

ATTACHMENT A

Cannabis Taxation, Permitting, and Licensing

SECOND QUARTER

FISCAL YEAR 2025-26

CANNABIS TAXES

Table 1 provides a comparison of second quarter tax revenue data received from the Treasurer Tax-Collector’s Office for this fiscal year versus the last three fiscal years.

TABLE 1. CANNABIS TAXES – REVENUES

	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Taxes Paid (M) Second Quarter	\$1.5M	\$1.7M	\$1.7M	\$1.6M
Year Total	\$5.8	\$5.8	\$5.0	\$3.3

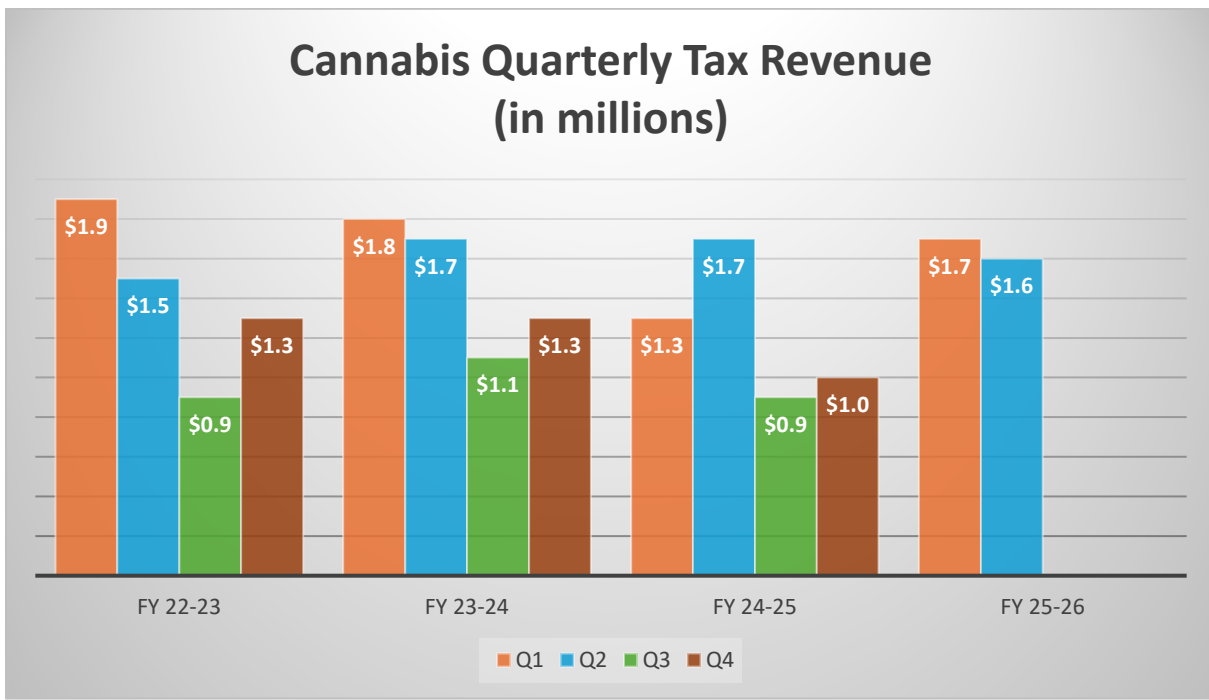


FIGURE 1. TAX REVENUE COMPARISON FY 22-23 TO 25-26 BY QUARTER

Table 2 provides a breakdown of taxes paid by operation type.

TABLE 2. CANNABIS TAXES – TAX COLLECTION BY OPERATION TYPE

Operation Type	FY 2025-2026				Total
	25 - 26 Q1	25 - 26 Q2	25 - 26 Q3	25 - 26 Q4	
Non-Cultivation*	\$ 357,202	\$ 310,821	\$ -	\$ -	\$ 668,023
Cultivation Non-Outdoor**	\$ 812,173	\$ 664,398	\$ -	\$ -	\$ 1,476,571
Cultivation Outdoor***	\$ 502,305	\$ 672,108	\$ -	\$ -	\$ 1,174,413
	\$ 1,671,680	\$ 1,647,327	\$ -	\$ -	\$ 3,319,007

*Non-Cultivation: Operations including Nursery, Distribution, Manufacturing, Retail and Microbusiness.

**Cultivation Non-Outdoor: Cultivation operation which utilizes a building(s), greenhouse(s), and/or artificial lighting.

***Cultivation Outdoor: Cultivation operation which does not utilize a building(s), greenhouse(s), and/or artificial lighting.

Table 3 provides a breakdown of operators required to report their quarterly gross tax receipts.

TABLE 3. CANNABIS TAXES – OPERATORS REQUIRED TO REPORT

Time Frame	Tax Revenue Received	Operators that Did Not Report	Number of Operators Reporting Gross Receipts	Number of Operators Reporting Zero Gross Receipts	Total Number of Operations
FY25-26 Q2	\$1.6M	0	41	7	48

CANNABIS PERMITTING – LAND USE ENTITLEMENT PERMITS

The Planning and Development Department (P&D) is continuing to review submitted land use entitlement applications. As of February 23, 2026, there are no applications for new cannabis operations under review in the Carpinteria Agricultural Overlay Area (“Carpinteria Overlay”), and there are five applications for new cannabis operations in the Unincorporated area outside of the Carpinteria Agricultural Overlay (“Unincorporated area”).

To date, P&D has received 102 unique appeals of 65 cannabis projects. Of the 102 appeals received, 99 have been withdrawn, closed, or action has been taken by the decision maker. There are currently no active appeals to the County Planning Commission. The Appeal of the G&K Processing Building Design Review is the only active appeal to the County Board of Supervisors.

TABLE 4. STATUS OF CANNABIS APPEALS

CURRENT APPEAL TOTALS	
Number of Cannabis Projects on Appeal to Planning Commission	0
Number of Cannabis Projects on Appeal to Board of Supervisors	1
Total Number of Cannabis Projects Currently on Appeal	1

CANNABIS LICENSING – COUNTY BUSINESS LICENSING

As of December 24, 2025, there are 133.45 acres of cannabis cultivation activities within the Carpinteria Overlay area, and 1,404.46 acres of cannabis cultivation activities within the remaining Unincorporated area which include all issued, approved, and submitted cultivation acres using the current definition in County Code Chapter 50 which excludes processing. On August 26, 2025, the Board adopted reduced caps to include acreage with *issued* land use entitlements; acreage with *approved* land use entitlements; and *submitted* acreage in the permit application process pending land use entitlement approval and issuance. The adopted ordinance, effective on September 26, 2025, caps the Carpinteria Overlay area at 134 acres and caps the Unincorporated area at 1,417 acres. The caps limit cultivation acres only; processing acres are excluded. Both acreage caps were calculated by confirming the total acreage of all submitted, approved and issued cannabis cultivation land use entitlement applications submitted to the Planning & Development Department as of June 3, 2025.

TABLE 5. ACREAGE CAP EXCLUDING PROCESSING STATUS BY AREA

	Eligibility List¹ Claimed Acreage	Acreage Left in the Cap	Acreage Cap
Carpinteria Agricultural Overlay	131.52	2.48	134
Remaining Unincorporated Area	941.51	475.49	1,417

1. All operators on this list have obtained an approved Land Use Entitlement, submitted a business license application that has been deemed complete and paid all required fees/deposits. Inclusion on the Eligible Business Applicants List does not guarantee the issuance of a Cannabis Business License. Inclusion on the Eligible Business Applicants List before a license has been issued reserves the acreage listed in the Land Use Entitlement Acreage column for the applicant, pending the issuance of a business license. If a license is issued, the applicant will secure their requested acreage, consistent with the acreage allocated in their issued Business License application and their land use entitlement.

TABLE 6. CANNABIS BUSINESS LICENSES ISSUED

	Unincorporated	Carpinteria	Total
Cultivator	19	24	43
Nursery	11	20	31
Manufacturer	0	1	1
Retail Non-Storefront	0	0	0
Retail Storefront	3	0	3
Distributor	0	5	5
Total	33	50	83

There are 33 issued cannabis business licenses in the Unincorporated area outside of the Carpinteria Overlay and 50 issued cannabis business licenses in the Carpinteria Overlay area. There are 83 total issued cannabis business licenses in the County representing 48 total operators.

TABLE 7. INITIAL APPLICATIONS PENDING BY LICENSE TYPE

	Unincorporated	Carpinteria	Total
Cultivator	13	1	14
Nursery	6	0	6
Manufacturer	0	0	0
Retail Non-Storefront	0	0	0
Retail Storefront	1	0	1
Distributor	0	0	0
Total	20	1	21

There are 20 initial licenses in the queue in the Unincorporated area outside of the Carpinteria Overlay representing 14 license applications and 1 initial license application in the Carpinteria Overlay area. There are 15 total initial applications in the queue representing 21 total licenses.

TABLE 8. CANNABIS BUSINESS LICENSE & APPLICATION WITHDRAWALS BY LICENSE TYPE

	Unincorporated (Applications)	Unincorporated (Licenses)	Carpinteria (Applications)	Carpinteria (Licenses)
Cultivator	-	-	-	-
Nursery	-	-	-	-
Manufacturer	-	-	-	-
Retail Non- Storefront	-	-	-	-
Retail Storefront	-	-	-	-
Distributor	-	-	-	-
Total	-	-	-	-

No initial applicants withdrew their business license applications, and no licensed operators surrendered their cannabis business licenses.