



# 129th MAINE LEGISLATURE

LD 335

LR 890(02)

## An Act To Require the State To Distribute 25 Percent of Adult Use Marijuana Retail Sales and Excise Tax Revenue to Generating Municipalities

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
<b>Net Cost (Savings)</b>				
General Fund	\$567,520	\$1,952,600	\$2,700,600	\$3,756,600
<b>Appropriations/Allocations</b>				
General Fund	\$83,520	\$104,600	\$104,600	\$104,600
Other Special Revenue Funds	\$484,000	\$1,848,000	\$2,596,000	\$3,652,000
<b>Revenue</b>				
General Fund	(\$484,000)	(\$1,848,000)	(\$2,596,000)	(\$3,652,000)
Other Special Revenue Funds	\$484,000	\$1,848,000	\$2,596,000	\$3,652,000

### Fiscal Detail and Notes

The bill creates the Local Government Marijuana Revenue Fund (LGMF) within the Department of Administrative and Financial Services and directs that 12% of the revenue from excise and sales taxes on marijuana and marijuana products be credited to the fund. The revenues from the fund will be proportionally distributed to municipalities who have authorized marijuana establishments by the excise and sales tax generated by each municipality. The bill includes an Other Special Revenue Funds allocation of \$484,000 in fiscal year 2019-20 and \$1,848,000 in fiscal year 2020-20 to allow for the distribution of the amounts credited to the LGMF. Transferring sales and excise tax receipts to the LGMF will reduce revenue to the General Fund by the same amounts, \$484,000 in fiscal year 2019-20 and \$1,848,000 in fiscal year 2020-21.

The bill includes ongoing General Fund appropriations to the Department of Administrative and Financial Services of \$78,520 in 2019-20 and \$104,600 in fiscal year 2020-21 for one Senior Tax Examiner position to process transfers of sales and excise tax receipts on adult use marijuana. Another \$5,000 is appropriated in the first year for one-time All Other costs to update sales reports and create an excise tax report to facilitate distribution to municipalities.