



**STATE OF NEVADA
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OCTOBER MARIJUANA REVENUE STATISTICS NEWS RELEASE

December 31, 2018

Nevada marijuana tax revenues top \$31 million in first four months of fiscal year; more than 45 percent of projections for the full year already collected

Statement from Bill Anderson, Executive Director, Nevada Department of Taxation

Revenue collections from Nevada's marijuana taxes have generated \$31.72 million in the first four months of the fiscal year, which is more than 45 percent of the total projected for the entire fiscal year that ends June 30, 2019. Clark County accounts for about 80 percent of those revenues, and Washoe County's share is close to 14 percent. For the month of October, the two marijuana taxes combined generated \$8.24 million. The Wholesale Marijuana Tax, paid by cultivators of both medical and adult-use marijuana, had its biggest month yet, bringing in \$4.07 million in October and \$15.07 million so far this fiscal year. The Retail Marijuana Tax, which is paid by consumers on purchases of adult-use marijuana, generated \$4.17 million in revenue in October and \$16.65 million fiscal year to date. Sales of adult-use marijuana remain fairly consistent across the first four months of the fiscal year, and totaled \$41.71 million in October. When looking at total statewide sales made by Nevada's dispensaries and retail stores, which includes adult-use and medical marijuana as well as marijuana-related goods, October's figures come in at \$51.63 million, and year-to-date sales total \$197.95 million.

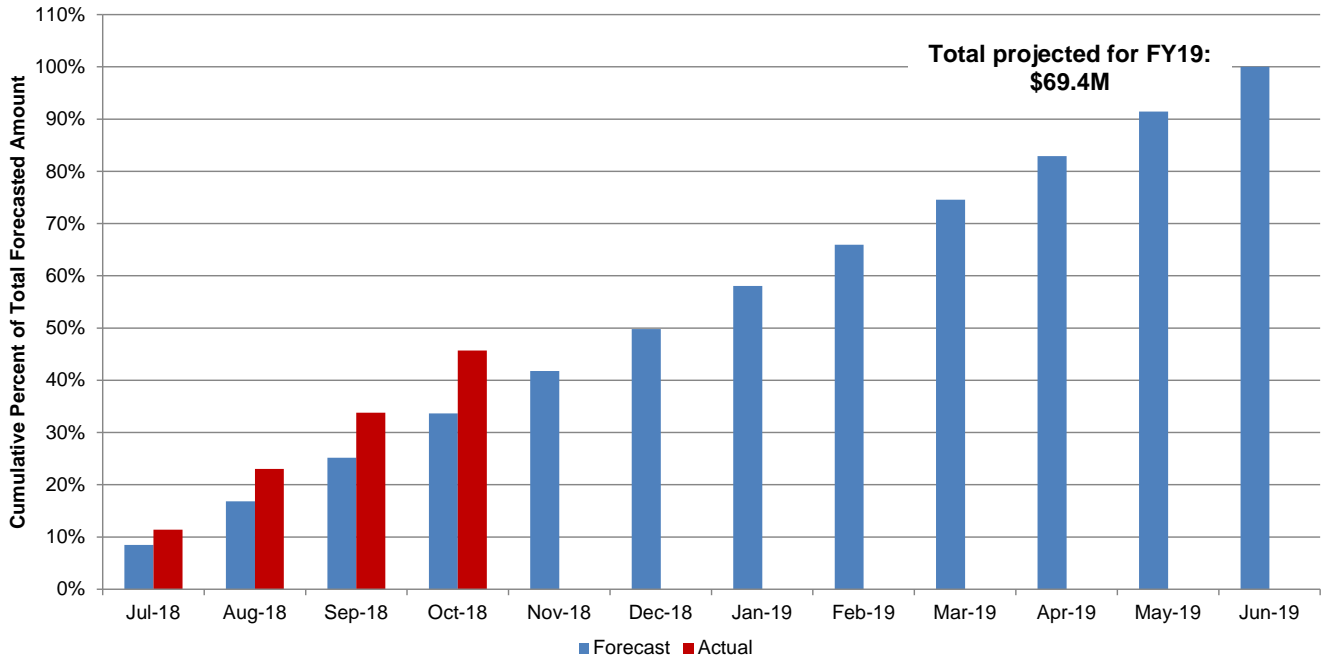
In early December, the Department of Taxation issued 61 conditional licenses for adult-use retail marijuana stores. Those licensees have one year to receive local government approval and final sign-off from the Department before opening their doors for business. In that a substantial number of those licenses are in jurisdictions that do not currently allow for marijuana establishments, and some are in jurisdictions that are presently limiting the number of new stores they will allow, not all of the conditional licenses awarded will ultimately result in new retail establishments. Still, it is expected that over the next 12 months and beyond, any new stores that do open will generate additional revenues via the Retail Marijuana Tax.

In October, the adult-use marijuana industry hit its sixteenth month of operation in Nevada. We saw a strong upward revenue trend through the first year, and by comparison, the numbers for the first four months of the second fiscal year show a more level pattern thus far. In all likelihood, we will see fairly steady revenue figures across the remaining eight months of the fiscal year, likely with some modest fluctuations up and down.

Highlights

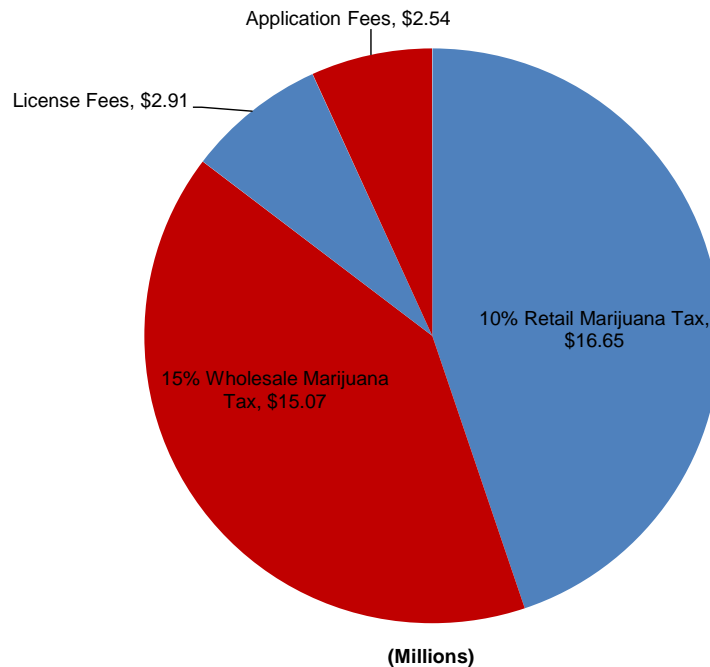
- Combined marijuana excise taxes have generated \$31.72 million in the first four months of the fiscal year (July through October); this represents more than 45 percent of revenue projected for the entire fiscal year (July 2018 through June 2019)
 - The Wholesale Marijuana Tax has brought in \$15.07 million fiscal year to date
 - The Retail Marijuana Tax has brought in \$16.65 million fiscal year to date
- The total amount of marijuana tax revenue projected for fiscal year 2019 is \$69.4 million
 - Fiscal year 2019 projections for Wholesale Marijuana Tax are \$32.4 million
 - Fiscal year 2019 projections for Retail Marijuana Tax are \$37 million
- Clark County accounts for 80 percent of combined marijuana tax revenue so far this fiscal year, while Washoe County accounts for almost 14 percent
- Combined marijuana tax revenues totaled \$8.24 million in October
 - The Wholesale Marijuana Tax generated \$4.07 million in October, the first time monthly revenues for this tax have surpassed \$4 million
 - The Retail Marijuana Tax generated \$4.17 million in October, which is pretty consistent with collections across the other months this fiscal year
- Sales of adult-use marijuana totaled \$41.71 million in October
- Total combined taxable sales for medical marijuana, adult-use marijuana, and marijuana-related tangible goods totaled \$51.63 million in October and \$197.95 million fiscal year to date
- Marijuana-related fees, penalties, and assessments have generated about \$6.02 million so far this fiscal year
- The Wholesale Marijuana Tax rate is 15 percent; the revenues from this tax, along with fees/penalties/assessments, first go to fund the Department's costs of administering the marijuana program, \$5 million per fiscal year goes to local governments, and the remainder goes to the state Distributive School Account
- The Retail Marijuana Tax rate is 10 percent; the revenues from this tax go the state Rainy Day Fund
- Marijuana businesses are also subject to Sales and Use Tax, Modified Business Tax, and Commerce Tax when applicable; the Department does not track and report collections from marijuana businesses for these tax types separate from general reporting on collections for the tax types

More than 45 percent of forecasted marijuana revenues realized through first four months of the fiscal year

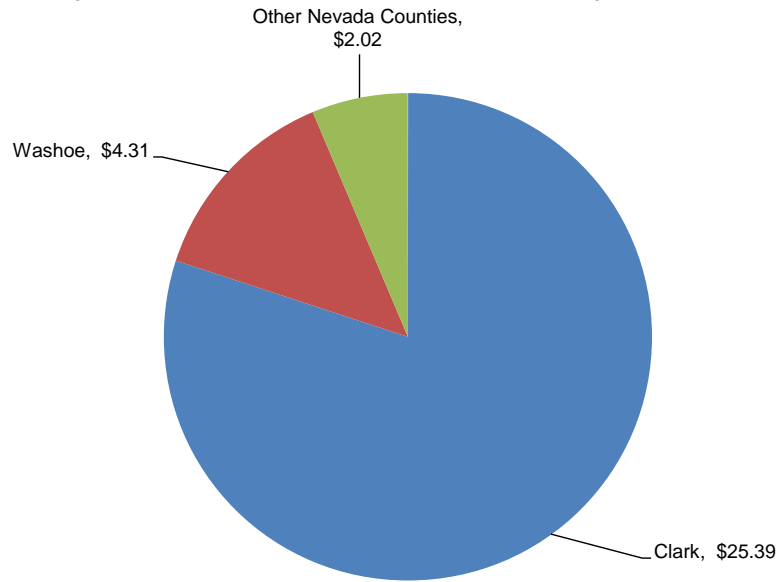


Fiscal year 2019 projections were established in 2017, prior to the launch of adult-use sales, and do not include adjustments based on actual collections in fiscal year 2018

More than \$30 million in excise taxes collected in the first four months of the fiscal year; license and application fees surpass \$5 million

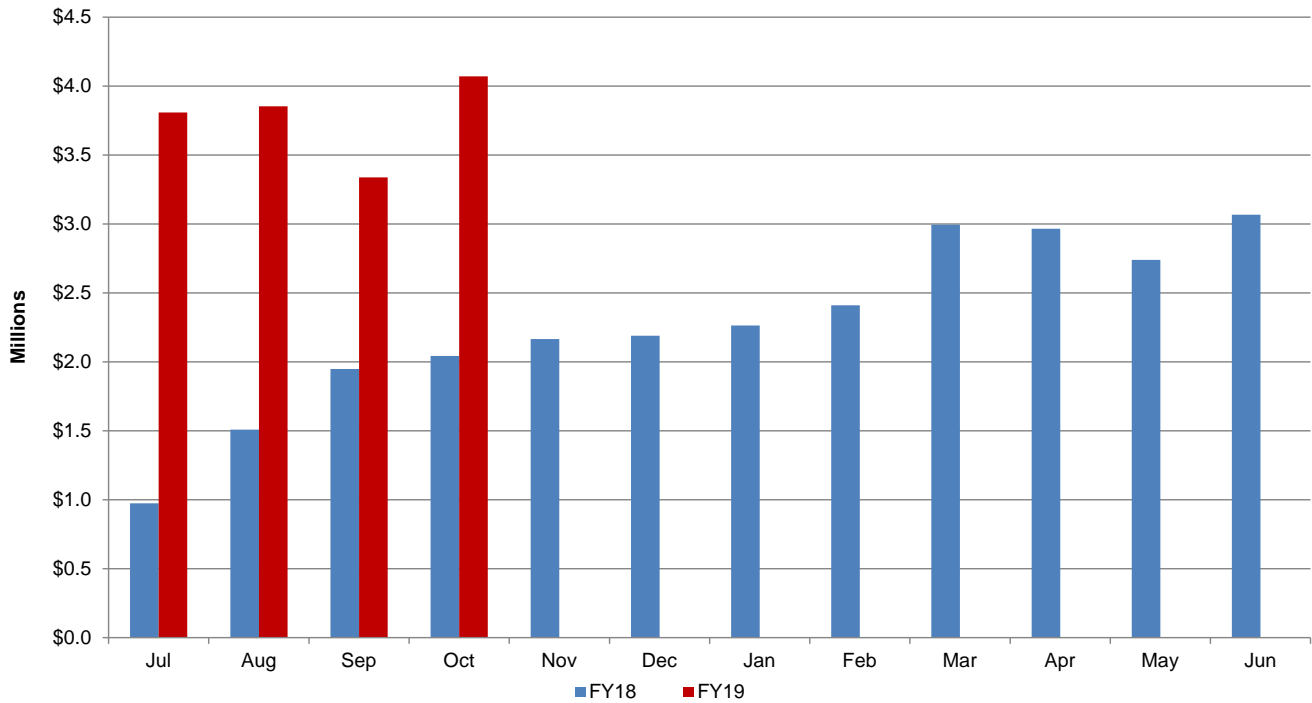


Clark County accounts for 80% of combined marijuana excise tax collections

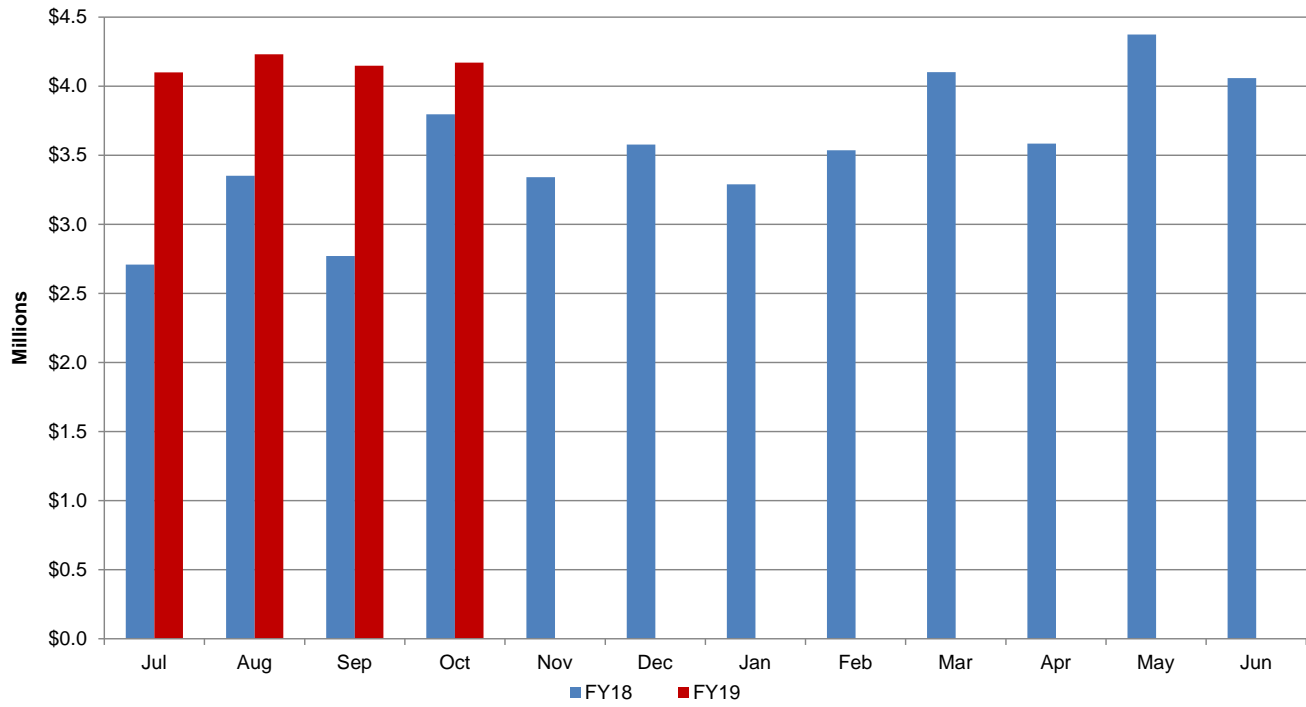


Combined Retail and Wholesale Marijuana Excise Tax Collections (Millions)
 FYTD

15% Wholesale Marijuana Tax collections surpass \$4 million for the first time in October



10% Retail Marijuana Tax collections come in above \$4M for sixth consecutive month



For month-by-month marijuana tax revenue and taxable sales data, visit the Department’s website:
https://tax.nv.gov/Publications/Marijuana_Statistics_and_Reports/

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