
Summary of Local Government Cannabis Aid Certified for 2025

Minnesota Statutes 2024, section 477A.32, Local Government Cannabis Aid, was repealed during the 2025, 1st Special Session, Chapter 13, article 8, section 22, paragraph (b). This is effective for aids payable in 2026 and thereafter.

Local Government Cannabis Aid is available to cities with licensed cannabis businesses and all Minnesota counties. The annual appropriation comes from a tax imposed on any cannabis product retailer that sells taxable cannabis products. The tax is equal to 10% of gross receipts from retail sales in Minnesota of taxable cannabis products.

The Office of Cannabis Management (OCM) must certify to the Department of Revenue by June 1 of each year the number of cannabis businesses, as defined under [Minnesota Statutes, section 342.01, subdivision 14](#), and licensed under M.S. Chapter 342 as of the previous January 1. OCM's 2025 certification indicated there were no businesses as of January 1, 2025.

Minnesota Management and Budget (MMB) must certify to the Department of Revenue by July 15 of each year the balance of the local government cannabis aid account as of the immediately preceding June 30. MMB's 2025 certification stated the balance was \$4,929,084.42 on June 30, 2025.

Counties

The calculation for counties has two components:

- I. 20% of the aid amount certified is distributed equally among all counties.
- II. 80% of the aid amount certified is distributed proportionally to each county according to the number of cannabis businesses located in the county as compared to the number of cannabis businesses in all counties.

I. Equally Distributed Aid

A total of \$474,517.14 is available to be distributed equally among all counties for calendar year 2025.

II. Proportionally Distributed Aid

A total of \$1,898,070.43 was available to be proportionally distributed among counties. The aid was repealed so this amount will be cancelled to the general fund on January 2, 2026, per Minnesota Laws 2025, 1st Special Session, Chapter 13, article 8, section 20.

Cities

The aid amount certified to cities is distributed proportionally to each city based on the number of cannabis businesses located within the city as compared to the number of cannabis businesses in all cities.

A total of \$2,372,587.56 is available to be proportionally distributed among cities. The aid was repealed so this amount will be cancelled to the general fund on January 2, 2026, per Minnesota Laws 2025, 1st Special Session, Chapter 13, article 8, section 20.

Local Government Cannabis Aid Payment Date

Local Government Cannabis Aid is paid to counties and cities on December 26, 2025.