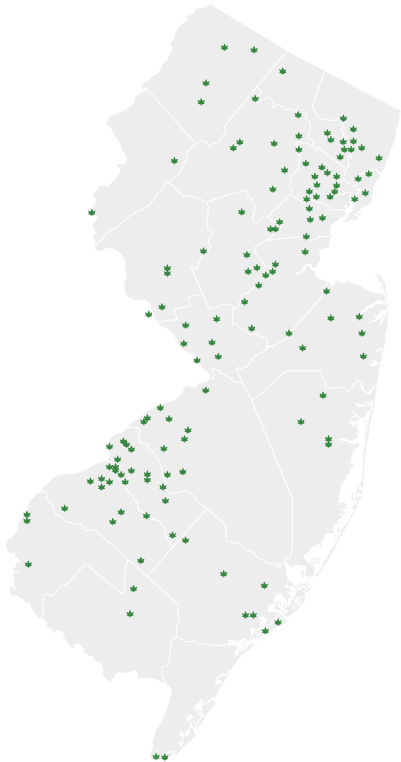


## NJ's Cannabis Industry

As the cannabis industry continues to grow across New Jersey, municipalities have the unique opportunity to shape how the industry operates within their communities.

The Cannabis Regulation, Enforcement, and Market Modernization Act (CREAMMA), New Jersey's adult-use cannabis law, allows for municipalities to participate in this burgeoning market in the way that best serves their residents and businesses.



## Contact Us

### Government Relations

NJ-CRC values the strong connections between state agencies and local municipal governments. Learn more on our website or email us.

 [nj.gov/cannabis/government-relations](https://nj.gov/cannabis/government-relations)

 [crc.muni@crc.nj.gov](mailto:crc.muni@crc.nj.gov)

### Informational Materials

The NJ-CRC provides a wide range of resources on safe cannabis use, including brochures, posters, and online information that municipalities can share with residents. Materials cover responsible consumption, preventing underage use, and safe driving. If interested in materials, email us.

 [crc.media@crc.nj.gov](mailto:crc.media@crc.nj.gov)



## NEW JERSEY'S CANNABIS MARKET

# A Growing Opportunity for Municipalities



## Flexibility in Local Control

### Municipalities control...



What cannabis business classes operate in their jurisdiction,



The number of licenses awarded for operators in their town,



Which businesses are awarded licenses,



Where businesses are located,



And how those businesses operate – from opening hours to the number of required parking spots.

**Your town's cannabis market can be unique to your town.**

## Revenue From Local Taxes

Hosting a cannabis business means tapping into up to 2% of cannabis sales in municipal sales tax.

### The law allows a tax rate of up to:

2% of the receipts from each sale by a cannabis



**cultivators**



**manufacturers**



**retailers**

1% of the receipts from each sale by a cannabis



**wholesaler**

**In Q1 2024, the estimated municipal tax revenue by region is more than \$4 million, breaking down to approximately:**

- \$1.51 million for the central region
- \$1.25 million for the north region
- \$1.24 million for the south region

Cannabis tax revenue could inject valuable dollars into a municipality's budget. Those untethered dollars could be used to repair roads, upgrade parks and recreation facilities, support youth or senior programs, or invested in sustainability projects.

Cannabis tax revenue offers municipalities and their administrators the opportunity to make significant and lasting, positive impact on their communities and residents.

## Cannabis Smart. Cannabis Safe.

Licensed cannabis businesses are subject to strict regulations. The regulations ensure that every aspect of their operations—from cultivation to sales—is safe, legal, and transparent. By opting in, municipalities benefit from a framework that promotes responsible business practices, reduces risks, and upholds public safety standards.



Not allowing cannabis businesses in your municipality does not mean your municipality is without cannabis, as residents may legally spend their cannabis dollars in neighboring towns. It also does not make neighborhoods safer. Surveys conducted in legal states have shown no detrimental effects on violent or property crime rates, or on public safety with the establishment of regulated cannabis in a community.

**However, of concern are Illicit, unregulated marijuana businesses that may flourish, operating outside of the state's safety and legal guidelines – including strict underage deterrence.**

By allowing regulated cannabis businesses, municipalities not only have control over how and where these businesses can operate, but also contribute to reducing the presence of unregulated, illegal markets.