

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

smg

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37

Date: 4-8-16

(Filing No. S-505)

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

STATE OF MAINE  
SENATE  
127TH LEGISLATURE  
SECOND REGULAR SESSION

SENATE AMENDMENT “B” to COMMITTEE AMENDMENT “A” to S.P. 312, L.D. 867, Bill, “An Act To Provide Tax Fairness and To Lower Medical Expenses for Patients under the Maine Medical Use of Marijuana Act”

Amend the amendment by striking out sections 1 to 3 and inserting the following:

Sec. 1. 22 MRSA §2430, sub-§3, as enacted by PL 2009, c. 631, §45 and affected by §51, is amended to read:

3. **Uses of the fund.** The fund may be used for expenses of the department to administer this chapter, as allocated by the Legislature. To the extent that funds remain in the fund after the expenses of the department to administer this chapter, any remaining funds must be used to fund the cost of the tax deductions provided pursuant to Title 36, section 5122, subsection 2, paragraphs PP and QQ and Title 36, section 5200-A, subsection 2, paragraph BB. By June 1st annually, the State Tax Assessor shall determine the cost of those deductions during the prior calendar year and report that amount to the State Controller, who shall transfer that amount from the remaining funds in the fund to the General Fund.

Sec. 2. 36 MRSA §5122, sub-§2, ¶¶PP and QQ are enacted to read:

PP. For taxable years beginning on or after January 1, 2016, an amount equal to the deduction disallowed under the Code, Section 280E related to carrying on a trade or business as a registered dispensary as defined in Title 22, section 2422, subsection 6.

QQ. For taxable years beginning on or after January 1, 2016, an amount equal to the amount paid for medical marijuana purchased in accordance with the Maine Medical Use of Marijuana Act by a qualifying patient, as defined in Title 22, section 2422, subsection 9, except that the amount that may be subtracted under this paragraph is limited to the amount that exceeds the applicable threshold under the Code, Sections 213(a) and 213(f) when added to the allowable medical expense deduction under the Code, Section 213.

Sec. 3. 36 MRSA §5200-A, sub-§2, ¶BB is enacted to read:

BB. For taxable years beginning on or after January 1, 2016, an amount equal to the deduction disallowed under the Code, Section 280E related to carrying on a trade or business as a registered dispensary as defined in Title 22, section 2422, subsection 6.

SENATE AMENDMENT

1           **Sec. 4. Appropriations and allocations.** The following appropriations and  
2 allocations are made.

3           **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**  
4           **Revenue Services, Bureau of 0002**

5 Initiative: Provides funding for computer programming costs.

6	<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
7	All Other	\$0	\$33,000
8			
9	<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>\$33,000</b>
10			

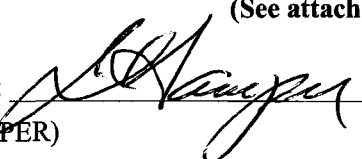
11   **SUMMARY**

12           This amendment changes the application of the bill as amended by Committee  
13 Amendment "A" to apply to tax years beginning on or after January 1, 2016. It also  
14 transfers funds remaining in the Medical Use of Marijuana Fund after the expenses of the  
15 Department of Health and Human Services to the General Fund for the purpose of  
16 funding tax deductions for medical marijuana dispensary business expenses and for the  
17 cost of medical marijuana purchased by qualified patients under the Maine Medical Use  
18 of Marijuana Act.

19           This amendment also changes the allocation of the deductions in the Maine Revised  
20 Statutes.

21   **FISCAL NOTE REQUIRED**

22   (See attached)

23 SPONSORED BY:   
24                   (Senator HAMPER)  
25                   COUNTY: Oxford



# 127th MAINE LEGISLATURE

LD 867

LR 1050(07)

## An Act To Provide Tax Fairness and To Lower Medical Expenses for Patients under the Maine Medical Use of Marijuana Act

Fiscal Note for Senate Amendment "B" to Committee Amendment "A"

Sponsor: Sen. Hamper of Oxford

Fiscal Note Required: Yes

### Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
<b>Net Cost (Savings)</b>				
General Fund	(\$255,300)	(\$253,650)	(\$272,650)	(\$286,900)
<b>Appropriations/Allocations</b>				
General Fund	(\$33,000)	\$33,000	\$0	\$0
<b>Revenue</b>				
General Fund	\$222,300	\$0	\$0	\$0
Other Special Revenue Funds	\$11,700	\$0	\$0	\$0
<b>Transfers</b>				
General Fund	\$0	\$286,650	\$272,650	\$286,900
Other Special Revenue Funds	\$0	(\$286,650)	(\$272,650)	(\$286,900)

### Fiscal Detail and Notes

This amendment changes the effective date from taxable years on or after 1-1-15 to taxable years on or after 1-1-16. The General Fund appropriation is moved from fiscal year 2015-16 to fiscal year 2016-17 and the revenue loss from fiscal year 2015-16 is removed. This amendment requires a transfer to the extent funds are available from the Medical Use of Marijuana Fund to the General Fund unappropriated surplus to offset the cost of certain tax deductions and computer programming required for these deduction changes related to medical marijuana in the bill. By June 1st annually, the State Tax Assessor shall determine the cost of those deductions during the prior calendar year and report that amount to the State Controller who shall transfer that amount from the Medical Use Marijuana Fund to the General Fund. The annual transfer will offset the General Fund cost of the bill annually.