26	8.57	2.25	18.08	12.38	2,439,000	2,880,000	756,000	6,075,000	4,158,000
1,250	125	6.48	7.32	1.88	15.67	10.31	2,176,500	2,460,000	630,000	5,266,500	3,465,000
1,000	100	5.70	6.07	1.50	13.27	8.25	1,914,000	2,040,000	504,000	4,458,000	2,772,000
750	75	4.92	4.82	1.13	10.86	6.19	1,651,500	1,620,000	378,000	3,649,500	2,079,000
500	50	4.13	3.57	.75	8.46	4.13	1,389,000	1,200,000	252,000	2,841,000	1,386,000
380	38	3.76	2.97	.57	7.30	3.14	1,263,000	998,400	191,520	2,452,920	1,053,360

State sales tax = retail per ounce * 8.25%. Local sales tax = retail per ounce * (total retail tax - 8.25%).

Gross retail tax includes dispensary license fees, gross wholesale tax includes cultivation license & application fees.

864,000 360,000 license fees included

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	license	total
applications	4	\$5,000
cultivators	4	211,000
dispensaries	6	60,000
		\$1,224,000

	cultivation tax	production	pounds	ounces
Wholesale	5.00%		21,000	336,000

	sales tax	marijuana tax	total retail	markup
Retail	9.75%	10.00%	19.75%	60%

Impact of production increase and recreational tax

Wholesale				Retail				Total	Per Ounce		
per pound	per ounce	value	tax	per ounce	tax per oz.	value	tax	taxes & fees	cost	taxes & fees	% of cost
\$5,000	\$312.50	\$105,000,000	\$5,250,000	\$500	\$98.75	\$168,000,000	\$33,180,000	\$39,654,000	\$598.75	\$118.02	23.60%
4,500	281.25	94,500,000	4,725,000	450	88.88	151,200,000	29,862,000	35,811,000	538.88	106.58	23.68%
4,000	250.00	84,000,000	4,200,000	400	79.00	134,400,000	26,544,000	31,968,000	479.00	95.14	23.79%
3,500	218.75	73,500,000	3,675,000	350	69.13	117,600,000	23,226,000	28,125,000	419.13	83.71	23.92%
3,250	203.13	68,250,000	3,412,500	325	64.19	109,200,000	21,567,000	26,203,500	389.19	77.99	24.00%
3,000	187.50	63,000,000	3,150,000	300	59.25	100,800,000	19,908,000	24,282,000	359.25	72.27	24.09%
2,750	171.88	57,750,000	2,887,500	275	54.31	92,400,000	18,249,000	22,360,500	329.31	66.55	24.20%
2,500	156.25	52,500,000	2,625,000	250	49.38	84,000,000	16,590,000	20,439,000	299.38	60.83	24.33%
2,250	140.63	47,250,000	2,362,500	225	44.44	75,600,000	14,931,000	18,517,500	269.44	55.11	24.49%
2,000	125.00	42,000,000	2,100,000	200	39.50	67,200,000	13,272,000	16,596,000	239.50	49.39	24.70%
1,750	109.38	36,750,000	1,837,500	175	34.56	58,800,000	11,613,000	14,674,500	209.56	43.67	24.96%
1,500	93.75	31,500,000	1,575,000	150	29.63	50,400,000	9,954,000	12,753,000	179.63	37.96	25.30%
1,250	78.13	26,250,000	1,312,500	125	24.69	42,000,000	8,295,000	10,831,500	149.69	32.24	25.79%
1,000	62.50	21,000,000	1,050,000	100	19.75	33,600,000	6,636,000	8,910,000	119.75	26.52	26.52%
750	46.88	15,750,000	787,500	75	14.81	25,200,000	4,977,000	6,988,500	89.81	20.80	27.73%
500	31.25	10,500,000	525,000	50	9.88	16,800,000	3,318,000	5,067,000	59.88	15.08	30.16%
380	23.75	7,980,000	399,000	38	7.51	12,768,000	2,521,680	4,144,680	45.51	12.34	32.46%

Total taxes & fees = total licenses & fees + wholesale tax + retail tax. Per ounce taxes & fees = total taxes & fees / production ounces

Wholesale	Retail	Per Ounce Tax & Fees					Gross Tax & Fees				
		wholesale	retail	local sales	total local	state sales	wholesale	retail	local sales	total local	state sales
\$5,000	\$500	\$18.20	\$51.07	\$7.50	\$76.77	\$41.25	\$6,114,000	\$17,160,000	\$2,520,000	\$25,794,000	\$13,860,000
4,500	450	16.63	46.07	6.75	69.46	37.13	5,589,000	15,480,000	2,268,000	23,337,000	12,474,000
4,000	400	15.07	41.07	6.00	62.14	33.00	5,064,000	13,800,000	2,016,000	20,880,000	11,088,000
3,500	350	13.51	36.07	5.25	54.83	28.88	4,539,000	12,120,000	1,764,000	18,423,000	9,702,000
3,250	325	12.73	33.57	4.88	51.17	26.81	4,276,500	11,280,000	1,638,000	17,194,500	9,009,000
3,000	300	11.95	31.07	4.50	47.52	24.75	4,014,000	10,440,000	1,512,000	15,966,000	8,316,000
2,750	275	11.17	28.57	4.13	43.86	22.69	3,751,500	9,600,000	1,386,000	14,737,500	7,623,000
2,500	250	10.38	26.07	3.75	40.21	20.63	3,489,000	8,760,000	1,260,000	13,509,000	6,930,000
2,250	225	9.60	23.57	3.38	36.55	18.56	3,226,500	7,920,000	1,134,000	12,280,500	6,237,000
2,000	200	8.82	21.07	3.00	32.89	16.50	2,964,000	7,080,000	1,008,000	11,052,000	5,544,000
1,750	175	8.04	18.57	2.63	29.24	14.44	2,701,500	6,240,000	882,000	9,823,500	4,851,000
1,500	150	7.26	16.07	2.25	25.58	12.38	2,439,000	5,400,000	756,000	8,595,000	4,158,000
1,250	125	6.48	13.57	1.88	21.92	10.31	2,176,500	4,560,000	630,000	7,366,500	3,465,000
1,000	100	5.70	11.07	1.50	18.27	8.25	1,914,000	3,720,000	504,000	6,138,000	2,772,000
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Notes

- Ordinance 1285 passed 17 Feb 2004, permitted 4 licensed dispensaries
- Oakland Business Tax Revenue Division reports that in 2009 the 4 dispensaries sold \$28 million gross sales.
- Add Chapter 5.81 to Title 5: Business Taxes Permits & Regulations creating responsible transfer permits for California dispensaries outside of Oakland to purchase from permitted Oakland cultivators.
- Prop 19 gives localities discretion to allow, regulate and tax production and distribution
- June 2009 Oakland passed Measure F by 80%, with no formal opposition, 1.8% tax
- dispensary sales increased 40% between 2008 and 2009.
- administrative costs exceed one Full Time Employee (FTE)
- \$28 million represents approximately 6,000 pounds requiring 45,000 square feet of cultivation space
- Oakland Patient Center's dispensary license revoked for unlawfully transferring a non-transferable permit
- objective is to undercut 'unregulated cultivation' and 'lower the economic incentives'
- dispensaries expect that they will always purchase at least 20% from individual collective members
- 'current industrial cultivators have some claim to legality by maintaining a list of qualified patients for whom the cultivation is intended, or in at least one case, by keeping the cultivation divided into compartments, each belonging to a three-person collective.
- "reasonable transfer permits" will be sold to dispensaries in other cities that want to buy marijuana from Oakland (page 5)
- license fees are expected to offset 6-9 staff positions to administer marijuana cultivation and distribution. (page 9)
- projected bay area consumption of marijuana is 350,000 pounds which would require 175,000 square feet. Oakland assumes it can get 60% of that market (page 10)
- estimates there are 10 to 15 credible and experienced large scale growers that could meet city requirements for a permit
- strikes language allowing written recommendation, only state ID cards may be used to validate patient status
- strikes prohibition on smoking at dispensary (page 24)
- provide litter removal twice a day and within 100 feet of premises (page 25)
- dispensaries must disclose percent of tetrahydrocannabinol, cannabidiol, and cannabitol, tracking system for each batch (page 25)
- 6 dispensaries at \$60,000 each, a dispensary is a collective with 4 or more patients
- cultivation of more than 4 pounds or 96 square feet must be licensed
- limits cultivation per patient per parcel to 32 square feet, with a maximum of 3 patients with 96 square feet per parcel.
- extension cords prohibited, electrical equipment must plug into wall or be hardwired (page 36)

Rand Study

- a single 5 x 5 home grow could provide enough for 50 average users (page 7)
 - with a yield of 500 pounds per acre, the cost of industrial farming falls to about \$1/pound
 - If the THC content per unit weight is even one-quarter in leaves what it is in the buds (e.g., 2.5% vs. 10% THC by weight), then the leaves and other materials would contain almost half (46%) of the total THC produced. (page 17)
 - If agricultural production cost is about the same as cherry tomatoes the upper limit of the production cost is \$8/pound. (page 17)
 - If agricultural production cost is about the same as lettuce or asparagus the cost per pound is \$2.50.
 - 4,400 acres could produce enough to supply the entire U.S. market of 5,000 metric tons. The U.S. has over 922 million acres of farmland with about 300 harvested each year.
 - it would take about 20,000 grow houses to produce the same amount. There are 75 million owner-occupied houses in the U.S. and 200,000 recently constructed that are vacant.
- Oakland has 40% increase in production over previous year, cost in San Francisco have fallen \$20.

Articles

NPR Economic Anxiety Makes City Mellow On Pot Farms <http://www.npr.org/templates/story/story.php?storyId=128752964>

- Wilcox's warehouse is about 43,000 square feet and has been vacant for ten years

18 May 2010 | NBC Bay Area – Pot Growers Troubled by Falling Prices <http://www.nbcbayarea.com/news/local-beat/Pot-Growers-Troubled-by-Falling-Prices-jw-93964829.html>

1 Aug 2010 | San Jose Mercury News – Oakland's pot dreams could burst http://www.mercurynews.com/news/cj_15645236

- Perhaps the most convincing argument arrived in a report commissioned by Jeff Wilcox, a retired contractor who first approached city leaders about the commercial grow idea. His proposal for a 100,000-square-foot AgraMed cultivation facility would produce 21,000 pounds of pot with a wholesale value of \$60 million. That translates into \$3 million in new tax revenue for the city and 300 to 400 jobs for Bay Area residents — from just one business.

27 Jul 2010 | San Francisco Chronicle – Oakland puts parcel tax on ballot <http://www.sfgate.com/cgi-bin/article.cgi?f=%2Fc%2Fa%2F2010%2F07%2F26%2FBAC91EK52A.DTL>

- The measure would tax medical marijuana dispensaries, growers and other processors 5 percent on top of other taxes. In addition, if state Proposition 19 passes and adult recreational use of marijuana becomes legal, the new tax would be 10 percent. Medical cannabis is already subject to sales tax, which in Oakland is 9.75 percent. Cannabis businesses already pay 1.8 percent in addition to that.

27 Jul 2010 | The Oakland Tribune – Oakland police union makes offer to save jobs - http://www.insidebayarea.com/oaklandtribune/localnews/cj_15608301

- Earlier in the evening the council overcame pleas and threats from the medical cannabis industry and voted 5-0-3 to tax medical cannabis businesses -- both dispensaries and new cultivation businesses -- at 5 percent, and to tax recreational marijuana cultivation and sales -- if a statewide ballot measure passes in November -- at 10 percent.

26 Jul 2010 | Bay Citizen – Oakland City Council Agrees to Tax Cannabis <http://www.baycitizen.org/marijuana/story/oakland-city-council-agrees-tax-cannabis/>

- The Oakland City Council voted 5-0 to tax medical marijuana dispensaries and growers 5 percent of their total revenue in a meeting Monday. Under the plan, Oakland will also levy a 10 percent tax on recreational pot if state voters pass Proposition 19 and legalize the drug in November.