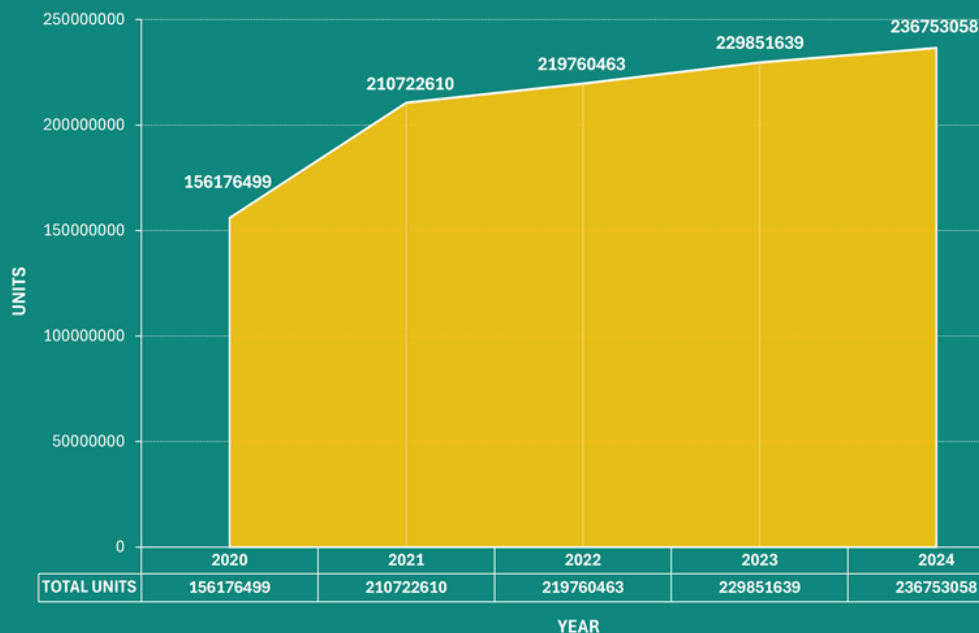


# Setting the Record Straight: California Legal Cannabis Market Trends 2020-2024

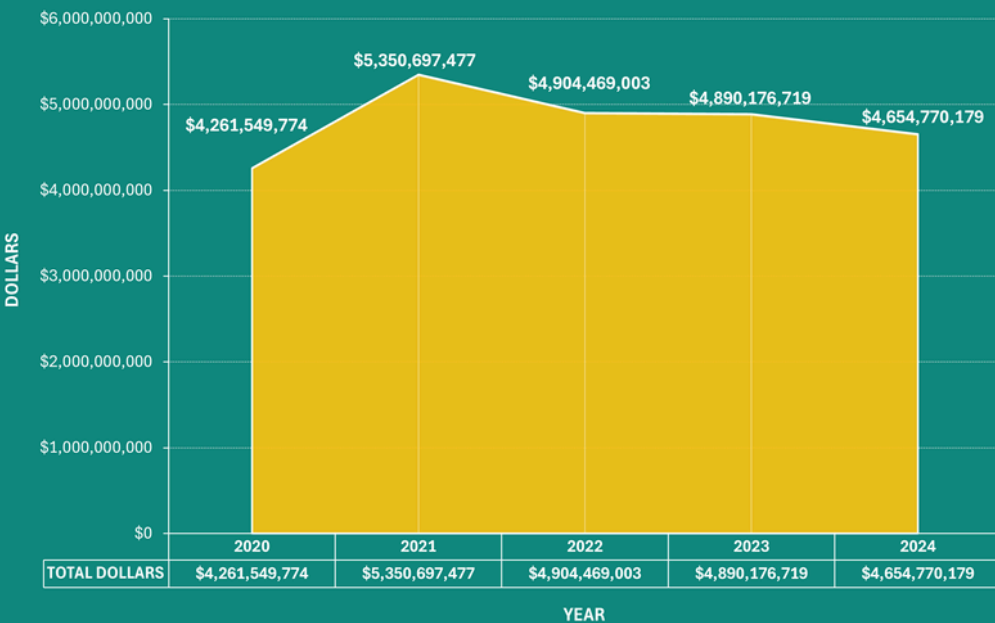
## Facts:

Volume of legal cannabis sales is growing. Unit sales increased steadily year over year, up 52% between 2020 and 2024, at a similar rate both before and after the cultivation tax elimination, suggesting that more people get their cannabis from the legal market.<sup>1</sup>

TOTAL CANNABIS UNITS SOLD IN CALIFORNIA 2020-2024



TOTAL CANNABIS DOLLAR SALES IN CALIFORNIA 2020-2024



## Facts:

Dollar sales were up 9.2% in 2024 compared to 2020 in DCC. Sales peaked during the pandemic in 2021 and flattened afterwards. Note CDTFA data shows a 1% decline in the same period in taxable sales.<sup>1</sup>

## Facts:

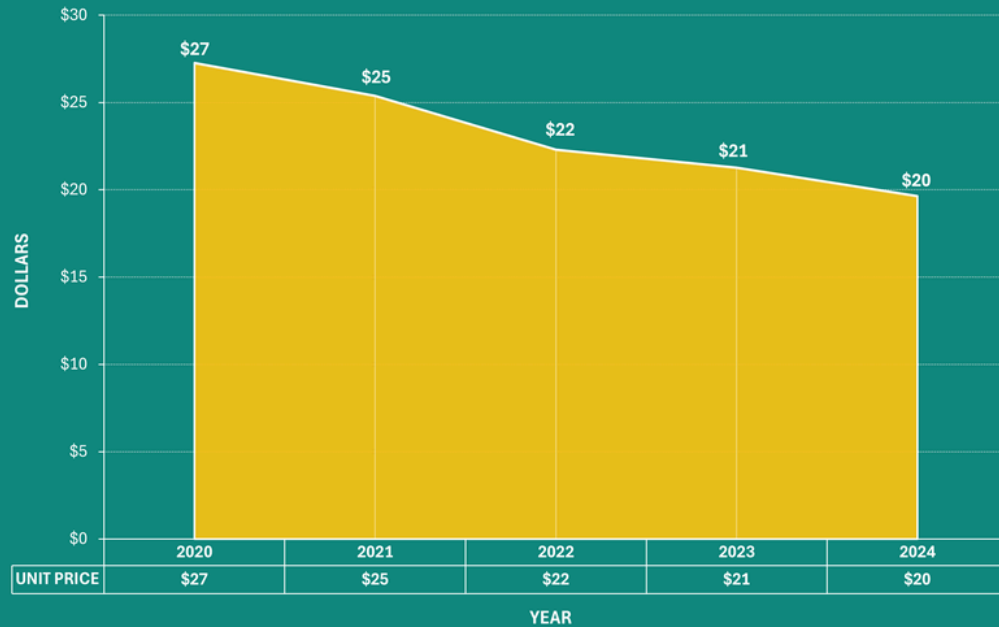
Lower taxes did not lead to greater revenue. Elimination of the cultivation tax was not offset by increasing dollar sales sufficient to replace lost revenue, as some claimed would occur.<sup>2</sup>

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## Facts:

Cannabis got cheaper. Average unit prices declined 28% between 2020 and 2024, likely reflecting large-scale overproduction and greater efficiency in production.<sup>1</sup>

AVERAGE CANNABIS UNIT PRICE IN CALIFORNIA 2020-2024



## Key Takeaways:

The California cannabis industry is not collapsing. Most California adults get their cannabis from legal sources today.<sup>3</sup> Cutting taxes in 2022 did not lead to higher tax revenue.

## Data Sources

1. Sales data was extracted by category and year from the Department of Cannabis Control Dashboard <https://cannabis.ca.gov/resources/data-dashboard/daily-sales-units-by-item-category-report/>
2. <https://www.cdtfa.ca.gov/dataportal/dataset.htm?url=CannabisTaxRevenues>
3. Padon A. Recent survey data that included 349 California adult cannabis users found 69% reported using products from legal storefront retailers, 38% legal delivery services vs. 28% using a dealer and 17% growing their own (they could report more than one source) – Public Health Institute preliminary data.