



**COUNTY OF SAN LUIS OBISPO**

**AUDITOR - CONTROLLER • TREASURER - TAX COLLECTOR**

**James P. Erb, CPA** Auditor-Controller • Treasurer-Tax Collector

**James W. Hamilton, CPA** Assistant Auditor-Controller • Treasurer-Tax Collector

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**FOR IMMEDIATE RELEASE**

**Date:** February 6, 2018

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**County Board of Supervisors to Review Revised Cannabis Tax Measure on February 20<sup>th</sup>  
and March 6<sup>th</sup>**

SAN LUIS OBISPO, CA – The County Board of Supervisors asked County staff to revise the language for a proposal that would let voters decide on a local tax for cannabis-related businesses. The change requested would eliminate the tax on the cannabis testing function, which the Board of Supervisors considers a public health function of the industry. Jim Erb, the County Auditor-Controller-Treasurer-Tax Collector, agreed with the change proposed by the County Board of Supervisors.

The public will have a chance to review the revised language on February 20<sup>th</sup>, when the tax measure is reintroduced, and the Board will review with final action on March 6<sup>th</sup>. The tax measure was proposed today by Jim Erb, the County Auditor-Controller-Treasurer-Tax Collector (ACTTC). If approved on March 6<sup>th</sup>, the proposed ballot measure would place a 4 percent local tax on the gross receipts of all cannabis-related businesses operating in the unincorporated areas of San Luis Obispo County. The tax measure would not change cannabis laws in the seven incorporated cities, which have jurisdiction over their own regulations regarding cannabis.

The proposed tax could increase in 2 percent increments annually to a maximum of 10 percent beginning in July 2020, unless the Board acts to maintain or lower the current rate. The proposed local tax is in addition to the State's 15 percent tax on cannabis-related businesses.

"The tax on cannabis businesses is intended to offset the impacts of legalized cannabis in our county," Erb said "We anticipate that there will be increased demand for code enforcement, law enforcement, health care, and education. Without this cannabis tax, these increased needs would have an impact on the County's General Fund, which is needed to operate other vital county services."

The County Board established regulations on the local cannabis industry in late 2017, including land use and business licensing policies. Details on adopted regulations can be found on the County's website at [www.slocounty.ca.gov](http://www.slocounty.ca.gov).

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