



2023 Cannabis Business Tax

City of Oakland

2/21/2023

Presented by

Nicole Andrino, Tax Auditor II

Thao Tran, Tax Auditor I

TOPICS

2023 Cannabis Business Tax

Deadline April 17, 2023 (Currently closed due to network outage)

How to Pay

What's New

2023 Cannabis Equity Tax Rebate

2023 Cannabis Business Tax Declarations

Business Started before 2022

- 2023 Tax based off previous year 2022 gross receipts

Business Started in 2022

- 2022 Tax based off 2022 gross receipts
- 2023 Tax based off estimate for 2023 gross receipts

2023 Cannabis Business Tax Rates

OMC 5.04.205 (P)

	Retail (store-front & delivery)	Indoor Cultivation	Outdoor Cultivation	Manufacturing Packaging & Storage	Distribution
Equity					
\$0 - \$1.5M	0.12%	0.12%	0.12%	0.12%	0.12%
\$1.5M - \$5M	5.00%	5.00%	4.50%	4.50%	3.00%
Over \$5M	5.00% (Non-Marginal)	5.00% (Non-Marginal)	5.00%	5.00%	4.00%
General (Non-Equity)					
\$0 - \$750K	0.12%	0.12%	0.12%	0.12%	0.12%
\$750K+ - \$1.5M	4.00%	4.00%	3.50%	3.50%	2.50%
\$1.5M+ = \$5M	5.00%	5.00%	4.50%	4.50%	3.00%
Over \$5M	5.00% (Non-Marginal)	5.00% (Non-Marginal)	5.00%	5.00%	4.00%

2023 Cannabis Business Tax - Deadline

Declaration and
payment must be
postmarked by
April 17, 2023

Office Hours
Monday &
Wednesday
8am to 4pm
(Currently closed due to
network outage)

150 Frank H. Ogawa
Plaza, Suite 5342,
Oakland, CA 94612

2023 Cannabis Business Tax — Payments

(Currently closed due to
network outage)

Payments can be **mailed** by check

Payments can be made **in person** with cashier by cash, check, or credit card

Larger in-person **Cash Payments** are available by **appointment**

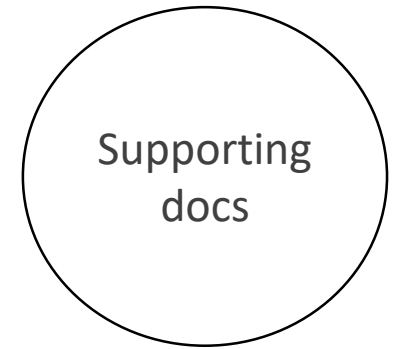
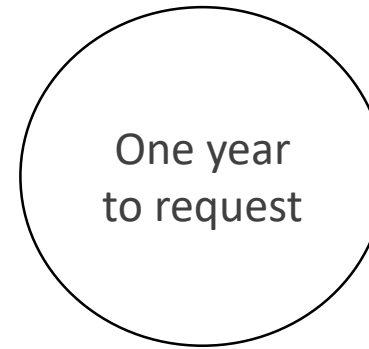
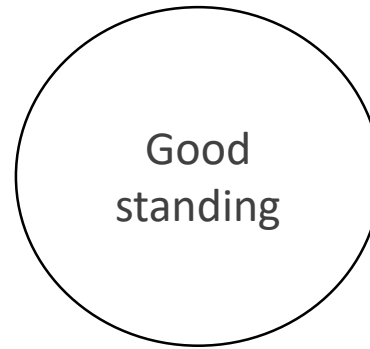
Email submissions can be set up for online payment, if needed

2023 Business Tax – *What's New*

- **No changes** to existing Cannabis Business Tax Rates 😊
- Per OMC 5.04.240, new businesses starting in 2023 will estimate their 2023 Business Tax gross receipts **and** pay with their Registration fee to acquire their 2023 license
- **Penalty changes** OMC 5.04.400
 - 10% after April 17, 2023
 - 35% after June 17, 2023

2023 Cannabis Equity Tax Rebate (OMC 5.04.267)

Qualification



a. Local Hiring

b. Equity Supply Chain

c. Workforce Quality of Life

d. Incubation

2023 Cannabis Equity Tax Rebate (OMC 5.04.267)

a. Local Hiring

182 days

- 30% workforce is Equity employees
- 25% workforce consists of Equity in Essential Roles
- 20% workforce consists of Equity in Managerial

Roles

2023 Cannabis Equity Tax Rebate (OMC 5.04.267)

b. Equity Supply Chain

365 days

- 30% of products delivered by Equity businesses
- 25% of products cultivated or manufactured by
Equity businesses

2023 Cannabis Equity Tax Rebate (OMC 5.04.267)

c. Workforce Quality of Life

365 days

- \$20/hr. with health benefits OR \$25/hr. without benefits for all employees
- 80% employees are full-time

2023 Cannabis Equity Tax Rebate (OMC 5.04.267)

d. Incubation

365 days

- Provide free rent to an Equity business and doesn't seek permitting priority

Year 4

- Provide free rent to an Equity business

2023 Cannabis Equity Tax Rebate (OMC 5.04.267)

2.5% floor rate

For details, please refer to Rebate Application [details](#)

Contact Info.



www.OaklandCA.gov



Audit@OaklandCA.gov

510-238-3084



NAndrino@OaklandCA.gov

TTran2@OaklandCA.gov