



131st MAINE LEGISLATURE

LD 1392

LR 410(03)

An Act to Change How the Adult Use Cannabis Excise Tax Is Calculated

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	(\$1,472,000)	(\$6,843,000)	(\$11,612,000)	(\$13,104,000)
Revenue				
General Fund	\$1,472,000	\$6,843,000	\$11,612,000	\$13,104,000
Other Special Revenue Funds	\$201,000	\$1,266,000	\$2,327,000	\$2,623,000

Fiscal Detail and Notes

This bill increases the sales tax on adult use cannabis and adult use cannabis products to 12.5% as of January 1, 2024 and 15% as of January 1, 2025. The net impact to the General Fund is an increase in revenue of \$1,472,000 in fiscal year 2023-24 and \$6,843,000 in fiscal year 2024-25. This total includes increased cannabis sales tax revenue of \$1,912,000 in fiscal year 2023-24 and \$9,249,000 in fiscal year 2024-25, combined with decreased cannabis excise tax revenue of \$239,000 in fiscal year 2023-24 and \$1,140,000 in fiscal year 2024-25 and increased transfers to the Local Government Fund and to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund totaling \$201,000 in fiscal year 2023-24 and \$1,266,000 in fiscal year 2024-25.