



Cannabis Business Tax Remittance Form Instructions

If you have questions or need assistance, contact the Office of the City Treasurer at (619) 615-1580 or cannabistax@sanidiego.gov. Regulations governing the Cannabis Business Tax, including exemption information, are located at the Office of the City Treasurer's website: www.sandiego.gov/cannabistax

Completed remittance forms and payment can be submitted at:

Office of the City Treasurer
Business Tax Program – Cannabis Tax
1200 Third Avenue Suite #100
San Diego, CA 92101

Cash remittances in excess of \$3,000 requires an appointment. For questions or to request an appointment, please call 619-615-1580 or email cannabistax@sanidiego.gov.

Box 1 – Calculation of Cannabis Business Tax

1. **Gross Receipts for Tax Period** is the total amount actually received or receivable from all sales; the total amount or compensation actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise; discounts, rents, royalties, fees, commissions, dividends, and gains realized from trading in stocks or bonds, however designated.
2. **Gross Receipts Adjustments** are any amounts deducted from gross receipts to arrive at the amount to be taxed. Examples of adjustments includes any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser and [qualified](#) medical cannabis sales. If you are claiming adjustments, complete and attach the Remittance Adjustment Form with your completed Cannabis Tax Remittance Form.
3. **Taxable Gross Receipts** are Gross Receipts for period less Adjustments (Subtract Line 2 from Line 1).
4. **Tax Due** is the amount of tax due for period (Multiply Line 3 by .10, .08 or .02. (See **RATE on page 2**))
5. **Other Credits** include prior tax period overpayments or an existing Business Tax Certificate credit.
6. **Total Amount Due** is the amount of tax to be remitted (Subtract Line 5 from Line 4).

*For late payments made between 1 day but less than 1 calendar month late, complete Box 2. For late payments exceeding 1 calendar month, complete Box 3. **DO NOT COMPLETE BOTH BOXES.***

Box 2 – Late Tax remittances not exceeding one calendar month beyond the due date

7. **25% Penalty** (Line 6 multiplied by .25).
8. **Daily Interest on Tax** at a rate of .0005 of Tax Due (Line 6) for each day payment is late.
9. **Total Penalty and Interest due** is the sum of penalties and daily interest (Lines 7 and Line 8).
10. **Total Amount due** is the amount of tax, penalties and daily interest to be remitted (Sum of lines 6 and 9).

OR

Box 3 – Late Tax remittances exceeding 1 calendar month beyond the due date

11. **50% Penalty** (Line 6 multiplied by .50).
12. **Daily Interest on Tax** at a rate of .0005 of Tax Due (Line 6) for each day payment is late.
13. **Daily Interest on Penalty** at a rate of .0005 of penalties (Line 11) for each day payment is late.
14. **Total Penalty and Interest due** is the sum of penalties and daily interest (Lines 11, 12 and 13).
15. **Total Amount due** is the amount of tax, penalties and daily interest to be remitted (Sum of lines 6 and 14).

Note that if you over-remits, refunds will not be issued unless the Cannabis business establishes their right to such a refund by written records sufficient to show a refund is due. Any overpayments of tax and/or penalty can be deducted from a future remittance and must be itemized and noted on the Remittance Form. Therefore, please verify your calculations.

The City of San Diego Business Tax Program is providing this information as general guidance on the City's Cannabis Business Tax Ordinance. This information is provided as a public service and should not be construed or relied upon in any way as legal advice. Although we make every effort to correct any errors brought to our attention, please refer directly to the full text of the Ordinance: <http://docs.sandiego.gov/municode/MuniCodeChapter03/Ch03Arto4Division01.pdf>.

Rate: Businesses were initially taxed at a rate of 5 percent of monthly gross receipts and increased to 8 percent on July 1, 2019. Effective May 1, 2022, the Cannabis Business Tax rate for Cannabis Production Facilities (Cultivation, Manufacturing, Distribution, Storage) is 2 percent of monthly gross receipts and effective May, 1, 2025, the Cannabis Business Tax Rate for retail activities is 10%.