

# **ATTACHMENT A**

**Cannabis Taxation, Permitting, Licensing, and Enforcement**

**FOURTH QUARTER**

**FISCAL YEAR 2024-25**

CANNABIS TAXES

Table 1 provides a comparison of fourth quarter tax revenue data received from the Treasurer Tax-Collector’s Office for this fiscal year versus the last three fiscal years. Total taxes paid in FY 2024-25 is \$5 million, which is \$400,000 below the revised fiscal year end projection amount of \$5.4 million.

TABLE 1. CANNABIS TAXES – REVENUES

	FY 21-22	FY 22-23	FY 23-24	FY 24-25
<b>Taxes Paid (M)</b>				
<b>Fourth Quarter</b>	\$1.7M	\$1.3M	\$1.3M	\$1.1M
<b>Year Total</b>	\$8.7	\$5.8	\$5.8	\$5.0

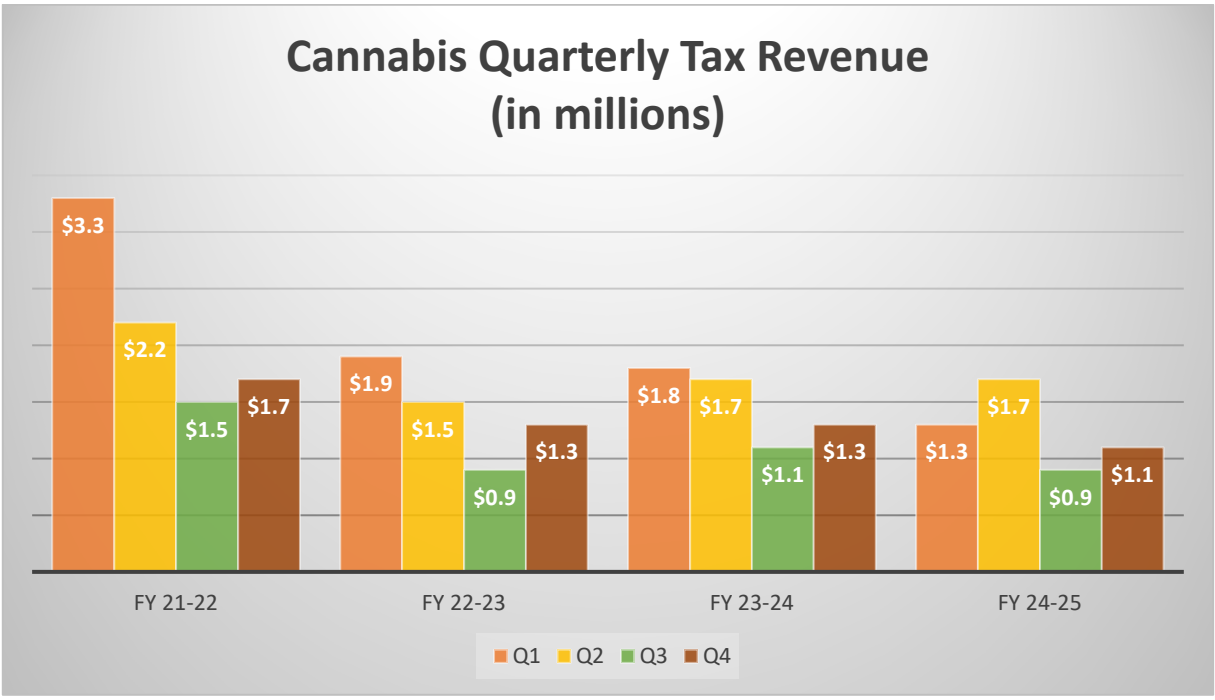


FIGURE 1. TAX REVENUE COMPARISON FY 21-22 TO 24-25 BY QUARTER

Table 2 provides a breakdown of operators required to report their quarterly gross tax receipts. Note that the two operators that did not report are not currently in operation; they do not hold active State licenses or County cannabis business licenses.

TABLE 2. 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
FY24-25 Q4	\$1.1M	2	33	15	50

## CANNABIS PERMITTING – LAND USE ENTITLEMENT PERMITS

The Planning and Development Department (P&D) is continuing to review submitted land use entitlement applications. As of September 24, 2025, there is currently one application for a new cannabis operation 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 Of the 102 appeals received, 99 have been withdrawn, closed, or action has been taken by the decision maker.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 3. 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
<b>Total Number of Cannabis Projects Currently on Appeal</b>	<b>1</b>

## CANNABIS LICENSING – COUNTY BUSINESS LICENSING

As of September 9, 2025, there are 133.45 acres of cannabis cultivation activities within the Carpinteria Overlay area, and 1,416.42 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 4. ACREAGE CAP EXCLUDING PROCESSING STATUS BY AREA

	Submitted Permit Acreage <sup>1</sup>	Approved Permit Acreage <sup>2,4</sup>	Issued Permit Acreage <sup>3</sup>	Acreage Cap
Carpinteria Agricultural Overlay	1.9	0.00	131.55	134
Remaining Unincorporated Area	52.73	49.97	1,313.72	1,417

1. Submitted permit acreage can fluctuate based on project redesigns or changes to proposed cultivation areas.
2. An applicant may apply for a business license upon approval of their land use entitlement.
3. A land use entitlement can only be issued after it has been approved.
4. The approved acreage can fluctuate down from previous quarterly data due to changes to approved projects during the appeal process or when a project is withdrawn after approval.

TABLE 5. CANNABIS BUSINESS LICENSES ISSUED

	<b>Unincorporated</b>	<b>Carpinteria</b>	<b>Total</b>
<b>Cultivator</b>	21	21	42
<b>Nursery</b>	12	17	29
<b>Manufacturer</b>	0	1	1
<b>Retail Non-Storefront</b>	0	0	0
<b>Retail Storefront</b>	3	0	3
<b>Distributor</b>	0	3	3
<b>Total</b>	36	42	<b>78</b>

There are 36 issued cannabis business licenses in the Unincorporated area outside of the Carpinteria Overlay and 42 issued cannabis business licenses in the Carpinteria Overlay area. There are 78 total issued cannabis business licenses in the County representing 47 total operators.

TABLE 6. INITIAL APPLICATIONS PENDING BY LICENSE TYPE

	<b>Unincorporated</b>	<b>Carpinteria</b>	<b>Total</b>
<b>Cultivator</b>	16	3	19
<b>Nursery</b>	7	2	9
<b>Manufacturer</b>	0	0	0
<b>Retail Non-Storefront</b>	0	0	0
<b>Retail Storefront</b>	1	0	1
<b>Distributor</b>	0	1	1
<b>Total</b>	24	6	<b>30</b>

There are 24 initial license types in the queue in the Unincorporated area outside of the Carpinteria Overlay representing 17 initial applications and 6 initial license types in the Carpinteria Overlay area representing 3 initial applications. There are 20 total initial applications in the queue representing 30 total license types.

TABLE 7. CANNABIS BUSINESS LICENSE &amp; APPLICATION WITHDRAWALS BY LICENSE TYPE

	<b>Unincorporated (Applications)</b>	<b>Unincorporated (Licenses)</b>	<b>Carpinteria (Applications)</b>	<b>Carpinteria (Licenses)</b>
<b>Cultivator</b>	-	1	-	-
<b>Nursery</b>	-	-	-	-
<b>Manufacturer</b>	-	-	-	-
<b>Retail Non- Storefront</b>	-	-	-	-
<b>Retail Storefront</b>	-	-	-	-
<b>Distributor</b>	-	-	-	-
<b>Total</b>	0	1	0	0

0 initial applicants withdrew their business license applications, representing 0 initial licenses. 1 licensed operator surrendered their cannabis business license, representing 1 license.

Surrendered Licensees:

1. Canna Rios, LLC; 4651 Santa Maria Mesa Road, Santa Maria, CA

## CANNABIS ENFORCEMENT

TABLE 8. CANNABIS ENFORCEMENT ACTIVITIES AS REPORTED BY SHERIFF

	FY 22-23				FY 23-24				FY 24-25			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b># of Enforcement Actions</b>	4	5	6	4	5	4	5	5	5	6	5	4
<b># Live Plants Confiscated</b>	300	1,969	0	554	0	1,259	423	0	94	0	0	685
<b>Live Plant Value \$\$</b>	\$148.5K	\$974K	0	\$274K	0	\$624K	\$140K	0	\$57K	\$0	\$0	\$171K
<b>Dried Product Confiscated (lbs.)</b>	62	586	2,657	20	303	259	271	303	48	65	6	11
<b>Dried Product Value \$\$</b>	\$77.5K	\$664.5K	\$3.4M	\$35K	\$304.5K	\$261K	\$180K	\$304.5K	\$29K	\$39K	\$3.6K	\$5.5K
<b>Processed Products - Vapes/Edibles/Prerolls (units)</b>	-	-	-	-	-	-	-	-	-	4,706	1,566	0
<b>Processed Products Value</b>	-	-	-	-	-	-	-	-	-	\$70K	\$24K	\$0