

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

state's requirements. It has done so for 131 stores in 28 counties, including at least one retailer in every jurisdiction with an applicant and no moratorium.

Apr. 06, 2015

Pullman, Washington's first legal marijuana store has grossed more than \$750,000 after less than six months in business and generated close to \$200,000 in new tax revenue for the state.

But what's happening at MJ's Pot Shop in Pullman and other cannabis retailers throughout Washington doesn't necessarily have people scrambling to enter the business, in spite of speculation that a shortage of stores is keeping legal marijuana prices high.

"There's not enough retail outlets," said Aaron Stancik, scientific director at CannaSafe Analytics in Pullman. (See accompanying story.)

MJ's Pot Shop is Pullman's only marijuana retailer, even though two other entrepreneurs won an initial go-ahead from the Washington State Liquor Control Board to open in Whitman County in a lottery.

Just across the street from MJ's Pot Shop, Silver Sands Distributors of Spokane has a building permit to convert the former Tanfastic building at 1340 S.E. Bishop Blvd. into a cannabis store, said Jason Radtke, assistant city planner.

"I would be deeply disappointed if we weren't open say by the first of May, but we said that in September," said Silver Sands Distributors owner Leonard Breuer of Spokane, who declined to identify his location.

The city and the state have been helpful, Breuer said. "It's just the nature of the beast."

What's happening with the third, T&H Consulting in Spokane, is not clear. Attempts

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

The state is willing to provide a license for any of the lottery winners who meet the state's requirements, he said. It has done so for 131 stores in 28 counties, including at least one retailer in every jurisdiction with an applicant and no moratorium, Smith said.

But the state is finding a number of complications, such as a lack of interest, Smith said. "A lot of these guys are sitting on licenses."

To remedy that, the state has sent notices giving would-be entrepreneurs 60 days to show they're moving forward or risk having their spot assigned to someone else, Smith said.

What will happen in places such as Clarkston and Garfield County, which have moratoriums, is still unfolding.

A bill in the Washington House might give local jurisdictions some marijuana tax revenue generated within their boundaries. Clarkston Mayor Kathleen Warren isn't optimistic about its chances.

And even if it did become law, she doesn't think the city council's view would evolve.

"I'm not guessing there would be much of a change in the vote," she said. "Some of it would depend on how much (money) we were getting."

Any fix that happens in the upcoming months will be too late for some. Some marijuana producers have already gone out of business. Stancik believes it's partly because the state hasn't issued enough retail licenses.

Growers initially were getting significantly higher prices for marijuana, but they have dropped after a glut of producers harvested their crops, Stancik said.

A price of \$3,000 per pound for wholesale marijuana is not uncommon, Stancik said,

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

high wholesale prices they were netting for marijuana would be the norm even after supply increased. Others set unreasonably short timelines to recoup their investments of tens of thousands of dollars, Smith said.

“It’s definitely a gold rush mentality in some cases.”

---

Copyright 2015 – Lewiston Tribune, Idaho

[Income Tax](#) • [Legislation](#) • [Small Business](#)

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved