

Silver State Government Relations



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Assembly Committee on Revenue
Nevada State Legislature
401 S. Carson Street
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Dear Chair and Members of the Committee,

On behalf of Green Thumb Industries, I am writing in strong support of Assembly Bill 307, which proposes a necessary reform to Nevada's cannabis tax structure by eliminating the wholesale excise tax and realigning the tax collection to retail sales. This change reflects both sound tax policy and the evolving realities of Nevada's legal cannabis industry. Furthermore, with the wholesale excise tax on Nevada's cultivators, if federal legalization passes Nevada's growers will immediately become non-competitive with cultivators in other states.

The current wholesale tax, levied at a rate of 15% on licensed cultivation facilities, is overly complex, burdensome, and increasingly out of step with how nearly all other states tax legal cannabis. The system relies on inconsistent and often unclear fair market value calculations that complicate compliance and distort business operations. Moreover, revenues from the wholesale tax steadily have declined year after year, raising questions about the long-term viability and fairness of this model. Putting all of the tax at single point of charge and collection is much better tax policy that will remove the risk of products being sold in Nevada without the risk of whole of their wholesale tax being paid.

By aligning Nevada's tax structure with retail-based models used in other states with legal cannabis, AB307 simplifies compliance, supports sustainable industry growth, and ensures the state continues to collect reliable and transparent tax revenue. Nevada's cannabis industry has matured and now supports thousands of jobs and millions in state revenue. AB307 is a smart step forward that modernizes our tax system while continuing to support important public services.

Thank you for your consideration.

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