

From: [Martin Horwitz](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Repeal Cannabis Tax
Date: Tuesday, December 9, 2025 1:20:49 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Repeal the local cannabis tax!
Cannabis is taxed far more than both alcohol and tobacco, please vote for this repeal to bring a little more normalcy to cannabis taxation.

Martin A. Horwitz, Sunset, D4

From: [Lynne A Preston](#)
To: [Board of Supervisors \(BOS\)](#)
Cc: [Mayor, MYR \(MYR\)](#)
Subject: Repeal of the local cannabis tax
Date: Tuesday, December 9, 2025 12:45:22 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

- I support full repeal of the local cannabis tax (Bill #250929).
- Cannabis is medicine — most medications in California are **not taxed at all**.
- Cannabis [is vastly overtaxed](#) compared to alcohol and tobacco. In addition, cannabis businesses remain subject to federal Internal Revenue Code Section 280E, which prohibits the deduction of ordinary business expenses because cannabis remains illegal under federal law.
- When [state taxes briefly increased](#) this year, patients immediately suffered.
- Another tax will cause real harm — especially to seniors, disabled residents, and low-income patients. Cannabis tourism will also suffer.
- Higher taxes do not improve public safety. Licensed dispensaries rigorously check IDs, comply with testing requirements, and operate under strict security rules. Illicit operators do none of these things. When legal prices rise due to stacked taxes, consumers are pushed toward unregulated sources. That weakens enforcement, increases risk, and erodes the public-health protections the City has worked hard to establish.
- Please vote YES on repeal and protect compassionate access and the cannabis industry in San Francisco.

Lynne Preston
344 Highland Ave.
SF, CA 94110

From: [Kevin Reed](#)
To: [Board of Supervisors \(BOS\)](#)
Cc: [Mayor, MYR \(MYR\)](#)
Subject: Urgent: A Personal Appeal to Reconsider the 5% Cannabis Tax (File #250929)
Date: Friday, December 5, 2025 12:40:00 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Members of the Board of Supervisors,

I am writing once again in my capacity as President and Founder of The Green Cross, and as someone who has served on both San Francisco's Medical Cannabis Task Force and the Cannabis State Legalization Task Force. I am urging you to reconsider the proposed 5% Cannabis Business Tax (File #250929), scheduled to take effect in January 2026.

The Cannabis Industry Is Already One of the Most Heavily Taxed in America

As we have emphasized throughout this process, cannabis businesses already operate under an unparalleled tax burden. State and local taxes on cannabis exceed those placed on alcohol, tobacco, and virtually every other consumer product. Patients already pay more for their medicine than they should, and layering an additional 5% tax on top of this will punish the very people who depend on cannabis as an essential form of relief.

Cannabis Is Medicine — A Personal Perspective

I want to share a personal note to illustrate just how vital cannabis is as a medication. When I was 18, I was in a car accident that injured my back, and I lived with that pain for over 25 years before doctors could finally fix it. During all that time, cannabis was the one thing that gave me relief and kept me from turning to addictive pain pills. Without cannabis, I might have ended up on a much darker path.

This isn't just a policy debate; it's about real people finding relief and living better lives. California does not tax other medicines. Yet cannabis — a soothing, essential medication for countless residents — is already taxed more heavily than virtually any other product. To consider taxing it even more should give us all pause. This is not just a financial matter — it is a moral one.

The Crushing Weight of 280E and a Punishing Tax Structure

For context, it's important to understand what it actually costs a regulated cannabis business to operate in San Francisco. Unlike every other legal industry, we are still subject to federal tax code section 280E, which prohibits us from deducting ordinary business expenses that any other business can write off. Because of 280E, regulated operators routinely face an effective federal tax rate of 40–60% on their income.

On top of that, we pay California's 15% excise tax, state income taxes, payroll taxes, and San

Francisco's standard business taxes. When all these layers are combined, legal operators in this city often lose 50–70 cents of every dollar to taxes before we can reinvest anything into staff wages, safety measures, community programs, or affordability for patients.

No small business can sustain this burden indefinitely — and yet we work tirelessly to remain compliant, transparent, safe, and accessible to the patients and consumers who rely on us. Adding or maintaining additional local taxes on top of an already overwhelming federal and state structure only pushes more people back into the illicit market and makes it harder for responsible, community-based operators to survive.

The Finance Committee Hearing Was Clear: Patients Will Suffer

At last Wednesday's Budget and Finance Committee hearing, dozens of patients and advocates testified about how devastating this tax would be for their health, stability, and access to care. Despite this, their lived experiences were largely absent from the committee's discussion. Their voices deserve to be heard, and the consequences of this tax deserve to be taken seriously.

The City Must Remember: Cannabis Businesses Are Still Federally Illegal

Some Board members have suggested that cannabis businesses received “special treatment” by being allowed to remain open during COVID-19. The truth is far more straightforward: we stayed open because cannabis is essential medicine, and people depended on us.

And because we are federally illegal, we received:

- no PPP loans
- no federal relief funds
- no PPE reimbursements
- no loan forgiveness
- no governmental safety net of any kind

We operated under extreme financial pressure to ensure patients retained access to their medication. Had we closed — even for a short time — it would have been catastrophic for safe and regulated cannabis access in San Francisco.

A Critical Moment for Compassion and Practicality

We understand that at least one Board member feels strongly about allowing this tax to take effect out of a belief that it will generate millions in revenue. But the reality does not support this assumption, because the tax will drive patients to the illicit market — and even if revenue were generated, those dollars would come directly from the pockets of patients, low-income residents, medical users, seniors, veterans, and people living with chronic pain or disability.

We are asking you to take a step back and see the real cost of this tax. The compassionate choice — and the practical choice — is to suspend or repeal it.

Thank you for your time, your consideration, and your commitment to the well-being of all San Franciscans.

Sincerely,

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Kevin Reed

President & Founder, The Green Cross

Former Member, San Francisco Medical Cannabis Task Force

Former Member, San Francisco Cannabis State Legalization Task Force

4218 Mission Street

San Francisco, CA 94112

Mobile: [415.846.7671](tel:415.846.7671)

Office: [415.648.4420](tel:415.648.4420)

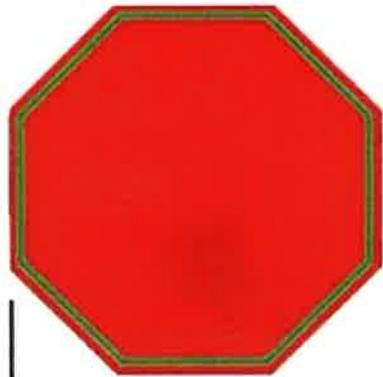
Fax: [415.431.2420](tel:415.431.2420)

Email: KevinReed@TheGreenCross.org

Web: TheGreenCross.org



How Unfairly High Are Cannabis Taxes?



California's excise tax on cannabis increased to 19% on 7/1/2025. AB 564 will roll taxes back.



California State Excise Tax Comparison Chart

SOURCES: Department of Cannabis Control, "Price Per Unit Report" and Legislative Analyst's Office, "Comparing Taxes on Cannabis to Taxes on Other Products in California"



From: [Kevin Reed](#)
To: [Board of Supervisors \(BOS\)](#)
Cc: [Mayor, MYR \(MYR\)](#)
Subject: Re: Urgent: A Personal Appeal to Reconsider the 5% Cannabis Tax (File #250929)
Date: Saturday, December 6, 2025 6:05:13 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Subject: Follow-Up on File #250929 — Key Clarifications Before the Full Board Vote

Dear Members of the Board of Supervisors,

Thank you for the public hearing on File #250929 and for the time and attention you have devoted to this issue. After re-listening to the discussion and the public testimony, I want to offer a brief follow-up to address several themes raised during the hearing and clarify important points that deserve consideration before the full Board vote.

Recent public exchanges among members of the Board — including highly visible disagreements over this and related tax matters — show that this is not a settled or procedural issue. This is a consequential decision with real impacts on patients, workers, and small businesses, and it warrants careful consideration informed by the full context.

Revenue Projections vs. Real-World Outcomes

Much of the discussion centered on the belief that letting the 5% cannabis tax take effect would generate millions of dollars for the City over time. It is important to note that these figures are projections, not existing revenue currently being collected.

In practice, excessive taxation risks shrinking the legal cannabis market itself. When legal businesses downsize or close, the City does not simply gain 5% — it loses jobs, payroll taxes, commercial rent stability, business taxes, and related economic activity. At the same time, consumers are pushed into the illicit market, which contributes nothing to City revenues and increases enforcement costs. A tax that appears beneficial on paper can become revenue-negative in practice.

Fairness and the Unique Position of Cannabis Businesses

Questions were raised about fairness and whether cannabis should be treated differently from other struggling industries. The key distinction is that cannabis does not operate on equal footing with any other legal sector.

Cannabis businesses remain subject to **federal Internal Revenue Code Section 280E**, which prohibits the deduction of ordinary business expenses because cannabis remains illegal under federal law. This restriction is clearly outlined in the federal tax code itself:

26 U.S. Code § 280E (IRS / Cornell Law)

<https://www.law.cornell.edu/uscode/text/26/280E>

No restaurant, retailer, or service business in San Francisco is subjected to this restriction.

Combined with California’s 15% excise tax, state income taxes, payroll taxes, and City business taxes, cannabis operators face an effective tax burden unlike any other industry.

What may appear to be preferential treatment is, in reality, an attempt to prevent further damage from a uniquely punitive tax structure.

Equity Funding: State Dollars, Not City Dollars

It is important to clarify the record regarding equity funding. San Francisco has already received **millions of dollars from state-collected cannabis tax revenues** specifically designated to support the City’s Cannabis Equity Program. These funds originate from cannabis excise taxes collected by the State of California — not from San Francisco’s general fund.

The California Department of Tax and Fee Administration publicly documents how cannabis tax revenues are collected and distributed to local jurisdictions, including for equity and local assistance programs:

California Department of Tax and Fee Administration — Cannabis Tax Allocation
<https://www.cdtfa.ca.gov/industry/cannabis.htm>

Those funds were intended to help equity operators survive in a highly regulated, capital-intensive industry through rent assistance, grants, fee waivers, and business support. In other words, the cannabis industry has already paid — at the state level — to support equity efforts.

Allowing additional local taxes to take effect while equity operators remain subject to federal 280E and stacked state taxes directly undermines the purpose of those state-provided funds. Over-taxation at the local level risks wiping out the very businesses those state dollars were meant to protect, turning public investment into preventable failure.

Public Safety, Youth Access, and the Illicit Market

Higher taxes do not improve public safety. Licensed dispensaries rigorously check IDs, comply with testing requirements, and operate under strict security rules. Illicit operators do none of these things.

When legal prices rise due to stacked taxes, consumers are pushed toward unregulated sources. That weakens enforcement, increases risk, and erodes the public-health protections the City has worked hard to establish.

Local Tax Structure and Voter Context

The City’s voter-approved cannabis tax framework — including the suspended Cannabis Business Tax — is outlined by the San Francisco Treasurer & Tax Collector under Article 30 of the Business and Tax Regulations Code:

Maintaining or reinstating this tax without adjusting for the realities of stacked state taxes, federal 280E restrictions, and post-pandemic economic conditions risks producing outcomes voters never intended.

Closing

My previous letter focused on the medical, human, and economic realities faced by patients and operators. This follow-up is intended to respond directly to the fiscal, equity, fairness, and public-safety considerations raised during the hearing.

Given the lack of consensus, the volatility surrounding this discussion, and the far-reaching consequences of this decision, I respectfully urge you to pause before allowing this tax to take effect. Suspending or repealing it is not about granting special treatment — it is about preserving patient access, protecting jobs, honoring the intent of state equity funding, and sustaining a regulated system that works.

Thank you for your continued consideration and for your service to San Francisco.

Sincerely,

Kevin Reed

President & Founder, The Green Cross

Former Member, SF Medical Cannabis Task Force

Former Member, SF Cannabis State Legalization Task Force

On Fri, Dec 5, 2025 at 12:39 PM Kevin Reed <kevinreed@thegreencross.org> wrote:

Dear Members of the Board of Supervisors,

I am writing once again in my capacity as President and Founder of The Green Cross, and as someone who has served on both San Francisco's Medical Cannabis Task Force and the Cannabis State Legalization Task Force. I am urging you to reconsider the proposed 5% Cannabis Business Tax (File #250929), scheduled to take effect in January 2026.

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is a moral one.

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On top of that, we pay California's 15% excise tax, state income taxes, payroll taxes, and San Francisco's standard business taxes. When all these layers are combined, legal operators in this city often lose 50–70 cents of every dollar to taxes before we can reinvest anything into staff wages, safety measures, community programs, or affordability for patients.

No small business can sustain this burden indefinitely — and yet we work tirelessly to remain compliant, transparent, safe, and accessible to the patients and consumers who rely on us. Adding or maintaining additional local taxes on top of an already overwhelming federal and state structure only pushes more people back into the illicit market and makes it harder for responsible, community-based operators to survive.

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We are asking you to take a step back and see the real cost of this tax. The compassionate choice — and the practical choice — is to suspend or repeal it.

Thank you for your time, your consideration, and your commitment to the well-being of all San Franciscans.

Sincerely,

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Kevin Reed

President & Founder, The Green Cross
Former Member, San Francisco Medical Cannabis Task Force
Former Member, San Francisco Cannabis State Legalization Task Force
4218 Mission Street
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From: [Cynthia Boedihardjo](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Vote YES on File #250929 — Protect SF Patients
Date: Friday, December 5, 2025 3:08:44 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear San Francisco Board of Supervisors:

My name is Cynthia Boedihardjo, and I am a San Francisco resident, small business owner and a longtime member of the Brownie Mary Democratic Club. I'm writing to support the full repeal of the local cannabis tax (File #250929).

Supervisors, cannabis is fundamentally a form of medicine, and treating it as a standard commodity for taxation is contrary to established public health principles. The vast majority of pharmaceutical and medical treatments in California are not subject to such burdens.

Our patients already face the highest tax rates in the nation. Imposing an additional tax will not only strain their resources but cause **tangible harm**, disproportionately affecting our most vulnerable residents: **seniors, disabled individuals, and low-income patients**.

I urge you to recognize this critical difference. Please vote **YES on the repeal** of the cannabis tax and protect the integrity of compassionate access here in San Francisco.

Thank you for your time and consideration.

Sincerely,

Cynthia Boedihardjo
Founder @ Wondership
415.712.5263 m

From: [Joyce Cenali](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: SF resident asking - Vote YES on File #250929 — Protect SF Patients
Date: Friday, December 5, 2025 12:53:56 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear San Francisco Board of Supervisors:

My name is Joyce Williams Cenali, and I am a 25 year San Francisco resident. I'm writing to support the full repeal of the local cannabis tax (File #250929).

Cannabis is medicine, and most medications in California are not taxed. Patients already struggle with the highest taxes in the country. Another tax will cause real harm, especially to seniors, disabled residents, and low-income patients. Please vote YES on repeal and protect compassionate access in San Francisco.

Thank you for your time and consideration.

Sincerely,
Joyce Williams Cenali

Joyce Cenali
COO, [Sonoma Hills Farm](#)
Board Member, [Sonoma County Cannabis Alliance](#)
415.609.5251

Learn more about [The Experience of Sonoma Hills Farm](#)

Ask me about
[CANNABIS MEDIA COUNCIL](#)
Enjoy our inaugural campaign [I'm High Right Now](#)
[Link](#). [Join](#). [Donate](#).

From: [Indigo Moonstar](#)
To: [Board of Supervisors \(BOS\)](#); [Mayor, MYR \(MYR\)](#)
Subject: Vote YES on Bill #250929 — Protect SF Patients
Date: Tuesday, December 9, 2025 10:07:18 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

- I support full repeal of the local cannabis tax (Bill #250929).
- Cannabis is medicine — most medications in California are **not taxed at all**.
- Cannabis [is vastly overtaxed](#) compared to alcohol and tobacco. In addition, cannabis businesses remain subject to federal Internal Revenue Code Section 280E, which prohibits the deduction of ordinary business expenses because cannabis remains illegal under federal law.
- When [state taxes briefly increased](#) this year, patients immediately suffered.
- Another tax will cause real harm — especially to seniors, disabled residents, and low-income patients. Cannabis tourism will also suffer.
- Higher taxes do not improve public safety. Licensed dispensaries rigorously check IDs, comply with testing requirements, and operate under strict security rules. Illicit operators do none of these things. When legal prices rise due to stacked taxes, consumers are pushed toward unregulated sources. That weakens enforcement, increases risk, and erodes the public-health protections the City has worked hard to establish.
- Please vote YES on repeal and protect compassionate access and the cannabis industry in San Francisco.

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Ryan Indigo Warman, Ph.D.

From: [Indigo Moonstar](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Vote YES on File #250929 — Protect SF Patients
Date: Tuesday, December 9, 2025 10:05:05 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear San Francisco Board of Supervisors:

My name is Dr. Ryan Indigo Warman, I am a native-born San Francisco resident and a longtime member of the Brownie Mary Democratic Club, and the National Organization for the Reform of Marijuana Laws (NORML).

I'm writing to support the full repeal of the local cannabis tax (File #250929).

Cannabis is medicine, and most medications in California are not taxed. Patients already struggle with the highest taxes in the country. Another tax will cause real harm, especially to seniors, disabled residents, and low-income patients.

Please vote YES on repeal and protect compassionate access in San Francisco.

Additionally, this tax will cost San Franciscan jobs. Our industry doesn't outsource—every job and every dollar earned here stays here.

When voters passed Prop M to eliminate gross-receipts taxes for small businesses, it's hard to believe they intended to leave cannabis behind.

Our industry is still struggling. Affordability challenges for patients and consumers are at an all-time high, and now is not the time to enforce an additional tax.

Thank you for your time and consideration.

Sincerely,

Ryan Indigo Warman, Ph.D.

From: [Eric Quan](#)
To: [Board of Supervisors \(BOS\)](#)
Cc: [Mayor, MYR \(MYR\)](#); [Fielder, Jackie \(BOS\)](#); [Mandelman, Rafael \(BOS\)](#)
Subject: Vote YES on Bill #250929 — Protect SF Patients
Date: Monday, December 8, 2025 5:59:55 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hello,

My name is Eric Quan, and I live on the border of District 8 and District 9, and I manage a neighborhood dispensary in District 8, The Flore Store. I am sending write to help share some personal and professional insight from a resident and as a business operator within this fine city.

Our goal, which was envisioned by the late Terrance Alan, is to be able to offer quality yet affordable care in a safe place to the residents of our community, all while supporting the small farmers who paved the way for all the brands we see today. We offer highly beneficial options for pain relief, anxiety, insomnia and other ailments to a community filled with diverse members. Time and time again we see our community get discouraged by the increase in taxes. Costs of operations are already high due to the nature of our business, and we have seen a steady decrease in sales due to costs of living going up. I fear with an additional increase in taxes, it will send more people back to looking for ways to purchase products on the streets, creating potentially dangerous situations and increasing crime rates.

Terrance fought for years to bring his vision to reality, and as the general manager of his legacy store, I want to carry out his compassionate vision and continue his passion for a plant that has helped so many. We tragically lost Terrance just over a month ago, and are actively trying to keep his legacy alive as a safe place.

We love our community and our city, and want to help both the people and the government. Help us help everyone by voting YES on Bill 250929

- I support full repeal of the local cannabis tax (Bill #250929).
- Cannabis is medicine — most medications in California are **not taxed at all**.
- Cannabis [is vastly overtaxed](#) compared to alcohol and tobacco. In addition, cannabis businesses remain subject to federal Internal Revenue Code Section 280E, which prohibits the deduction of ordinary business expenses because cannabis remains illegal under federal law.
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- Another tax will cause real harm — especially to seniors, disabled residents, and low-income patients. Cannabis tourism will also suffer.
- Higher taxes do not improve public safety. Licensed dispensaries rigorously check IDs, comply with testing requirements, and operate under strict security rules. Illicit operators do none of these things. When legal prices rise due to stacked taxes, consumers are pushed toward unregulated sources. That weakens enforcement, increases risk, and erodes the public-health protections the City has worked hard to establish.

Please vote YES on repeal and protect compassionate access and the cannabis industry in San Francisco.

I send my sincerest regards, and hope one day to meet with you all to share more insight on an industry that has so much more to offer than just recreational use.

Thank you for your time,
Eric
General Manager
The Flore Store
258 Noe St. San Francisco, CA 94114

From: [Ashley Hazel](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Please vote yes to repeal the local cannabis tax (#250929)
Date: Monday, December 8, 2025 5:03:08 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear San Francisco Board of Supervisors:

My name is Ashley Hazel, and I am a San Francisco resident, and I'm writing to support the full repeal of the local cannabis tax (File #250929).

Like other medications, cannabis should not be taxed. Many people rely on cannabis to heal symptoms and conditions that cannot be managed by other medicines or therapeutics. Additional taxes on cannabis will harm the most vulnerable sectors of our population, especially to seniors, veterans, disabled residents, and low-income patients. I support my district supervisor, Mandelman, in his authorship to repeal this tax. I urge you to vote YES on repeal and protect compassionate access in San Francisco.

Thank you very much,
Ashley Hazel

From: [Charles Bush](#)
To: [Board of Supervisors \(BOS\)](#); [Mayor, MYR \(MYR\)](#); [Sherrill, Stephen \(BOS\)](#)
Subject: Vote YES on Bill #250929 — Protect SF Patients
Date: Monday, December 8, 2025 4:53:50 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Greetings,

Please vote YES on Bill #250929. Cannabis is medicine and this tax will hurt patients and small businesses. Support the repeal. Thank you.

Charles Bush

2673 Pine Street (District 2)

From: [David Hua](#)
To: [Board of Supervisors \(BOS\)](#); [Mayor, MYR \(MYR\)](#)
Cc: [Meadow Care](#)
Subject: Urgent: A Personal Appeal to Reconsider the 5% Cannabis Tax (File #250929)
Date: Monday, December 8, 2025 4:08:06 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Members of the San Francisco Board of Supervisors,

Thank you for your time and for holding a public hearing on File #250929. As a San Francisco Founder who has spent more than a decade building compliant software for dispensaries and delivery operators across California—and as someone who works closely with independent operators, equity businesses, medical patients, and community-based organizations throughout this city—I am urging you to suspend or repeal the 5% Cannabis Business Tax currently scheduled to take effect in January 2026.

I'm writing not just as the CEO of a company serving licensed operators statewide, but as someone who has seen firsthand how policies land on real people: patients trying to afford their medicine, small-business owners trying to stay compliant, and workers trying to build stable lives in one of the most expensive cities in the country.

Cannabis Is Already One of the Most Heavily Taxed Industries in America

The City has heard this before, but it cannot be overstated: no other legal consumer industry in the United States operates under a tax structure this punitive.

Cannabis businesses are already paying:

- California's 15% excise tax
- State income tax
- Payroll taxes
- San Francisco business taxes
- Compliance costs unique to a federally illegal industry
- And unlike every other legal industry, federal tax code 280E prohibits them from deducting ordinary business expenses

Because of 280E, many operators face effective federal tax rates of 40–60%. Layer all the state and local taxes on top of that, and legal operators routinely lose 50–70 cents of every dollar before reinvesting anything into wages, community programs, or patient affordability.

No small business—not restaurants, not retailers, not neighborhood service providers—could survive that structure indefinitely. And yet cannabis operators continue to show up, comply, and serve patients because they believe in the purpose of this work.

Adding another 5% local tax on top of this stack isn't just burdensome; it's destabilizing.

Cannabis Is Medicine: Patients Will Carry the Cost

I want to underscore a point made repeatedly during public comment: cannabis is medicine for

thousands of residents, including seniors, veterans, people with disabilities, chronic pain patients, and those managing cancer, PTSD, or opioid recovery.

Unlike other medicines—which California does not tax—cannabis is already taxed more heavily than almost any consumer product. Adding another tax does not make the system more fair; it makes it less compassionate.

At the Finance Committee hearing, dozens of patients testified about how another 5% would harm them. Their experiences were largely absent from the committee discussion. Their voices deserve to be part of this decision.

The Assumption of Significant Revenue Gains Is Misaligned With Reality

One of the themes of the committee hearing was the belief that San Francisco will gain meaningful revenue if this tax takes effect. This assumption doesn't match what happens on the ground.

When taxes exceed what the legal market can bear:

- Legal operators shrink or close
- The City loses payroll taxes, jobs, commercial stability, and business taxes
- Consumers migrate to the illicit market, which pays nothing to the City
- Enforcement costs go up, not down

A tax can look beneficial on paper and still be revenue-negative in practice.

Cannabis Businesses Do Not Operate on a Level Playing Field With Any Other Industry

Discussions about “fairness” only make sense when the comparison is fair.

Cannabis operators are the only businesses in the city subject to 26 U.S. Code § 280E, which explicitly bars them from deducting normal business expenses because cannabis remains federally illegal.

No restaurant, bar, retail shop, or hospitality business in San Francisco operates under that restriction. What may look like “special treatment” is really an attempt to offset a structural disadvantage no other industry faces.

Equity Operators Have Already Been Funded Through State Cannabis Taxes—Not Local Dollars

Another key point: San Francisco has already received millions in state cannabis tax revenue earmarked for the Cannabis Equity Program. These dollars come from statewide excise taxes—not the City's general fund—and are publicly documented by CDTFA.

These funds are meant to help equity operators survive high regulatory costs and systemic barriers.

If the City imposes additional taxes that push these same operators out of business, then the equity dollars already invested are effectively wasted. That is the opposite of what voters and legislators intended.

Higher Taxes Hurt Public Safety and Youth Prevention

Legal dispensaries:

- check IDs
- test products
- comply with stringent security rules
- track every gram from seed to sale

Illicit dealers do none of this.

When legal prices rise due to taxes, consumers—especially budget-constrained patients—turn to unregulated sources. That weakens youth protections, strengthens illicit networks, and reduces the city’s regulatory leverage.

This tax does not increase safety; it undermines it.

Context Matters: Cannabis Companies Received No Federal Relief

During the hearing, some comments implied cannabis businesses received special treatment during COVID by being allowed to stay open. The truth is the opposite.

Because cannabis is federally illegal, operators received:

- no PPP loans
- no federal relief funds
- no PPE reimbursements
- no loan forgiveness
- no safety net of any kind

They remained open because cannabis is essential medicine and because patients depended on them—not because they were protected.

A Moment for Clarity, Compassion, and Practicality

Even members of the Board disagree about this issue, which underscores how consequential it is. This is not a procedural vote; it is a decision that will affect:

- patient access
- small businesses
- equity operators
- workers
- and the shape of San Francisco’s regulated cannabis marketplace

If the goal is to preserve access, uphold equity, maintain public safety, and support legal operators over illicit ones, then allowing this tax to take effect works against all of those priorities.

The compassionate choice—and the economically sound one—is to suspend or repeal the cannabis business tax.

Thank you for your time, your attention, and your service to our city. I appreciate your consideration and the responsibility you hold in shaping a sustainable, equitable future for San

Francisco's cannabis ecosystem.

Sincerely,
David Hua



David Hua
Founder, CEO

415.212.8985
hua@getmeadow.com
[connect on LinkedIn](#)



getmeadow.com

60 13th Street
San Francisco, CA 94103

From: [Lara DeCaro](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Please Vote YES on File #250929 — Protect SF Patients
Date: Monday, December 8, 2025 3:20:46 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Supervisors:

I was raised in the City--a Larkin Street Youth success story--and have lived and practiced law in D3 since 2000. Growing up in the '80's, I saw much of the devastation caused by AIDS and HIV, and the relief brought by cannabis. This IS medicine for many people and we should not forget that. However, unlike all other medicines, we have capitulated to a tax on cannabis.

In addition, the calculation of the tax leads to significantly higher prices for patients and adult-use consumers alike. The tax is calculated to take the product sales price, add delivery fees and local taxes, then impose the state cannabis excise tax on that subtotal, then impose the state sales tax on that subtotal. So, the local tax is actually taxed TWICE by the state, exponentially increasing the purchase price at the register.

According to the State Department of Cannabis Control, the illicit market accounts for over 60% of all sales and, according to the CDTFA, cannabis tax revenue has fallen by over 11% over the past year. The regulated market cannot carry the burden of additional costs in a market where most people can find an unregulated supply.

Higher taxes are not equalling higher revenue. Please vote YES on the repeal or suspension of the SF Cannabis Tax.

Respectfully,
Lara

Lara L. DeCaro
bond

Get Involved:

- *Have you heard about the International Cannabis Bar Association? [Check us out](#) and use my last name for a 20% discount on membership and events.*
- *Join the BASF Cannabis, Alcohol, & Psychedelics Section [cannabis social equity pro bono panel](#) we started.*
- *Check out the [free cannabis SAFE \(Simple Agreement for Future Equity\)](#) we helped Meadow write.*

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to scan this e-mail and any attachments for viruses. Thank you.

From: [David Romano](#)
To: [Board of Supervisors \(BOS\)](#)
Cc: [Lurie, Daniel \(MYR\)](#)
Subject: YES on Bill #250929 to repeal the local cannabis tax
Date: Monday, December 8, 2025 12:17:51 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Supervisors:

I live in San Francisco and I'm asking you to vote YES on Bill #250929 to repeal the local cannabis tax. Cannabis is medicine, and adding another tax will harm patients, push people to the illicit market, and hurt small community dispensaries. Please support this repeal — no more taxes on cannabis medicine.

Sincerely,

David Romano
San Francisco CA 94121

From: [MCAGiraffe](#)
To: [Board of Supervisors \(BOS\)](#); [Mayor, MYR \(MYR\)](#); [Chan, Connie \(BOS\)](#); [Sherrill, Stephen \(BOS\)](#); [Sauter, Danny \(BOS\)](#); [Mahmood, Bilal \(BOS\)](#); [Dorsey, Matt \(BOS\)](#); [Melgar, Myrna \(BOS\)](#); [Mandelman, Rafael \(BOS\)](#); [Felder, Jackie \(BOS\)](#); [Walton, Shamann \(BOS\)](#); [Chen, Chyanne \(BOS\)](#)
Subject: Support Repeal of the Local Cannabis Business Tax (File#250929)
Date: Monday, December 8, 2025 11:07:34 AM

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December 8, 2025

San Francisco Board of Supervisors

1 Dr. Carlton B. Goodlett Place

San Francisco, CA 94102

Re: Support Repeal of the Local Cannabis Business Tax (File #250929)

We are Michelle and Michael Aldrich, longtime San Francisco residents and advocates, who have devoted more than fifty years to ensuring that patients have safe, compassionate, and affordable access to cannabis. We have spent our lives working alongside community members, patients, caregivers, and policymakers to build the system San Francisco is known for today — one grounded in dignity, health, and harm reduction.

We are writing to urge you to support File #250929 and prevent the delayed 5% local Cannabis Business Tax from taking effect on January 1, 2026.

The Cannabis Industry is the most overtaxed consumer product/medicine in the United States.

First, there is the Feds with 280E which does not allow deductions for rent, salaries or anything else that is used to operate the entity. This can take 40-60% of the revenue that is taken in.

Second is the state's 15% excise tax and the other taxes that the state adds on to any consumer product and

Third there are all the local taxes that the city adds on to any business. 50-70 cents out of every dollar goes to taxes.

Just adding more taxes will not bring in more revenue it will just increase the chance of one or more of the cannabis operators in the city will go out of business or reduce staff which will hurt the city in the long run.

Overtaxation leads to higher prices for consumers, fewer jobs with lower wages and reduced profitability which will actually mean less taxes collected.

If you don't implement this measure the tax will only backfire on the intent of the measure.

Please vote yes on #250929....

Love, peace and health,

Michelle Aldrich

Michael Aldrich

Longtime Cannabis Advocates & Community Elders

From: [Hunter Oatman-Stanford](#)
To: [Dorsey, Matt \(BOS\)](#); [Board of Supervisors \(BOS\)](#)
Subject: Vote YES on File #250929 — Protect SF Patients
Date: Sunday, December 7, 2025 3:33:01 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear San Francisco Board of Supervisors:

My name is Hunter Oatman-Stanford, and I am a longtime San Francisco resident of District 6. I'm writing to support the full repeal of the local cannabis tax (File #250929).

I use cannabis products for recurring injuries and muscle pain. Cannabis is medicine, and most medications in California are not taxed. Patients already struggle with the highest taxes in the country. Another tax will cause real harm, especially to seniors, disabled residents, and low-income patients. Please vote YES on repeal and protect compassionate access in San Francisco.

Thank you for your time and consideration.

Sincerely,
Hunter Oatman-Stanford

From: [Darren Story](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Cannabis Tax repeal
Date: Sunday, December 7, 2025 2:42:15 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear San Francisco Board of Supervisors:

My name is Darren Story, and I live/work in the Miraloma area of San Francisco. I'm writing to support the full repeal of the local cannabis tax (File #250929).

This tax will cost San Franciscan jobs. Our industry doesn't outsource—every job and every dollar earned here stays here. When voters passed Prop M to eliminate gross-receipts taxes for small businesses, it's hard to believe they intended to leave cannabis behind. Our industry is still struggling. Affordability challenges for patients and consumers are at an all-time high, and now is not the time to enforce an additional tax.

Please be sensible and repeal all cannabis taxes!

Sincerely,

Darren Story

Strong Agronomy - Coastal Brands

Healthy Plants Heal Humans

(415) 609.7482



From: [Indyana Davis](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Please Vote YES on File #250929 and Protect Equity Operators
Date: Saturday, December 6, 2025 11:11:14 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Members of the Board of Supervisors,

My name is **Indyana Davis**. I am a San Francisco resident, small-business owner, and equity applicant in **District 3**, represented by Supervisor Danny Sauter. I am also a longtime medical cannabis patient living with a seizure disorder. I testified before you at the December 3 Budget and Finance Committee hearing on **File #250929**, and I am writing to thank you for advancing this item and to urge the full Board to support it.

Fair Chance brought me to San Francisco cannabis policy may force me out

I moved to San Francisco from a small town in Shelby County, Alabama, because of this city's **Fair Chance Ordinance**. I had a college degree and a cannabis conviction, and I had effectively been written off by employers. San Francisco promised that my skills and potential would matter more than my past.

That promise changed my life. I was hired by Yelp, advanced my career in the tech industry, and was later relocated to Pennsylvania to help build a startup within the company. I eventually returned to San Francisco and founded my own tech recruiting firm. Today, I work directly with founders in AI and health-tech, helping deploy millions of dollars in payroll and build teams right here in this city.

Now, the same city that gave me a fair chance is on the verge of closing the door on the equity opportunity I moved here to pursue by allowing a 5% local cannabis tax to take effect in a market that is already collapsing.

An equity applicant \$80,000 in before ever opening the doors

I am an equity applicant who has spent **over \$80,000** across several years simply to hold and maintain a compliant commercial space. I waited nearly a decade just to be eligible to apply, and I am still not allowed to operate because of the length and complexity of the process.

This is all happening while everyone agrees the market is in crisis. Legal operators are closing, tax delinquencies are increasing, and the illicit market continues to thrive. I am not a corporate chain. I am a **Black woman-owned, San Francisco-based small business** trying to build something compliant, sustainable, and community-oriented.

A 5% local cannabis tax doesn't shrink my margin; it makes the math impossible before I ever open my doors.

Already double- and triple-taxed, unlike any other industry

I have followed San Francisco's cannabis tax policy closely. Between July and September of this year, the state cannabis excise tax rose from 15% to 19% before AB 564 rolled it back. Even at 15%, a single cannabis pre-roll carries more than a dollar in state excise tax, while comparable servings of alcohol or tobacco are taxed in pennies.

On top of that:

- **Federal tax code Section 280E** still prohibits cannabis businesses from deducting ordinary business expenses.
- I would also pay state income and payroll taxes, as well as San Francisco's standard business and gross-receipts taxes.
- If a cannabis business falls behind on state taxes, the CDTFA can impose a **10% late penalty**, a **mandatory 50% penalty** on unpaid excise tax, plus interest.

This is why so many legal cannabis businesses are already shutting down or in default. The problem is not that cannabis is undertaxed; it is that it is taxed and penalized in ways no other legal industry is. A 5% local tax does not create stable city revenue; it accelerates closures and pushes consumers back to the illicit market, which pays no taxes and undermines public health.

A note on the December 3 hearing

At the December 3 hearing, I used my two minutes of public comment to explain how Fair Chance changed my life, what cannabis means for my health, and what is at stake for my delivery business. While I spoke, it appeared that Supervisor Chan, who was chairing, was focused on her phone. Later reporting confirmed that she was texting another Supervisor during the hearing.

I share this not in anger, but to illustrate how easily patients and small operators can feel invisible in this process. To Supervisor Chan's credit, she came over after the hearing, thanked us for being there, and took time to speak with us. I appreciated that gesture and would welcome the opportunity to work with her, my District 3 office, and the full Board on solutions that stabilize rather than weaken the legal market.

What I am respectfully asking you to do

Because of all of the above, I respectfully ask you to:

- **Uphold and build on the Budget and Finance Committee's December 3 action** by voting **YES on File #250929**, as amended, to extend the suspension of the Cannabis Business Tax through 2035 so that the 5% local tax does not automatically take effect in 2026; and
- In the longer term, work with state partners to eliminate the local cannabis business tax altogether and reform the broader tax and penalty structure that currently makes legal compliance financially impossible for many operators.

San Francisco gave me a fair chance once. I am asking you not to take it away now.

Warmly,

Indyana Davis

CEO

Indo Nation

■ [305-632-8901](tel:305-632-8901)

■ indyana@indonationsf.com



From: [Julie Tran](#)
To: [Board of Supervisors \(BOS\)](#); [Dorsey, Matt \(BOS\)](#)
Subject: Vote YES on File #250929 — Protect SF Patients
Date: Saturday, December 6, 2025 9:44:09 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear San Francisco Board of Supervisors:

My name is Julie Tran, and I live and work in San Francisco. I'm writing to support the full repeal of the local cannabis tax (File #250929).

This tax will cost San Franciscan jobs. Our industry doesn't outsource—every job and every dollar earned here stays here. When voters passed Prop M to eliminate gross-receipts taxes for small businesses, it's hard to believe they intended to leave cannabis behind. Our industry is still struggling. Affordability challenges for patients and consumers are at an all-time high, and now is not the time to enforce an additional tax.

Sincerely,

Be excellent to each other,

Julie Tran

Co-Founder | [Elefante Inc](#) | jt@elefanteinc.com | 832.969.8191



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From: [maximo de leon](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: A Frontline View on File #250929
Date: Saturday, December 6, 2025 9:30:33 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Members of the Board of Supervisors,

My name is **Maximo De Leon**, and I've been a budtender at **The Green Cross** since **March 6, 2014**. I live in San Francisco at **113 Stoneridge Ln, San Francisco, CA 94134**, and I'm writing because I see firsthand what decisions like this mean for real people.

Every day at work, I help patients who are sick, in pain, elderly, living on fixed incomes, or just trying to manage a medical condition enough to get through their day. These are not casual or luxury purchases for them. Cannabis is their medicine — whether it's for chronic pain, cancer symptoms, anxiety, PTSD, appetite, sleep, or mobility. Some don't even realize they're using it as medicine anymore because it's simply how they survive.

Over the last few years, I've had more and more difficult conversations with patients about prices. I hear the same thing daily: *"I can't afford what I used to,"* or *"I have to skip this week,"* or *"What's cheaper that will still help?"* These aren't people shopping recreationally — these are people choosing between their relief and their rent.

That is why I am writing today in direct opposition to File #250929 and any action that would allow a 5% cannabis tax to take effect.

Many of them already feel pushed to the breaking point because cannabis is taxed more than almost any other product, even though California doesn't tax other medicines. They don't understand why something that helps them function is treated differently, and honestly, neither do I. When prices rise, I don't just see frustration — I see fear, stress, and people quietly giving up.

I also know that cannabis businesses are still federally illegal and punished by IRS Section 280E, which means the dispensary I work for can't deduct normal business expenses like any other business. That burden doesn't come from mismanagement or greed — it comes from laws that treat this industry differently at every level. When you add state excise taxes, payroll taxes, city business taxes, and then talk about adding another 5%, that pressure rolls downhill to the people standing at the counter and the patients standing in front of us.

I've watched patients tell me they're going back to unregulated sources because they simply can't afford legal prices anymore. Those sellers don't check IDs, don't test products, and don't answer questions the way we do. That scares me — as someone who actually cares about safety — far more than any hypothetical revenue projections.

I understand that San Francisco has budget needs. But I also know the City has already received **millions of dollars in state-collected cannabis tax revenue**, and those funds were meant to support programs like equity and community stability — not to be followed by additional taxes that make survival impossible for the legal market.

I'm not writing as a politician or an economist. I'm writing as someone who has spent over a decade helping people find relief, answering their questions, and watching them struggle more each year as costs rise. A 5% increase may sound small on paper, but to the people I serve, it can mean the difference between getting relief and going without.

Please understand that this decision will directly affect the people you rarely see in hearings: the patients who sit quietly, the seniors who count dollars carefully, and the workers like me who are trying to do right by them every day.

I respectfully ask you to vote **in favor of suspending or repealing the tax under File #250929** and to protect access to affordable, regulated cannabis for the people who depend on it.

Thank you for your time and for listening.

Sincerely,

Maximo De Leon

Budtender, The Green Cross

San Francisco Resident

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From: [Tony Bowles](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Support for the full repeal of the local cannabis tax!
Date: Tuesday, December 9, 2025 11:53:35 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear San Francisco Board of Supervisors,

My name is Tony Bowles, and I serve as Chair of the Bay Area Chapter of Americans for Safe Access, the largest national organization of patients, medical professionals, scientists, providers, and concerned citizens dedicated to promoting safe and legal access to cannabis for therapeutic use and research. I am writing to urge your support for the full repeal of the local cannabis tax (File #250929).

Cannabis is medicine, and most medications in California are not taxed. Patients are already burdened by some of the highest cannabis taxes in the country. Adding or maintaining additional taxes will cause real harm—especially to seniors, disabled residents, and low-income patients who rely on cannabis for their health and quality of life.

Please vote YES on repeal and protect compassionate access in San Francisco.

Thank you for your time and consideration.

Sincerely,
Tony Bowles
[202-509-6119](tel:202-509-6119)

From: [Jessica](#)
To: [Board of Supervisors \(BOS\)](#)
Cc: [Mayor, MYR \(MYR\)](#)
Subject: Vote YES on Bill #250929 — Protect SF Patients
Date: Wednesday, November 26, 2025 9:12:31 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hi, my name is Jess and I live in District 5. I'm writing to ask the Supervisor to vote YES on Bill #250929. Cannabis is medicine, most medications in CA are not taxed at all, and this tax increase will hurt patients and the small businesses we rely on. Please vote YES on repeal and protect compassionate access and the cannabis industry in San Francisco.

Thank you.

-Jessica

From: [John Delaplane](#)
To: [Board of Supervisors \(BOS\)](#)
Cc: [Mayor, MYR \(MYR\)](#)
Subject: Vote YES on Bill #250929 — Protect SF Patients
Date: Wednesday, November 26, 2025 12:37:16 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Greetings Honorable Supervisors and Mayor Lurie,

My name is John Delaplane and I am 20+ year SF Resident. I am also a voting father of two in District 5. My son attends SFUSD.

I support the full repeal of the local cannabis tax (Bill #250929). Cannabis is medicine — most medications in California are not taxed at all. Cannabis is vastly overtaxed compared to alcohol and tobacco. When state taxes briefly increased this year, patients immediately suffered. Another tax will cause real harm — especially to seniors, disabled residents, and low-income patients. Cannabis tourism will also suffer. The tax also undermines the city's social equity goals, harming social equity cannabis businesses that were supposed to get a leg up in the cannabis industry.

Please vote YES on repeal and protect compassionate access and the cannabis industry in San Francisco.

Thank you.

Sincerely,

John Delaplane

From: [MCAgiraffe](#)
To: [Board of Supervisors \(BOS\)](#); [Mayor, MYR \(MYR\)](#)
Cc: [Chan, Connie \(BOS\)](#); [Sherrill, Stephen \(BOS\)](#); [Sauter, Danny \(BOS\)](#); [Mahmood, Bilal \(BOS\)](#); [Dorsey, Matt \(BOS\)](#); [Melgar, Myrna \(BOS\)](#); [Mandelman, Rafael \(BOS\)](#); [Fielder, Jackie \(BOS\)](#); [Walton, Shamann \(BOS\)](#); [Chen, Chyanne \(BOS\)](#)
Subject: Support Repeal of the Local Cannabis Business Tax (File #250929)
Date: Sunday, November 30, 2025 3:50:58 PM

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November 30, 2025

San Francisco Board of Supervisors

1 Dr. Carlton B. Goodlett Place

San Francisco, CA 94102

Re: Support Repeal of the Local Cannabis Business Tax (File #250929)

Dear Supervisors,

We are Michelle and Michael Aldrich, longtime San Francisco residents and advocates, who have devoted more than fifty years to ensuring that patients have safe, compassionate, and affordable access to cannabis. We have spent our lives working alongside community members, patients, caregivers, and policymakers to build the system San Francisco is known for today — one grounded in dignity, health, and harm reduction.

We are writing to urge you to support File #250929 and prevent the delayed 5% local Cannabis Business Tax from taking effect on January 1, 2026.

For decades, San Francisco led the nation in recognizing cannabis as medicine. We stood with patients through the AIDS epidemic, when cannabis was often the only thing easing pain, nausea, or the side effects of lifesaving medications. We worked to build compassion programs, safe distribution models, and supportive regulatory frameworks that protected the sick, the elderly, and the most vulnerable.

That legacy is now at risk.

If this tax takes effect, it will raise the cost of medicine for patients who are already struggling — seniors, disabled people, low-income residents, and those living with chronic conditions. Many of these individuals rely on cannabis simply to function day-to-day. A 5% increase will push some back toward unregulated sources, which is neither safe nor consistent with San Francisco's values.

The legal cannabis system is already overburdened by state taxes, federal 280E penalties, and rising operating costs. Community-based dispensaries — the same ones that built this movement, offered compassion discounts, and supported patients long before legalization —

cannot absorb another financial strain. Losing them would be a profound blow to public health and to the spirit of compassion this city helped pioneer.

We respectfully ask that you:

1. Advance File #250929 out of the Budget and Finance Committee;
2. Support its passage at the full Board; and
3. Protect access to safe, tested, regulated medical cannabis for the people who need it most.

San Francisco has always been a moral leader in cannabis policy. We hope you will uphold that legacy by ensuring patients are not priced out of the medicine that improves — and in many cases sustains — their daily lives.

Thank you for your time and thoughtful consideration.

Love, peace and health,

Michelle Aldrich

Michael Aldrich

Longtime Cannabis Advocates & Community Elders

From: [William Dolan](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Repeal the Local Cannabis Business Tax (File #250929)
Date: Sunday, November 30, 2025 10:36:12 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Board of Supervisors,

My name is William Dolan, resident and business owner in D4. I am the owner, operator, and CEO of [HYRBA](#) located at 4033 Judah St. in the Outer Sunset. I am also an Equity Applicant and Board Member of the San Francisco Cannabis Alliance (SFCA) and member of the Brownie Mary Democratic Club.

I am writing to request the following.

- *We need your support to **repeal** the local Cannabis Business Tax (File #250929).*
- *Please move this item out of committee and schedule a public hearing immediately so patients and operators can be heard.*
- *Cannabis is essential medicine for many residents, and most Californians do not pay taxes on their medications.*
- *This tax will disproportionately harm independent operators, workers, and equity businesses.*
- *Implementing another tax will harm patients and undermine safe, regulated access.*
- *The temporary state tax increase earlier this year already reduced access and pushed consumers toward illicit options.*
- *San Francisco should be protecting compassionate access and supporting compliant operators, not adding additional financial barriers to an already contracting market.*

Why This Matters

If the tax is implemented:

- Consumer prices will increase across all retail operators in San Francisco.
- Access for medical patients, seniors, and people on fixed incomes will decrease.
- Small community-based dispensaries, and specifically Equity owned dispensaries, will struggle and/or close.
- Corporate operators (and illicit market sellers) will gain disproportionate advantage.
- The illicit market will strengthen and thrive; the regulated, legal market will continue to

contract.

- Retailers will face even greater regulatory and competitive pressure.

Traditional medications in California are tax-exempt, yet cannabis — the medicine many people rely on daily — continues to be burdened with multiple layers of taxation. This harms and penalizes both patients and compliant operators, while it rewards those operating in the illicit market.

Thank you for your support of our worthy cause to keep cannabis accessible, affordable, and readily available to the citizens of San Francisco. Please reach out if you have any questions or would like to discuss further.

William Dolan, Equity Applicant, Owner and CEO

--

will@hyrba.com

415.935.4743

From: [Elaine Bell](#)
To: [Board of Supervisors \(BOS\)](#)
Cc: [Lurie, Daniel \(MYR\)](#)
Subject: Upcoming 5% cannabis tax
Date: Monday, December 1, 2025 8:57:56 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Good morning! I hope all is well with you on this fine Monday. I'm writing to you to please vote yes on the bill that will stop the 5% cannabis tax that is due to take effect on January 1st of 2026. It will not only hurt the businesses that built this movement, it will also hurt folks like me that use cannabis as medicine because we can't use traditional medicine. Allergies and such. I myself am allergic to anti inflammatory drugs. They give me GI bleed. Cannabis balms and tinctures help my arthritis. Flower helps anxiety. Thank you for your time and I hope you will consider the repeal of this unnecessary tax.

Sincerely,
Elaine B.

From: [Patricia Flynn](#)
To: [Board of Supervisors \(BOS\)](#)
Cc: [Lurie, Daniel \(MYR\)](#); [Fielder, Jackie \(BOS\)](#)
Subject: Vote YES on Bill #250929 — Protect SF Patients
Date: Monday, December 1, 2025 9:15:25 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I support full repeal of the local cannabis tax (Bill #250929). Cannabis is medicine, and most medications in California are not taxed at all. Patients already struggle with the highest taxes in the country. When state taxes briefly increased this year, patients immediately suffered. Another tax will cause real harm, especially to seniors, disabled residents, and low-income patients. Please vote YES on repeal and protect compassionate access in San Francisco.

From: [Jim Misner](#)
To: [Board of Supervisors \(BOS\)](#)
Cc: [Lurie, Daniel \(MYR\)](#)
Subject: re: Bill 250929
Date: Monday, December 1, 2025 9:17:25 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I support full repeal of the local cannabis tax (Bill #250929). Cannabis is medicine, and most medications in California are not taxed at all. Patients already struggle with the highest taxes in the country. When state taxes briefly increased this year, patients immediately suffered. Another tax will cause real harm, especially to seniors, disabled residents, and low-income patients. Please vote YES on repeal and protect compassionate access in San Francisco.

Respectfully, ... Your constituent,

James Misner

From: [J Alvarez](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Cannabis tax
Date: Monday, December 1, 2025 9:42:38 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I support full repeal of the local cannabis tax (Bill #250929). Cannabis is medicine, and most medications in California are not taxed at all. Patients already struggle with the highest taxes in the country. When state taxes briefly increased this year, patients immediately suffered. Another tax will cause real harm, especially to seniors, disabled residents, and low-income patients. Please vote YES on repeal and protect compassionate access in San Francisco.

Sent from my T-Mobile 5G Device

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From: [Angela Montemayor](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: tax on Cannabis
Date: Monday, December 1, 2025 11:16:29 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Please stop the 5% tax that's coming on in January.
Everything is so expensive, food, gas, insurance, and lets not forget San Francisco super high rents. Please do not tax us more than we all ready are.
I am a medical marijuana user for my PTSD and physical pain. I can not afford to pay more with everything else being so high.

Best to you and yours,
Angela Montemayor

[Yahoo Mail: Search, Organize, Conquer](#)

From: [Kenneth Alexander](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Vote YES on Bill#250929 - Protect SF Patients
Date: Monday, December 1, 2025 5:32:17 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I support full repeal of the local cannabis tax (Bill #250929). Cannabis is medicine, and most medications in California are not taxed at all. Patients already struggle with the highest taxes in the country. When state taxes briefly increased this year, patients immediately suffered. Another tax will cause real harm, especially to seniors, disabled residents, and low- income patients. Please vote YES on repeal and protect compassionate access in San Francisco.

Sent from my iPhone

From: [Catherine Herrera](#)
To: [Board of Supervisors \(BOS\)](#)
Subject: Vote YES on Bill #250929 — Protect SF Patients
Date: Tuesday, December 2, 2025 8:00:26 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Board of Supervisors:

In 2008, I was receiving a routine blood draw when the nurse instead went into my arm nerve, drew a whole vial of blood, and my life was forever changed. I developed a rare condition on top of the nerve damage that impacted my mobility immediately.

Due to the fact I was injured at a hospital, I went through a traumatic experience in trying to get medical care, supportive devices and medication - since there is no cure and all medication is considered 'experimental.' The condition that resulted from the needle aspiration injury provokes the highest level of pain recorded by the medical field on the pain index, beyond cancer and childbirth. That level of pain was unbearable.

Someone suggested I try cannabis. I did not have money and relied on patient compassion programs to access the medicine. It took time but the cannabis helped regulate the pain, and even though I was in no way cured, I could start to function, to be able to eat, sleep and slowly, recover balance enough to be able to engage in my business and care for my family again. With that said, my abilities are still limited, require daily management and continue to limit income capacity.

It's not fair to tax cannabis while no taxes are applied on other medications.

Further, the City is offering financial incentives to profitable companies to locate here while charging extra taxes to seniors, disabled people and low-resourced residents who are dealing with increasing prices, and limited incomes. Already, Californians pay exorbitant prices for cannabis, and, compassion programs are gone. Many are forced to the off-market sources to save from taxes, risking unsafe conditions. These are not outcomes that support charging a small additional tax.

Please consider patients and fully repeal the local cannabis tax (Bill #250929). When state taxes briefly increased this year, patients immediately suffered. Another tax will cause real harm, especially to seniors, disabled residents, and low-income patients. Alternatively, grant a sales tax exemption for medical cannabis license holders.

Please vote YES on repeal and protect compassionate access in San Francisco.

Thank you for your consideration,

Catherine Herrera
SF Resident

From: [Shannon McInerney](#)
To: [Board of Supervisors \(BOS\)](#)
Cc: [Mayor, MYR \(MYR\)](#); [Mandelman, Rafael \(BOS\)](#)
Subject: Vote YES on Bill #250929 — Protect SF Patients
Date: Wednesday, December 3, 2025 4:04:28 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Good Evening Everyone,

- I support full repeal of the local cannabis tax (Bill #250929).
- Cannabis is medicine — most medications in California are **not taxed at all**.
- Cannabis [is vastly overtaxed](#) compared to alcohol and tobacco.
- When [state taxes briefly increased](#) this year, patients immediately suffered.
- Another tax will cause real harm — especially to seniors, disabled residents, and low-income patients. Cannabis tourism will also suffer.
- Please vote YES on repeal and protect compassionate access and the cannabis industry in San Francisco.

Shannon McInerney

PAX Labs Inc.

Customer Success Manager, Northern California

[415-730-8013 @therealshannabis](#)

[Trade Marketing Resources](#)

[KSS Live Menu](#) | [PAX Catalog](#)

From: [Bram Goodwin](#)
To: [ChanStaff \(BOS\)](#); [DorseyStaff \(BOS\)](#)
Cc: [Jalipa, Brent \(BOS\)](#); [MandelmanStaff \(BOS\)](#); [David C. Goldman](#)
Subject: I am writing in support of ordinance #250929, the repeal of the Prop D Cannabis Tax, asking for the Budget Committees' Support
Date: Tuesday, October 7, 2025 7:42:24 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Supervisors Chan, Dorsey, SF BOS Budget & Finance Committee,

Good Morning.

I am writing in support of ordinance #250929, the repeal of the Prop D Cannabis Tax, asking for the Budget Committees' Support, to vote Yes at your October 29 meeting, pass it on to the full SF Board of Supervisors.

Representatives of the SF Cannabis Community, including members of the SF Brownie Mary Democratic Club, will be in attendance on October 29, asking for your support for ordinance #250929, introduced to the SF Board of Supervisors by Supervisor Mandelman, to permanently repeal the Proposition D local cannabis tax.

As we have communicated to the SF Board of Supervisors, Cannabis retail sales have declined over the last few years, due in part to the price difference between "Legal Cannabis Sales", with its high operating costs & taxes and the "traditional" unregulated market that is estimated to get $\frac{2}{3}$ of Total SF Cannabis Sales.

Since 2018, SF retail store fronts have doubled, with the sales of many of the original "Medical Stores" contracting, new stores not meeting their projections.

The last thing that SF Cannabis Consumers & Cannabis businesses need is an additional tax on top of the almost 30% tax that we already pay.

Many San Francisco residents are Cannabis Medical patients, who rely on Cannabis for pain relief, to help with many ailments including depression & cancer. They need their cannabis medicine to be reasonably priced, but given taxes, other regulations, many patients, due without or buy from the illicit market due to the high retail price of legal cannabis.

Given this situation, we need the city of San Francisco's help in creating an environment where these retail stores can continue to service the many SF medical cannabis patients, who need their medicine, as well as providing an

alternative space for many SF residents, who prefer cannabis as a healthier substance over items such as alcohol.

SF Elected Officials have emphasized in the recovery from the pandemic, the importance of supporting small businesses, calling them the backbone of our economy. You have created programs to support them. We in the SF Cannabis Community would like to be included in those plans.

San Francisco is known world wide for cannabis, as California produces what is considered the best cannabis of any place in the world.

The SF Board of Supervisors has historically played an important role in giving SF Cannabis Medical patients access to their Cannabis, being the first to authorize legal sales during the 1990's HIV crisis.

Please vote YES at the Budget Committee on October 29, pass it on the full SF Board of Supervisors with a VOTE YES recommendation.

See you on Wednesday October 29.

bram

Bram Goodwin
photographer
Media Director, SF Brownie Mary Democratic Club, @bmsf415
San Francisco Social Club, @sfsc415
415.505.3686
Bluesky: @bramgoodwin
instagram: @bramgoodwin
linkedin: @bramgoodwin

September 29, 2025

San Francisco Board of Supervisors
Budget & Finance Committee
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Support for File #250929 – Cannabis Business Tax Repeal | Sponsored by Supervisors Mandelman, Dorsey, Sauter & Mahmood

Dear Budget & Finance Committee Members,

On behalf of The Green Cross, a proud San Francisco-based cannabis dispensary operating in good standing for over two decades, we write in strong support of File #250929 and urge the Committee to move this legislation forward with a “Do Pass” recommendation—without further delay.

This Tax Has Never Been Implemented. It’s Time for a Clean Repeal.

The Cannabis Business Tax has remained on the books for years without ever taking effect. Instead, policymakers have continuously “delayed” its implementation—an acknowledgment that the tax is unworkable in practice. Let’s be clear: delaying is not a solution. Full repeal is long overdue and is the cleanest path forward.

A Turning Point for San Francisco’s Legal Cannabis Market

The legal cannabis industry in San Francisco is facing a now-or-never moment. Even with the passage of AB 564, which will lower the State’s excise tax, layering on a local tax will cripple licensed operators. Continued uncertainty from rolling delays makes it impossible for businesses like ours to plan, invest, or retain staff. The result? More closures, more lost jobs, and more market share shifting back to unregulated sellers.

Public Safety, Consumer Health, and Market Stability

Keeping prices competitive is not just an economic issue—it’s a public safety issue. High taxes widen the price gap between licensed and unlicensed sellers, pushing consumers away from tested, regulated products and back toward the illicit market. Repeal helps stabilize the industry, protect consumers, and increase participation in the legal system.



Equity, Jobs, and Local Economic Impact

This repeal is not about creating a windfall for large corporations—it's about survival for small businesses, equity operators, unionized workers, and hourly employees. Every dispensary that closes eliminates stable jobs and disrupts access to safe products. The City should be doing everything possible to preserve what's left of its legal cannabis ecosystem.

Revenue Reality

This tax has never generated a single dollar in revenue for the City—because it has never been implemented. Repeal carries no fiscal downside. On the contrary, it will help preserve existing revenue from sales tax, payroll tax, and business registration fees.

Certainty for 2026 and Beyond

By setting an effective repeal date of January 1, 2026, the City can plan cleanly for the new tax year while giving cannabis businesses immediate clarity to adjust pricing, stabilize operations, and retain jobs.

Our Commitment

Since opening our storefront in the Excelsior District in 2013, *The Green Cross* has contributed over \$650,000 to local nonprofits, upheld the highest standards of compliance, and remained committed to San Francisco's values of equity, compassion, and community service. We want to continue that legacy—but we need a viable and stable environment in which to operate.

We urgently call on you to support File #250929 and issue a "Do Pass" recommendation to the full Board of Supervisors without further delay.

If you have any questions, concerns, or would like to discuss this further, please feel free to reach out to me directly at kevinreed@thegreencross.org or (415) 846-7671.

Sincerely,

Kevin Reed
Founder & President
The Green Cross