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Nevada Cannabis Advisory Commission Subcommittee on Taxation Meeting Minutes September 4th, 2026

The Nevada Cannabis Advisory Commission Subcommittee on Taxation held a meeting via Teams on **September 4th, 2026**, at 1:00p.m.

Members Present:

Chair – Erica Scott
Frederick Steinman
Mauricio Solorio Arteaga
David Goldwater
Mitchell Britten

Member's Absent:

Subcommittee members were running late. Chair Scott waited for all members to arrive and called the meeting to order at 1:20p.m.

- I. Public Comment
 - a. There was no one online to provide public comment.
- II. Consideration of Approval of the CAC Subcommittee on Taxation August 19th, 2026, Meeting Minutes (for possible action)
 - a. Chair Scott mentioned that she made edits for clarification purposes in the previous meeting minutes. Chair Scott then called for a motion and Member Steinmann moved to approve the August meeting minutes, and Member Solorio-Arteaga seconded. Motion passed unanimously.
- III. Discussion of Study Outline (for discussion only)
 - a. Chair Scott opened the discussion focusing on feedback she received from each subcommittee Member.
 - i. Member Solorio-Arteaga brought attention to a section in the study assessing the potential effects of eliminating the current wholesale and retail excise taxes, but the recommendations do not include eliminating the retail excise tax, just wholesale. Member Britten concurred and suggested that the language be revised for clarity when referring to the specific NRS regarding wholesale or retail taxes. Chair Scott agreed and updated.
 - ii. Chair Scott then brought up Member Solorio-Arteaga's suggestion to remove language from the rainy-day fund section, specifying that the recommendation is not

assessing the budget of the K-12 state education fund and is only discussing the K-12 funding sources in relation to cannabis taxes.

1. Member Steinmann presented a concern with the last sentence of the section being “Representing only a fractional percentage of the states total K-12 education funds” and requested the subcommittee update language to not make definitive factual statements that call into question a particular number that may or may not exist.
2. Member Britten agreed stating that definitive factual statements could invite more of the fight that the industry had when the tax structure was first being created specifically that the cannabis excise tax should be additive to the budget to increase the per pupil spending and school choice. Chair Scott agreed and removed the discussed language.
- iii. Chair Scott then asked Member Solorio-Arteaga for clarification on the note he made regarding exempt medical sales.
 1. Member Solorio-Arteaga explained that the statement that all medical use of cannabis being exempt from tax seemed too broad and if that was completely and legally true.
 2. Member Britten responded that the section continues stating “furthermore, despite being used for medical purposes normally exempt from sales and use as outlined under Article 10 of the Nevada Constitution, medical cannabis purchases are still subject to standard state local taxes” and all Members agreed that was sufficient to explain that sales of medical cannabis are only exempt from the excise tax.
 3. Similarly, Member Solorio-Arteaga suggested adding information regarding the local licensing fee of 3% on cannabis businesses gross receipts. Members agreed while Chair Scott noted that the addition speaks to a point later in the report that the hemp industry does not have to pay the same licensing fees as cannabis facilities.
- iv. Member Solorio-Arteaga also wanted to ensure that the report was correctly labeling marijuana with the correct controlled substance schedule, whether it be schedule 1 or medical marijuana under schedule 3.
 1. Member Britten responded that as of right now at the federal level, marijuana is scheduled both as schedule 1 and schedule 3, which is a violation of the Controlled Substances Acts far as the Nevada Pharmacy Board is concerned so the report only listing cannabis or marijuana as schedule 1 is probably the correct terminology.
- v. Member Britten then requested that the report should not make a definitive statement that the study confirms the decline in cannabis excise tax revenue is due to price compression attributed to a maturing market. He stated that by only identifying price compression as the sole attribute, that assertion would be counterproductive or counter intuitive to the rest of some of the subcommittee’s arguments.
 1. Members agreed and Chair Scott updated the discussed language.
- vi. Member Solorio-Arteaga expressed confusion regarding the total amount of excise taxes collected, specifically for the year of 2021.

1. Chair Scott explained that her goal was to display the amount of tax that was collected as a ratio of what was distributed to the state education fund, but unfortunately fiscal year 2021 was very different due to the increase of civil penalties that supplemented the distribution to the state education fund that have not repeated since that year.
 2. Members agreed to remove the confusing language and state simply that \$159 million, inclusive of tax revenue and civil penalties, was transferred to the State Education Fund in 2021.
- vii. Member Britten asked if the report discussed the new tax permits that go into effect in September 2026 to outline the fact that the bulk of the delinquent taxes in the industry are directly related to the wholesale marijuana tax.
1. Member Goldwater stated that he remembered discussing it but was unsure if the topic made it into the report.
 2. Chair Scott cautioned against including that topic as a definitive statement because the accounts receivable report from the Department of Taxation does not get published to the public.
 3. Member Britten and Goldwater suggested language be added to the history of cannabis excise tax section delineating that there is anecdotal evidence to suggest that the current wholesale tax structure and financial restrictions burdened on the cultivators and processors make up most delinquent taxes. Both Members agreed to be responsible for providing wording to Chair Scott for this addition.
- viii. Member Steinmann let Chair Scott know that he would be stepping away at 2:00pm for a few minutes to respond to an inquiry and then be back in the meeting. Chair Scott continued with Member Solorio-Arteaga's suggested edits to the report. Member Solorio-Arteaga requested clarifying language regarding the recommendation to remove the wholesale tax and increase the retail excise tax. The report reads that the excise tax should be increased by 12% and not that the retail excise tax would need to total 12% to counteract removal of the wholesale tax.
1. Member Britten suggested the following language: "Based on the in-depth analysis of the Nevada licensed cannabis demand and pricing, the existing 10% retail tax would likely need to be replaced with a tax totaling 12-15% to remain net neutral in revenue with the elimination of the wholesale cannabis tax". Member Solorio-Arteaga supported this language, and Chair Scott updated the report.
 2. Member Goldwater also clarified that the removal of the wholesale tax and increase to the retail excise tax is not necessarily a recommendation from the Subcommittee, but instead an analysis of what the legislature would need to enact to effectively remove the wholesale tax.
 3. Members then discussed the report's suggestions concerning the CCB's operating budget. Because the CCB's operating budget is funded by the wholesale tax, the subcommittee recommends that the CCB should retain operating budget distributions from the cannabis excise tax if the wholesale tax were to be eliminated.

- a. Member Goldwater proposed an inclusion that the legislature would need to find an alternative revenue source for funding the operations of the CCB if the wholesale tax is eliminated. Member Britten responded that the current language reads properly as the same amount of money is collected from taxation and thus the pool that CCB's operating budget would distribute from would now be the retail cannabis tax instead of the wholesale tax.
- ix. Member Britten then requested standard language when referring to the hemp market as the report uses both "consumable" and "intoxicating" to describe hemp products. He stated the reason why there needs to be a clear distinction is that there are possible ramifications for businesses like Costco that sell hemp as a food additive. He noted the loophole created from the 2018 Farm Bill is specific to intoxicating hemp not consumable hemp and the federal government is working to close that loophole.
 1. Chair Scott responded that Assembly Bill 76 (AB76) utilizes "consumable" to describe hemp products for the Cannabis Advisory Commission (CAC) to address, but that she agreed the intention of the bill was to recommend regulatory restrictions for the "intoxicating" hemp market. She stated that all relevant uses of consumable hemp in the report would be updated to intoxicating hemp.
 - a. Member Britten and Chair Scott then discussed that not all uses of consumable hemp would be removed as citations from Minnesota's data specified consumable hemp and not intoxicating hemp.
- x. Member Solorio-Arteaga and Chair Scott then reviewed needed formatting updates for the report before it was submitted to the CAC.
- xi. Chair Scott then moved to Member Britten's documented suggestions. Member Britten suggested clarifying language regarding taxation of intoxicating hemp wholesalers as: "The subcommittee recommends the same tax consistency, with the final determined license cannabis excise tax rate and regulatory framework, applied to the intoxicating hemp operators" which is approved by Chair Scott.
- xii. Chair Scott then moved to Member Steinmann's documented suggestions. Member Steinmann stated that most of his edits were fixing any odd capitalizations and formatting consistency throughout the report. Chair Scott ensured all of Member Steinmann's edits were included.
- xiii. Chair Scott then moved to Member Goldwater's suggested language: "The subcommittee does not make a recommendation as to whether the wholesale cannabis tax should be eliminated; rather, consistent with the directive of AB76, we're evaluating the fiscal and market effects" and asked if the edits made previously were sufficient to address this addition.
 1. Member Goldwater stated that he did not want to hold up the report any further but would like to strengthen the introduction with that statement.
 2. Chair Scott suggested adding the language to the conclusion. Discussion continued regarding how to clearly state throughout the report that the Subcommittee is not making specific recommendations but has focused on

possible avenues for the legislatures to pursue concerning the taxation of cannabis and intoxicating hemp. Members came to a consensus by including “if such a restructuring is pursued, existing distributions currently funded through the wholesale cannabis tax would also need to be addressed through the retail cannabis tax”.

- IV. Consideration for the Approval of Report for the Cannabis Advisory Commission (for possible action)
 - a. Chair Scott commented that the state’s work and analysis on this topic does not stop with the completion of this study, especially with the upcoming changes at the federal level, but with some final formatting and standardization edits the study could be presented to the CAC. She then asked for a motion.
 - b. Member Britten motioned to approve the Subcommittee report draft subject to technical edits to be presented to the CAC. Member Goldwater seconded. The motion passed unanimously.
- V. Final Remarks (for discussion only)
 - a. Chair Scott expressed appreciation for all the Members and remarked that she is excited for the future of Nevada’s cannabis market.
- VI. Public Comment
 - a. There was no one online to provide public comment.
- VII. Adjournment
 - a. Chair Scott adjourned the meeting at 2:53pm.