1	L.D. 1384			
2	Date: (Filing No. S-)			
3	TAXATION			
4	Reproduced and distributed under the direction of the Secretary of the Senate.			
5	STATE OF MAINE			
6	SENATE			
7	131ST LEGISLATURE			
8	FIRST SPECIAL SESSION			
9 10 11	COMMITTEE AMENDMENT "" to S.P. 549, L.D. 1384, "An Act to Promote Fairness in the Taxation of Adult Use Cannabis by Basing the Excise Tax on the Tier of a Cultivation Facility"			
12	Amend the bill by striking out the title and substituting the following:			
13	'An Act to Promote Fairness in the Taxation of Adult Use Cannabis'			
14	Amend the bill by inserting after the title and before the enacting clause the following:			
15 16	'Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and			
17 18 19	Whereas, the current structure for the taxation of adult use cannabis is resulting in overtaxation of some producers and needs to be adjusted as soon as possible in order to prevent some businesses from ceasing business due to tax costs; and			
20 21 22 23	Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,'			
24 25	Amend the bill by striking out everything after the enacting clause and inserting the following:			
26	'Sec. 1. 36 MRSA §4923, sub-§7 is enacted to read:			
27 28 29	7. Sales and transfers between licensed cultivation facilities. No excise tax is imposed on a sale of adult use cannabis to a cultivation facility or on a transfer of adult use cannabis to a cultivation facility.			
30 31	Sec. 2. 36 MRSA §4924, as enacted by PL 2019, c. 231, Pt. B, §7, is amended to read:			
32	§4924. Returns; payment of excise tax			

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COMMITTEE AMENDMENT

1 On Beginning October 2023, on or before the 15th day of each month following the 2 end of each calendar quarter, a cultivation facility licensee shall file a return, as required 3 by the assessor, and pay to the assessor all excise taxes due under this chapter for the 4 preceding calendar month quarter.

5 **Sec. 3. 36 MRSA §4925,** as amended by PL 2021, c. 645, §6 and c. 669, §5, is 6 further amended to read:

§4925. Application of excise tax revenue

8 All excise tax revenue collected by the assessor pursuant to this chapter on the sale of 9 adult use cannabis must be deposited into the General Fund, except that, on or before the 10 last day of each every 3rd month, the assessor shall transfer 12% of the excise tax revenue 11 received during the preceding month quarter pursuant to this chapter to the Adult Use 12 Cannabis Public Health and Safety and Municipal Opt-in Fund established in Title 28-B, 13 section 1101.

14 Sec. 4. Appropriations and allocations. The following appropriations and allocations are made.

16 ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

- 17 Revenue Services, Bureau of 0002
- 18 Initiative: Provides one-time funding for computer programming costs to implement the19 change in filing frequency for the cannabis excise tax.

20	GENERAL FUND	2023-24	2024-25
21	All Other	\$33,120	\$0
22			
23	GENERAL FUND TOTAL	\$33,120	\$0

24

7

Emergency clause. In view of the emergency cited in the preamble, this legislation
 takes effect when approved.'

- Amend the bill by relettering or renumbering any nonconsecutive Part letter or sectionnumber to read consecutively.
- SUMMARY
 This amendment changes payment of the adult use cannabis excise tax to a quarterly schedule and eliminates certain taxation of multiple transfers of the same cannabis products between cannabis establishments. The amendment also adds an emergency preamble and an emergency clause.
- 34FISCAL NOTE REQUIRED35(See attached)

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COMMITTEE AMENDMENT