

## Cannabis Revenue

We have received many questions regarding revenue received related to marijuana sales. Cannabis revenue comes from three different sources.

1. State excise tax –3% of sales is collected by the state and distributed to Easthampton quarterly. This revenue is considered a local receipt by the Department of Revenue. It closes to general fund annually which helps cover the costs of running the city and thereby reducing the need for tax dollars in general.
2. At the signing of host agreements the city is given an agreement fee based on the contract. These fees are treated in a similar manner to the state excise tax.
3. Impact fees are negotiated as part of the Host Community Agreement. Currently we have an agreement with INSA that they will pay us 3% of their annual sales revenue. The agreement specifies what these funds may be used for. This revenue goes to the Cannabis Impact Fee Stabilization. The Mayor will recommend to council the uses of the funds based on the agreement and the council must have a 2/3 vote to use the funds.
4. Mass General Laws govern the use of all municipal revenue and the city must adhere to these laws.

To date (03/31/21) the city has received the following cannabis revenues:

Fiscal Year	Excise Tax	Host Agreement Fees	Impact Fees	FY Total
2021	\$632,066.66	15,000	\$714,455.88	\$1,361,522.54
2020	708,817.17	32,500	722,752.98	1,464,070.15
2019	248,974.92	10,000		258,974.92
2018		35,000		35,000.00

### Breakdown of Host agreement Fees:

Fiscal Year	Date	Amount	Establishment
2021	10/16/20	\$15,000	Holistic/Liberty
2020	5/28/20	\$10,000	Hi Five Inc.
	3/31/20	\$ 7,500	Apical
2019	10/4/19	\$15,000	Verb is Herb
	8/30/18	\$10,000	Holistic
2018	5/31/18	\$ 5,000	Verb is Herb
	5/22/18	\$10,000	Herbology
	5/22/18	\$10,000	INSA
	4/27/18	\$10,000	Apical

### Breakdown of Impact Fees:

Fiscal Year	Date	Amount	Establishment
2021	2/1/21	\$194,485.82	INSA
	11/1/20	\$211,863.86	INSA
	9/1/20	308,106.20	INSA
2020	1/29/20	722,752.98	INSA