



# 130th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2021

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Legislative Document

No. 1185

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H.P. 863

House of Representatives, March 22, 2021

**An Act To Distribute Tax Revenue To Offset Costs Incurred by  
Adult Use Marijuana Host Municipalities**

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Received by the Clerk of the House on March 18, 2021. Referred to the Committee on  
Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative PERRY of Bangor.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 28-B MRSA §407** is enacted to read:

3 **§407. Revenue allocation to municipalities**

4 **1. Local Government Marijuana Revenue Fund established.** To assist in offsetting  
5 negative effects on local resources of local regulation and enforcement of adult use  
6 marijuana laws, there is established the Local Government Marijuana Revenue Fund,  
7 referred to in this section as "the fund."

8 **2. Fund sources.** The fund receives money transferred to the fund pursuant to Title  
9 36, section 1818, subsection 2 and Title 36, section 4925, subsection 2.

10 **3. Distribution of funds.** The Treasurer of State shall distribute the balance in the  
11 fund on the 20th day of each month. Money in the fund must be distributed to each  
12 municipality that has authorized, pursuant to sections 401 to 403, a marijuana establishment  
13 within the municipality in proportion to the ratio of revenues generated by the sale of adult  
14 use marijuana and adult use marijuana products pursuant to Title 36, sections 1811 and  
15 4925 by all marijuana establishments operating within the municipality to the revenues  
16 generated by the sale of adult use marijuana and adult use marijuana products pursuant to  
17 Title 36, sections 1811 and 4925 by all marijuana establishments operating within the State.

18 **4. Unorganized and deorganized areas.** For purposes of municipal marijuana  
19 revenue distribution pursuant to this section, unorganized and deorganized areas must be  
20 treated as if they are municipalities.

21 **Sec. 2. 36 MRSA §1818**, as enacted by PL 2017, c. 409, Pt. D, §4, is repealed and  
22 the following enacted in its place:

23 **§1818. Tax on adult use marijuana and adult use marijuana products**

24 All sales tax revenue collected pursuant to section 1811 on the sale of adult use  
25 marijuana and adult use marijuana products must be deposited into the General Fund,  
26 except that, on or before the last day of each month, the State Controller shall transfer:

27 **1. Adult Use Marijuana Public Health and Safety Fund.** Twelve percent of the  
28 sales tax revenue received by the State Tax Assessor during the preceding month pursuant  
29 to section 1811 to the Adult Use Marijuana Public Health and Safety Fund established  
30 under Title 28-B, section 1101; and

31 **2. Local Government Marijuana Revenue Fund.** Twelve percent of the sales tax  
32 revenue received by the State Tax Assessor during the preceding month pursuant to section  
33 1811 to the Local Government Marijuana Revenue Fund established under Title 28-B,  
34 section 407 calculated after the transfer pursuant to subsection 1 and after the subtraction  
35 of the costs of the State Tax Assessor in administering this subsection. For the purposes of  
36 this subsection, "costs of the State Tax Assessor in administering this subsection" means,  
37 for each month in the 12-month period after the effective date of this subsection, the actual  
38 and anticipated cost to the State Tax Assessor of administering this subsection and, in all  
39 subsequent months, the previous month's actual cost of administering this subsection.

40 **Sec. 3. 36 MRSA §4925**, as enacted by PL 2019, c. 231, Pt. B, §7, is repealed and  
41 the following enacted in its place:

42 **§4925. Application of excise tax revenue**

