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Gov. Pritzker Announces Record-Breaking \$445 Million in FY 2022

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Adult-Use Cannabis Tax Revenue

50% Increase in Total Tax Reported from Adult-Use Cannabis as Sales Exceed \$1.5 Billion

CHICAGO – Governor JB Pritzker announced today that the State of Illinois has seen a 50% increase in total tax reported from adult-use cannabis, from \$297.7 million in fiscal year 2021 to \$445.3 million in fiscal year 2022. Total adult-use cannabis sales also rose 50%, increasing from \$1 billion to \$1.5 billion, respectively.

Cannabis tax disbursements to local governments saw a significant jump from fiscal year 2021 to fiscal year 2022, increasing 77% from \$82.8 million to \$146.2 million.

"Illinois has done more to put justice and equity at the forefront of this industry than any other state in the nation and has worked to ensure that communities hurt by the war on drugs have had the opportunity to participate," **said Governor JB Pritzker.** "The \$1.5 billion in sales of adult-use cannabis in Illinois translates into significant tax revenue with a portion of every dollar spent being reinvested in communities that have suffered for decades."

Under Illinois' adult-use cannabis law, 25 percent of tax revenue generated from cannabis sales must support communities that are economically distressed, experience high rates of violence, and have been disproportionately impacted by drug criminalization.

"Legalizing cannabis for adults has been a wise investment for the Illinois economy and sales have continued to rise, leading to additional revenue for the state," **said Senate Majority Leader Kimberly A. Lightford.** "Consistent cash-flow from the cannabis industry assists the state with funding essential services such as violence prevention, mental health, and local government."

"These much-needed resources for communities impacted by the drug war are the exact reason why policy makers who understand the pain and trauma being experienced by community is vital," **said State Representative Jehan Gordon-Booth (D-Chicago).** "This isn't just happening. These directed resources were the result of

intentional policy decisions to begin repairing harm. But this is just the beginning. I am eager to see newly licensed Black businesses get a slice of the pie."

"Every additional dollar the state sees in cannabis tax revenue means more funding for towns, cities, and counties that rely on taxes to fund critical services," **said State Senator Cristina Castro (D-Elgin).** "That means more savings for our taxpayers and better financial stability for local governments – that's definitely something I'm proud of."

"We knew that yearly revenue from cannabis sales could be a game changer for communities harmed most by the war on drugs in need of repair and now it's clear," **said State Representative Sonya Harper (D-Chicago).** "With this 50% increase in total tax reported from adult use cannabis, I'm hopeful that investments can be seen and felt by residents who live in these communities immediately and going forward. The true success of our state's cannabis industry depends not only on diversifying the marketplace and clearing criminal records, but also making sure that we invest the tax revenue strategically and purposely to those in need of the most repair from the failed war on drugs. I look forward to continually working with my colleagues and Governor Pritzker to ensure the proper allocation and investment of the cannabis tax revenue."

To date, the State has awarded \$113.5 million in grants, using funds generated from taxes on adult-use cannabis sales to support and invest underserved communities through Illinois Criminal Justice Information Authority's Restore, Reinvest, and Renew (R3) Program. Created by Illinois' historic cannabis legalization law, the R3 Program is designed to help communities with issues of gun violence, child poverty, unemployment, and imprisonment by providing funding from the taxes of adult-use cannabis sales.

"Today's news about a substantial increase in cannabis tax revenues demonstrates Illinois has crafted a law that both decriminalizes and regulates a burgeoning industry while at the same time doing so in an economically advantageous way for taxpayers and local governments," said State Representative Michael J. Zalewski (D-Riverside).

"The cannabis industry continues to have a positive impact in Illinois," said **Illinois Department of Revenue (IDOR) Director David Harris.** "It has created hundreds of jobs at cultivation centers and dispensaries throughout the state, and tax revenue generated continues to flow to local governments, help with drug programs and treatments, and is also being reinvested back into the communities that need it the most."

For more information on the adult-use legal cannabis industry, visit https://www2.illinois.gov/cannabis/Pages/default.aspx.