

**EXHIBIT 5:
CULTIVATION TAX REVENUE ESTIMATES
COMPARISON OF CANOPY TAX VS. GROSS RECEIPTS TAX
BASED ON RECOMMENDED INTRODUCTORY AND MAXIMUM TAX RATES**

Comparison of Tax Structures

Square footage taxes based on average canopy area (75%), not total permitted area.

Assumes productivity of 1 pound per 10 sf for outdoor and mixed light, 1.25 pounds per 10 sf for indoor

Assumes average value of \$800/lb for outdoor and mixed light, \$1,000 pound for indoor

Some outdoor cultivators are yielding 2 harvest cycles per year due to just-in-time delivery of ready-to-flower sub-adult plants. This is not reflected in this chart.

Initial tax rates of \$2, \$4 and \$7 per square foot												
Cultivation Type	Harvest Cycles /Year	Sample Area (sq ft)	Canopy @ 75%	Yield (lbs)	Value @ \$800/lb - \$1,000/lb	Tax Rate Per/sf	Total Annual Tax Paid	Tax Rate per sf per Cycle	Tax per Pound	Tax as Percent of Value	Number of Permits	Total Tax Revenue
Outdoors	1	43,560	32,670	3,267	\$2,613,600	\$2.00	\$65,340	\$2.00	\$20.00	2.50%	2	\$130,680
Mixed Light	3	22,000	16,500	4,950	\$3,960,000	\$4.00	\$66,000	\$1.33	\$13.33	1.67%	4	\$264,000
Indoors	4	22,000	16,500	8,250	\$8,250,000	\$7.00	\$115,500	\$1.75	\$14.00	1.40%	4	\$462,000
										1.86%	10	\$856,680

Maximum tax rates of \$4, \$7 and \$10 per square foot												
Cultivation Type	Harvest Cycles /Year	Sample Area (sq ft)	Canopy @ 75%	Yield (lbs)	Value @ \$800/lb - \$1,000/lb	Tax Rate Per/sf	Total Annual Tax Paid	Tax Rate per sf per Cycle	Tax per Pound	Tax as Percent of Value	Number of Permits	Total Tax Revenue
Outdoors	1	43,560	32,670	3,267	\$2,613,600	\$4.00	\$130,680	\$4.00	\$40.00	5.00%	2	\$261,360
Mixed Light	3	22,000	16,500	4,950	\$3,960,000	\$7.00	\$115,500	\$2.33	\$23.33	2.92%	4	\$462,000
Indoors	4	22,000	16,500	8,250	\$8,250,000	\$10.00	\$165,000	\$2.50	\$20.00	2.00%	4	\$660,000
										3.31%	10	\$1,383,360

Gross Receipts Tax of 2%												
Cultivation Type	Harvest Cycles /Year	Sample Area (sq ft)	Canopy @ 75%	Yield (lbs)	Value @ \$800/lb - \$1,000/lb	Tax per Square Foot	Total Annual Tax Paid	Tax Rate per sf per Cycle	Tax per Pound	Tax as Percent of Value	Number of Permits	Total Tax Revenue
Outdoors	1	43,560	32,670	3,267	\$2,613,600	\$1.60	\$52,272	\$1.60	\$16.00	2.00%	2	\$104,544
Mixed Light	3	22,000	16,500	4,950	\$3,960,000	\$4.80	\$79,200	\$1.60	\$16.00	2.00%	4	\$316,800
Indoors	4	22,000	16,500	8,250	\$8,250,000	\$10.00	\$165,000	\$2.50	\$20.00	2.00%	4	\$660,000
											10	\$1,081,344

Gross Receipts Tax of 3%												
Cultivation Type	Harvest Cycles /Year	Sample Area (sq ft)	Canopy @ 75%	Yield (lbs)	Value @ \$800/lb - \$1,000/lb	Tax per Square Foot	Total Annual Tax Paid	Tax Rate per sf per Cycle	Tax per Pound	Tax as Percent of Value	Number of Permits	Total Tax Revenue
Outdoors	1	43,560	32,670	3,267	\$2,613,600	\$2.40	\$78,408	\$2.40	\$24.00	3.00%	2	\$156,816
Mixed Light	3	22,000	16,500	4,950	\$3,960,000	\$7.20	\$118,800	\$2.40	\$24.00	3.00%	4	\$118,800
Indoors	4	22,000	16,500	8,250	\$8,250,000	\$15.00	\$247,500	\$3.75	\$30.00	3.00%	4	\$990,000
											10	\$1,265,616

Gross Receipts Tax of 4%												
Cultivation Type	Harvest Cycles /Year	Sample Area (sq ft)	Canopy @ 75%	Yield (lbs)	Value @ \$800/lb - \$1,000/lb	Tax per Square Foot	Total Annual Tax Paid	Tax Rate per sf per Cycle	Tax per Pound	Tax as Percent of Value	Number of Permits	Total Tax Revenue
Outdoors	1	43,560	32,670	3,267	\$2,613,600	\$3.20	\$104,544	\$3.20	\$32.00	4.00%	2	\$209,088
Mixed Light	3	22,000	16,500	4,950	\$3,960,000	\$9.60	\$158,400	\$3.20	\$32.00	4.00%	4	\$633,600
Indoors	4	22,000	16,500	8,250	\$8,250,000	\$20.00	\$330,000	\$5.00	\$40.00	4.00%	4	\$1,320,000
											10	\$2,162,688

★ Lined out amount should be \$475,200.