

**132nd MAINE LEGISLATURE****LD 1654****LR 1647(02)****An Act to Allow a Grace Period for the Payment of Excise Tax for Adult Use Cannabis Cultivation Facilities****Fiscal Note for Bill as Amended by Committee Amendment " "****Committee: Taxation****Fiscal Note Required: Yes**

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**Fiscal Note**

	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>Projections FY 2027-28</b>	<b>Projections FY 2028-29</b>
<b>Net Cost (Savings)</b>				
General Fund	\$5,972,200	\$530,000	\$708,000	\$730,000
<b>Appropriations/Allocations</b>				
General Fund	\$21,200	\$0	\$0	\$0
<b>Revenue</b>				
General Fund	(\$5,951,000)	(\$530,000)	(\$708,000)	(\$730,000)
Other Special Revenue Funds	(\$816,000)	(\$78,000)	(\$99,000)	(\$101,000)

**Fiscal Detail and Notes**

This bill would result in a revenue decrease to the General Fund of \$5,951,000 in fiscal year 2025-26 and \$530,000 in fiscal year 2026-27 by providing excise tax exemptions on sales and transfers of adult use cannabis to cultivation facilities, or to manufacturing facilities when the cannabis is returned to the cultivation facility within 30 days. The bill establishes that for filing periods beginning January 1, 2026 and later, payment of excise tax is due 120 days after filing. The bill would also result in a revenue decrease to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund of \$816,000 in fiscal year 2025-26 and \$78,000 in fiscal year 2026-27.

Additionally, the bill includes a one-time General Fund appropriation to the Bureau of Revenue Services within the Department of Administrative and Financial Services of \$21,200 in fiscal year 2025-26 to fund computer programming costs associated with the provisions of this bill.