

Hello members of the DCC committee,
I'm reaching out today as a business owner in the California cannabis industry. I understand the committee does not have the power to change taxes but I hope you can start a conversation. Tax reform for cannabis is a big leap but I feel we can make some small changes that can improve the health of the industry. Currently we tax our excise taxes, if we remove the double taxation we can lower the taxes roughly 3-4% (see link to CDTFA tax structure)

The California cannabis industry desperately needs change. I'm seeing a lot of businesses struggling, closing their doors and the bigger companies are focusing their resources in other states where the margins are higher.

High taxes also make it hard to combat the black market. The black market in CA is very advanced and products cost 50% less.

Thank you for your time.

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Farhad Doctor
Founder | Sticky Thumb
650.520.9451
stickythumbdelivery.com