

Hypothetical Comparison of a Cannabis Business and a Typical Business

	Typical Business	Cannabis Business
Gross Revenue	\$1,000,000	\$1,000,000
Cost of Goods Sold	\$650,000	\$650,000
Gross Income	\$350,000	\$350,000
Deductible Business Expenses	\$200,000	\$0
Federal Taxable Income	\$150,000	\$350,000

Source: National Cannabis Industry Association, <https://thecannabisindustry.org/uploads/2015-280E-White-Paper.pdf>.