

MAINE STATE LEGISLATURE

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SAC
ROS

L.D. 1654

Date:

6/10/25

(Filing No. H- 620)

TAXATION

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STATE OF MAINE HOUSE OF REPRESENTATIVES 132ND LEGISLATURE FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 1095, L.D. 1654, "An Act to Allow a Grace Period for the Payment of Excise Tax for Adult Use Cannabis Cultivation Facilities"

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

Sec. 1. 36 MRSA §4921, sub-§9-A is enacted to read:

9-A. Products manufacturing facility. "Products manufacturing facility" has the same meaning as in Title 28-B, section 102-A, subsection 51.

Sec. 2. 36 MRSA §4923, sub-§6, as enacted by PL 2019, c. 231, Pt. B, §7 and amended by PL 2021, c. 669, §5, is amended to read:

6. Multiple licenses. When a cultivation facility licensee also holds a license to operate another cannabis establishment, the taxes imposed by subsections 1 to 4 apply to any transfer of cannabis from the cultivation facility to the other cannabis establishment licensee or, if no such transfer is made, to any activity undertaken pursuant to Title 28-B, section 501, subsection 2 or 4 with regard to cannabis cultivated by the cultivation facility.

Sec. 3. 36 MRSA §4923, sub-§7 is enacted to read:

7. Sales and transfers between licensed cultivation facilities. Notwithstanding subsection 6, an excise tax is not imposed on a sale of adult use cannabis to a cultivation facility or on a transfer of adult use cannabis to a cultivation facility. This subsection does not apply to a sale or transfer by a nursery cultivation facility pursuant to Title 28-B, section 501, subsection 3, paragraph C.

Sec. 4. 36 MRSA §4923, sub-§8 is enacted to read:

8. Transfers to and from products manufacturing facility. Notwithstanding subsection 6, an excise tax is not imposed on the transfer of adult use cannabis to a products manufacturing facility when the adult use cannabis is returned to the original cultivation facility in the same form and weight within 30 days.

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1 **Sec. 5. 36 MRSA §4924**, as enacted by PL 2019, c. 231, Pt. B, §7, is amended to
2 read:

3 **§4924. Returns; payment of excise tax**

4 ~~On~~ For returns filed for periods ending before January 1, 2026, on or before the 15th
5 day of each month, a cultivation facility licensee shall file a return, as required by the
6 assessor, and pay to the assessor all excise taxes due under this chapter for the preceding
7 calendar month.

8 For filing periods beginning on or after January 1, 2026, a cultivation facility licensee
9 shall file a return and pay to the assessor all excise taxes due under this chapter pursuant to
10 subsections 1 and 2.

11 **1. Return due date.** On or before the 15th day of each month, a cultivation facility
12 licensee shall file a return on a form as required by the assessor. The return must report all
13 adult use cannabis sold or transferred to other licensees during the preceding calendar
14 month.

15 **2. Payment due date.** Beginning June 2026, on or before the 15th day of each month,
16 a cultivation facility licensee shall remit the excise tax imposed on sales and transfers
17 required to be reported on a return filed pursuant to subsection 1 120 days after the filing
18 of that return.

19 **Sec. 6. Appropriations and allocations.** The following appropriations and
20 allocations are made.

21 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**
22 **Revenue Services, Bureau of 0002**

23 Initiative: Provides one-time funding for computer programming costs.

24 GENERAL FUND	2025-26	2026-27
25 All Other	\$21,200	\$0
26		
27 GENERAL FUND TOTAL	<u>\$21,200</u>	<u>\$0</u>

28
29 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
30 number to read consecutively.

31 **SUMMARY**

32 This amendment exempts from the cannabis excise tax the sale or transfer of adult use
33 cannabis to a cultivation facility and exempts the transfer of adult use cannabis to a products
34 manufacturing facility when the adult use cannabis is returned within 30 days to the original
35 cultivation facility in the same form and weight.

36 Beginning January 1, 2026, the amendment establishes new filing and tax payment
37 guidelines for cannabis excise tax. Excise tax filings and excise tax payments remain due

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COMMITTEE AMENDMENT "A" to H.P. 1095, L.D. 1654

1 on a monthly basis, but excise tax payments for any given month are for the excise tax
2 return filed 120 days prior to the payment.

3 **FISCAL NOTE REQUIRED**

4 **(See attached)**



Approved: 06/06/25 **LRL**

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 "A" (H-620)

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$5,972,200	\$530,000	\$708,000	\$730,000
Appropriations/Allocations				
General Fund	\$21,200	\$0	\$0	\$0
Revenue				
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.