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Date: (Filing No. S- )

**TAXATION**

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE  
SENATE  
131ST LEGISLATURE  
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 559, L.D. 1392, “An Act to Change How the Adult Use Cannabis Excise Tax Is Calculated”

Amend the bill by striking out the title and substituting the following:

**'An Act to Increase the Sales Tax on Adult Use Cannabis and Change How the Excise Tax Is Calculated'**

Amend the bill by striking out everything after the enacting clause and inserting the following:

**Sec. 1. 36 MRSA §1811, sub-§1, ¶A**, as amended by PL 2019, c. 607, Pt. B, §2, is repealed.

**Sec. 2. 36 MRSA §1811, sub-§1, ¶B**, as amended by PL 2019, c. 607, Pt. B, §3, is repealed.

**Sec. 3. 36 MRSA §1811, sub-§1, ¶C**, as amended by PL 2019, c. 607, Pt. B, §4 and PL 2021, c. 669, §5, is repealed.

**Sec. 4. 36 MRSA §1811, sub-§1, ¶D**, as amended by PL 2021, c. 578, §4, c. 658, §286 and c. 669, §5, is further amended by amending subparagraph (5) to read:

(5) Ten percent on the value of adult use cannabis, adult use cannabis products and, if sold by a person to an individual who is not a qualifying patient, cannabis and cannabis products beginning on the first day of the calendar month in which adult use cannabis and adult use cannabis products may be sold in the State by a cannabis establishment licensed to conduct retail sales pursuant to Title 28-B, chapter 1, except that the applicable tax rate under this subparagraph is 12.5% for sales occurring on or after January 1, 2024 and before January 1, 2025 and 15% for sales occurring on or after January 1, 2025.

**Sec. 5. 36 MRSA §4923, sub-§7** is enacted to read:

**7. Phase-down.** The excise tax imposed pursuant to this section on or after January 1, 2024 and before January 1, 2025 is reduced for each applicable excise tax rate in

**COMMITTEE AMENDMENT**

1 subsections 1 to 5 by 1/3. The excise tax imposed pursuant to this section on or after  
2 January 1, 2025 is reduced for each applicable excise tax rate in subsections 1 to 5 by 2/3.

3 **Sec. 6. Application.** This Act applies to sales occurring on or after January 1, 2024.'

4 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section  
5 number to read consecutively.

6 **SUMMARY**

7 This amendment replaces the bill and changes the title. The amendment provides for a  
8 phase-down of the cannabis excise tax and a concurrent increase of the sales tax on adult  
9 use cannabis to 15%.

10 **FISCAL NOTE REQUIRED**

11 **(See attached)**