
SPECIAL REPORT

CANNABIS TAX REVENUE

2023-2025



OCTOBER 2026



OFFICE OF THE

DUTCHESS COUNTY COMPTROLLER

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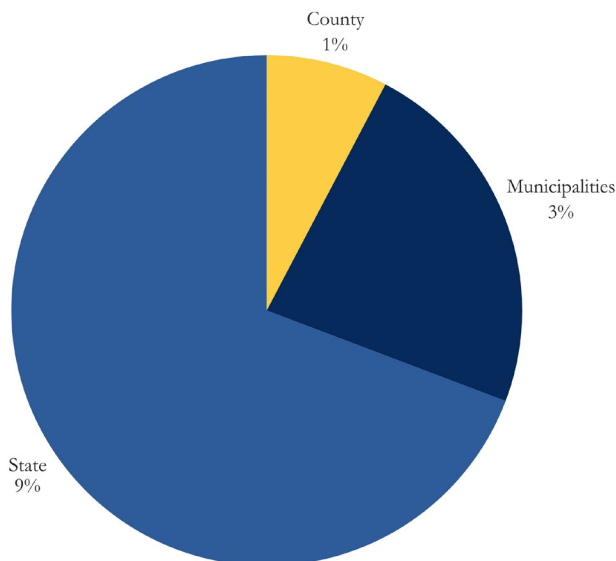
Aileen Wagner
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Dear County Officials and Taxpayers,

The Marijuana Regulation and Taxation Act (MRTA) was enacted by New York State on March 31, 2021, legalizing recreational adult-use cannabis in New York. As part of legalization, the New York State Office of Cannabis Management (OCM) was created to oversee and implement a regulatory framework for adult-use cannabis in New York State.

The Dutchess County Comptroller's Office has completed its first special report on this new source of revenue, cannabis excise tax, for the period January 1, 2023, through December 31, 2025.

Of the 13% cannabis excise tax that consumers pay upon purchase, 9% goes to New York State, 3% goes to the municipality where the purchase took place, and 1% goes to the County. Dutchess County received **\$1,565,037** in cannabis tax revenues for the sales period 9/1/2023 through 11/30/2025. Of that total, **\$391,259** represents Dutchess County's 25% share of the revenue and **\$1,173,778** represents the 75% municipal share of the revenue.



The Comptroller's Office observed (6) instances of unclear and untimely guidance from OCM resulting in late distributions of cannabis tax revenue to municipalities. For reasons unknown to this Office, the OCM provides revenue distribution data to Counties based only on what is provided to them by dispensaries, rather than the dispensaries' tax returns. Therefore, tax filing errors and tax payment delays result in differences between the cannabis revenue received and 4% of the total sales reported by OCM.

At a time of tightening budgets, new revenue sources are welcome—even modest sums like the cannabis excise tax. Retail cannabis excise tax revenue rose significantly from 2024 to 2025 and is expected to continue to grow as more dispensaries and consumption sites open. The Comptroller's Office will continue to monitor cannabis tax revenue in Dutchess County.

Respectfully submitted,

Dan Aymar-Blair
Dutchess County Comptroller

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I. BACKGROUND

New York State enacted the Marijuana Regulation and Taxation Act (MRTA) on March 31, 2021, legalizing recreational adult-use of cannabis in New York. The New York State Office of Cannabis Management (OCM) was established by the MRTA to oversee and implement a regulatory framework for adult use cannabis in New York State.

Adult-use cannabis products are exempt from regular sales tax in New York. Instead, these sales are subject to a 13% retail excise tax on adult-use cannabis sales imposed by the MRTA. The 13% cannabis excise tax is comprised of a 9% state excise tax and a 4% local excise tax on all retail cannabis sales. Of the 4% local excise tax, NYS Counties are entitled to retain 25% and they are responsible for distributing the remaining 75% to the cities, towns and villages where the adult-use cannabis products were sold.

II. OBJECTIVE AND SCOPE

The main objective of this report is to provide an overview of Dutchess County's retail cannabis tax revenue for the period January 1, 2023, through December 31, 2025.

III. METHODOLOGY AND CRITERIA

Reported cannabis tax revenue and distributions to municipalities were reviewed to ensure compliance with guidance provided by the New York State Office of Cannabis Management (OCM) and the New York State Office of the State Comptroller (OSC).

IV. SUMMARY OF GENERAL OBSERVATIONS

- Six instances were noted where unclear and untimely guidance from OCM resulted in an untimely distribution of cannabis tax revenue to municipalities.
- The sales data provided by OCM to New York Counties for distribution to municipalities is based on the sales reported to OCM and not based on the information reported on the dispensaries' tax returns. Therefore, tax filing errors and tax payment delays result in differences between the cannabis revenue received and 4% of the total sales reported by OCM.

V. DISPENSARIES IN DUTCHESS COUNTY

The chart below displays all Dutchess County dispensaries by municipality as of July 15, 2026, as per the Office of the State Comptroller's [website](#).

Municipality	Dispensary Count as of July 15, 2026
City of Beacon	3
City of Poughkeepsie	1
Town of Fishkill	3
Town of Hyde Park	1
Town of Poughkeepsie	2
Town of Red Hook	1
Village of Red Hook	1
Village of Wappingers Falls	1
Total per Office of the State Comptroller	13

The NYS OCM also maintains a list of active dispensaries on their [website](#).

VI. MUNICIPALITY OPT-OUT

Per NYS Cannabis Law Chapter 7-A, Article 6, Section 131, municipalities had the opportunity to opt out of allowing adult-use cannabis retail dispensaries and/or on-site consumption licenses from operating within their jurisdiction.¹ To opt out, municipalities needed to pass a local law before December 31, 2021. Cities, towns and villages that opted out may reverse their decision and allow adult-use cannabis retail dispensaries and/or on-site consumption licenses. However, municipalities that did not opt out by December 31, 2021, are no longer able to reverse their decision.

VII. ON-SITE CANNABIS CONSUMPTION LICENSES

Under the MRTA, NYS authorized on-site cannabis consumption establishments which are defined as licensed venues where adults 21 and older can purchase and consume cannabis on-site. The on-site consumption license is a separate and distinct license from a dispensary license. The New York Office of Cannabis Management is still finalizing the rules and framework for standalone on-site consumption licenses.

26 of the 30 municipalities in Dutchess County elected to opt out of on-site consumption licenses. The four municipalities that did not opt out for on-site consumption licenses are the City of Beacon, the Village of Fishkill, the Village of Millerton, and the City of Poughkeepsie. There are currently no licensed on-site cannabis consumption establishments operating in Dutchess County.

A chart displaying each Dutchess County municipality's decision to either allow dispensaries and/or on-site consumption establishments or to opt out can be found in **Exhibit I**.

¹ <https://www.nysenate.gov/legislation/laws/C>

VIII. REVENUE SUMMARY

The Office of the State Comptroller distributes the 4% local excise tax revenue quarterly in January, April, July, and October to the county in which the retail sales took place. Counties may also receive assessment payments outside of the normal quarterly payments. After the county receives a cannabis tax payment, the county will then retain 25% of the revenue and distribute the remaining 75% to the municipality based on sales data received from OCM.

The MRTA legally mandates that Counties distribute 75% of the local cannabis tax revenue to the municipalities where the excise tax was collected. As such, counties are only required to recognize the county’s portion of the revenue as opposed to the total local revenue received and expenditure disbursed to municipalities. Per OSC guidance the amount that the county is required to distribute to applicable cities, towns, and villages is recorded as a “Due to Other Governments” payable until the funds are disbursed. Retail cannabis excise tax revenue rose significantly from 2024 to 2025 and is expected to continue to grow as more dispensaries and consumption sites open. A summary of the revenue recorded by Dutchess County for the years 2023 through 2025 can be found below.

Dutchess County Adult Use Cannabis Revenue		
2023	2024	2025
\$10,538	\$20,126	\$360,596

Source: Annual Financial Report (AFR)

The cannabis tax revenue received by Dutchess County for the sales period 9/1/2023 through 11/30/2025 totaled **\$1,565,037**. Of that total, **\$391,259** represents Dutchess County’s 25% share of the revenue and **\$1,173,778** represents the 75% municipal share of the revenue. The cannabis tax revenue by sales period is detailed in the below chart.

Cannabis Sales Period	Cannabis Tax Revenue Payment Date	Cannabis Tax Revenue Amount	County Share	Municipality Share
9/1/2023-11/30/2023	1/27/2024	\$10,538	\$2,634	\$7,903
12/1/2023-2/28/2024	4/30/2024	\$5,688	\$1,422	\$4,266
3/1/2024-5/31/2024	7/31/2024	\$523	\$131	\$392
6/1/2024-8/31/2024	10/24/2024	\$48,600	\$12,150	\$36,450
9/1/2024-11/30/2024	1/30/25 & 12/27/25	\$57,306	\$14,327	\$42,980
12/1/2024-2/28/2025	4/21/25 & 5/28/25	\$109,117	\$27,279	\$81,838
3/1/2025-5/31/2025	8/1/25 & 8/28/25 & 9/26/25	\$355,425	\$88,856	\$266,569
6/1/2025-8/31/2025	10/28/2025	\$406,777	\$101,694	\$305,083
9/1/2025-11/30/2025	1/27/26 & 2/6/26 & 3/24/26	\$571,064	\$142,766	\$428,298
		\$1,565,037	\$391,259	\$1,173,778

Observation:

- In 2023, the gross cannabis tax revenue received was recorded, including amounts due to other governments. After the Dutchess County Department of Finance received guidance provided by OSC on how to record this revenue, an adjustment was made so that only the County’s portion of the cannabis tax revenue was recognized. This adjustment took place the following year, in 2024.

IX. BUDGET TO ACTUAL

Dutchess County received the first distribution of cannabis tax revenue from the Office of the State Comptroller on 1/29/2024 for the sales period 9/1/2023 through 11/30/2023.

In 2024, the total budgeted amount for adult-use cannabis tax revenue was **\$250,000** of which **\$62,500** was estimated to be retained by Dutchess County and **\$187,500** was estimated to be distributed to municipalities. Guidance was later received by the Office of the State Comptroller to only recognize the County’s share of the revenue. After the guidance was received an adjustment to the 2025 budget was made.

The 2025 budget included cannabis tax revenue of **\$25,000** which was the expected net revenue for Dutchess County after municipal funds were distributed. Actual cannabis tax revenue recorded in 2025 was 13.42 times more than the budgeted revenue amount, or **\$360,596**.

Dutchess County Adult Use Cannabis Tax Revenue				
Year	Budgeted	Actual	Actual v. Budgeted	
2023	\$-	\$10,538	\$10,538	
2024	\$62,500	\$20,126	\$(42,374)	
2025	\$25,000	\$360,596	\$335,596	

Note: The budgeted revenue in the above chart represents Dutchess County’s share of the adult use cannabis tax revenue net of estimated distributions to municipalities.

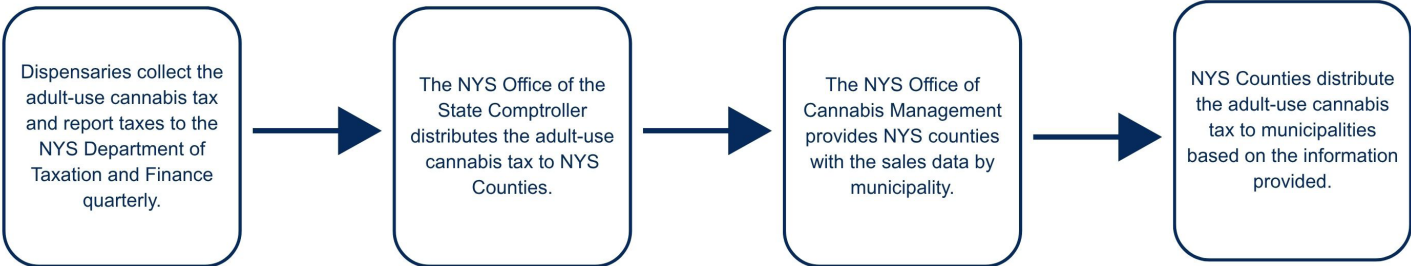
The amount of retail cannabis tax revenue projected in the 2026 adopted budget is **\$450,000**.

X. PAYMENTS TO MUNICIPALITIES

Dispensaries are responsible for collecting the required adult-use cannabis excise tax, filing tax returns, and remitting payments to the NYS Department of Taxation and Finance (DTF). The NYS DTF requires dispensaries to complete a jurisdiction summary on their returns in which they provide the adult-use cannabis retail sales by county.

The Office of the State Comptroller distributes the revenue received by the NYS Department of Taxation and Finance to the applicable counties quarterly. Counties are then required to distribute 75% of the revenue to municipalities within 30 days of receipt of the revenue from OSC. If a dispensary is located in a village within a town the revenue will be distributed either based on a distribution agreement or will be distributed evenly between the town and village.

The New York State Office of Cannabis Management provides the Dutchess County Department of Finance with the cannabis sales per municipality so the County can distribute the tax revenue accordingly. OCM does not have access to the taxes paid by dispensaries. As a result, the cannabis tax revenue is not distributed based on what has been reported on the dispensaries’ tax returns.



X. PAYMENTS TO MUNICIPALITIES, CONT.

A detailed listing of all the payments made to municipalities through the sales period ending 11/30/2025 can be found below.

Distribution Date	Sales Period	Municipality									Total
		City of Beacon	City of Poughkeepsie	Town of Fishkill	Town of Hyde Park	Town of Poughkeepsie	Town of Red Hook	Town of Wappingers	Village of Millerton	Village of Wappingers Falls	
4/17/2024	9/1/23-11/30/23	\$7,445	\$-	\$-	\$-	\$-	\$-	\$-	\$458	\$-	\$7,903
5/17/2024	12/1/23-2/28/24	\$4,266	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$4,266
9/12/2024	3/1/24-5/31/24	\$-	\$375	\$16	\$-	\$-	\$-	\$-	\$-	\$-	\$392
10/31/2024	6/1/24-8/31/24	\$-	\$25,127	\$11,323	\$-	\$-	\$-	\$-	\$-	\$-	\$36,450
5/8/2025	9/1/24-11/30/24	\$1,558	\$24,695	\$13,153	\$-	\$-	\$-	\$-	\$-	\$-	\$39,406
5/8/2025	9/1/24-11/30/24	\$108	\$2,111	\$1,180	\$-	\$-	\$-	\$87	\$-	\$87	\$3,574
5/8/2025	12/1/24-2/28/25	\$2,099	\$23,196	\$21,908	\$2,194	\$-	\$3,458	\$3,761	\$-	\$3,761	\$60,377
6/5/2025	3/1/25-5/31/25	\$746	\$8,245	\$7,787	\$780	\$-	\$1,229	\$1,337	\$-	\$1,337	\$21,461
8/14/2025	6/1/25-8/31/25	\$9,089	\$83,586	\$100,660	\$22,701	\$-	\$18,128	\$16,141	\$-	\$16,141	\$266,445
12/4/2025	3/1/25-5/31/25	\$11,492	\$66,038	\$108,864	\$27,981	\$22,845	\$23,287	\$22,288	\$-	\$22,288	\$305,083
12/31/2025	3/1/25-5/31/25	\$4	\$38	\$46	\$10	\$-	\$8	\$7	\$-	\$7	\$122
2/11/2026	9/1/25-11/30/25	\$12,257	\$75,986	\$105,164	\$35,931	\$60,297	\$28,192	\$23,747	\$-	\$23,747	\$365,320
3/19/2026	9/1/25-11/30/25	\$177	\$1,099	\$1,521	\$520	\$872	\$408	\$344	\$-	\$344	\$5,285
5/21/2026	9/1/25-11/30/25	\$1,936	\$12,000	\$16,608	\$5,674	\$9,522	\$4,452	\$3,750	\$-	\$3,750	\$57,692
Total		\$51,177	\$322,497	\$388,231	\$95,792	\$93,536	\$79,162	\$71,462	\$458	\$71,462	\$1,173,777

The Village of Millerton received **\$458** in cannabis revenue for the period 9/1/2023-11/30/2023 despite not having an adult-use cannabis dispensary at that time. According to the Dutchess County Department of Finance sales from this period were related to sales that occurred at growers' markets and not from dispensary sales. A grower's market is a temporary pop-up market where local cultivators sell state approved products to customers while a dispensary is a permanent licensed retail store.

Observation:

- Six instances were noted where the distribution of cannabis tax revenue to municipalities occurred more than 30 days after receipt from OSC. Per the Dutchess County Department of Finance, in each of the six cases there was a delay in the distribution as a result of unclear and untimely guidance received from OCM on how to distribute the funds.

XI. SALES DATA RECEIVED FROM THE STATE OCM

The cannabis sales as reported by OCM to the Department of Finance and correlating revenue amounts received for the period 9/1/2023-11/30/2025 are detailed below.

Cannabis Sales Period	Cannabis Sales per Communication from OCM	Total Dutchess County Cannabis Tax Revenue Amount
9/1/2023-11/30/2023	<i>Information not provided.</i>	\$10,538
12/1/2023-2/28/2024	\$99,119	\$5,688
3/1/2024-5/31/2024	\$505,418	\$523
6/1/2024-8/31/2024	\$2,626,332	\$48,600
9/1/2024-11/30/2024	\$5,641,341	\$57,306
12/1/2024-2/28/2025	\$7,381,697	\$109,117
3/1/2025-5/31/2025	\$8,770,782	\$355,425
6/1/2025-8/31/2025	\$10,329,703	\$406,777
9/1/2025-11/30/2025	\$9,960,427	\$571,064
	\$45,314,818	\$1,565,037

The total cannabis sales data was not provided by OCM for the quarter ending November 30, 2023. Instead OCM provided the Dutchess County Department of Finance with the percentage of cannabis sales by municipality for distribution. Not including 2023, 4% of the reported sales was **\$1,812,593**.

Observation:

- The sales data provided by OCM to counties for distribution is based on the sales reported to OCM and not based on the information reported on the dispensaries' tax returns. As a result, differences between the total Dutchess County cannabis revenue received and 4% of the total sales reported by OCM exist because of tax filling errors and tax payment delays.

EXHIBIT I

County	Municipality Type	Municipality Name	Allow Dispensaries	Allow Consumption Sites
Dutchess	Town	Town of Amenia	No	No
Dutchess	City	City of Beacon	Yes	Yes
Dutchess	Town	Town of Beekman	No	No
Dutchess	Town	Town of Clinton	Yes	No
Dutchess	Town	Town of Dover	No	No
Dutchess	Town	Town of East Fishkill	No	No
Dutchess	Town	Town of Fishkill	Yes	No
Dutchess	Village	Village of Fishkill	Yes	Yes
Dutchess	Town	Town of Hyde Park	Yes	No
Dutchess	Town	Town of LaGrange	No	No
Dutchess	Town	Town of Milan	No	No
Dutchess	Village	Village of Millbrook	No	No
Dutchess	Village	Village of Millerton	Yes	Yes
Dutchess	Town	Town of North East	Yes	No
Dutchess	Town	Town of Pawling	No	No
Dutchess	Village	Village of Pawling	No	No
Dutchess	Town	Town of Pine Plains	Yes	No
Dutchess	Town	Town of Pleasant Valley	No	No
Dutchess	City	City of Poughkeepsie	Yes	Yes
Dutchess	Town	Town of Poughkeepsie	Yes	No
Dutchess	Town	Town of Red Hook	Yes	No
Dutchess	Village	Village of Red Hook	Yes	No
Dutchess	Town	Town of Rhinebeck	No	No
Dutchess	Village	Village of Rhinebeck	No	No
Dutchess	Town	Town of Stanford	No	No
Dutchess	Village	Village of Tivoli	No	No
Dutchess	Town	Town of Union Vale	No	No
Dutchess	Town	Town of Wappinger	No	No
Dutchess	Village	Village of Wappingers Falls	Yes	No
Dutchess	Town	Town of Washington	No	No

Sources: (1) <https://cannabis.ny.gov/localities> (2) [Rockefeller Institute of Government Marijuana Opt-out Tracker](#)

APPENDIX I - GLOSSARY

Cannabis ([S854A](#)) – Means all parts of the plant of the genus Cannabis, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. It does not include hemp, cannabinoid hemp or hemp extract as defined by this section or any drug products approved by the federal Food and Drug Administration.

Cannabis Consumer ([S854A](#)) – Means a person twenty-one years of age or older acting in accordance with any provision of this chapter.

Excise Tax – An indirect tax on specific goods and services typically included in the cost of the product and charged at the time of import, sale by the manufacturer, sale by the retailer or use by the manufacturer or consumer.

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