

Cannabis MSO Trulieve Clears \$368M Debt in Strategic Move

Trulieve Escapes Cannabis Industry's 'Debt Tsunami' with \$368 Million Payoff

Florida MSO pays off loan two years early amid \$6 billion sector-wide debt crisis
Trulieve Cannabis Corp. has announced it will pay off \$368 million in outstanding debt well before its 2026 maturity date, a rare show of financial strength in a struggling cannabis market.

The Tallahassee-based multistate operator (MSO) said Tuesday that it will fully repay the 8% loan, including interest, by Dec. 25, according to a Nov. 4 company statement.

The move positions Trulieve to avoid what analysts have described as a looming “debt tsunami” across the U.S. cannabis industry, with roughly \$6 billion in loans set to mature within the next year.

Trulieve's Debt Payoff Offers Breathing Room in a Tight Market

Trulieve was among the top five cannabis companies with significant upcoming debt maturities, accounting for a large share of the \$3.4 billion in sector debt due in 2025.

While the \$368 million repayment eliminates a major burden, Trulieve still carries \$110 million in debt at 7.9% interest, according to its latest quarterly earnings report released Wednesday.

The company also reported a \$27 million quarterly loss on \$288.2 million in revenue, reflecting the continued margin pressure across the cannabis market.

Despite the loss, Trulieve's cash reserves remain strong at \$450 million as of Sept. 30, giving it a cushion for upcoming tax and regulatory challenges.

“Our 2025 strategic plan is delivering results, with demonstrable progress on reform, customers, distribution and branded products,” said CEO Kim Rivers. “Significant flexibility in our core business and strong cash generation continue to set us apart in a dynamic market.”

Trulieve's Tax Liabilities Continue to Grow

While Trulieve's debt picture is improving, its tax troubles with the Internal Revenue Service (IRS) are deepening.

The company disclosed \$616.3 million in “uncertain tax liabilities” — a sharp rise from \$445.2 million at the end of 2024.

The issue stems from Trulieve's challenge to the federal tax code Section 280E, which prohibits cannabis companies from claiming standard business deductions since marijuana remains federally illegal.

Trulieve and several other large MSOs have claimed they are owed tax refunds under alternative interpretations of 280E — a stance that tax experts warn could spark a high-risk legal battle with the IRS.

Company Overview and Outlook

Trulieve currently operates 232 cannabis retail stores nationwide and manages 4 million square feet of cultivation canopy, making it one of the largest vertically integrated operators in the United States.

With its debt load significantly reduced and strong liquidity, Trulieve appears better positioned than many competitors to weather the industry's financial headwinds though its ongoing IRS dispute could prove costly.

As the broader cannabis sector braces for debt maturities, layoffs, and shrinking margins, Trulieve's decisive payoff offers a rare headline of stability even as the company's long-term financial picture remains tied to the uncertain fate of federal cannabis tax reform.

Email: info@cannabisriskmanager.com | Phone: +415-226-4060

© Copyright 2025 Cannabis Risk Manager. All Rights Reserved