

# MAINE STATE LEGISLATURE

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Date:

5/27/21

Majority

(Filing No. H-

267

**TAXATION**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
130TH LEGISLATURE  
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "A" to H.P. 598, L.D. 830, "An Act To Restructure the Taxation of Adult Use Marijuana"

Amend the bill by inserting after section 10 the following:

**'Sec. 11. Appropriations and allocations.** The following appropriations and allocations are made.

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

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

<b>GENERAL FUND</b>	<b>2021-22</b>	<b>2022-23</b>
All Other	\$6,000	\$0
<b>GENERAL FUND TOTAL</b>	<b>\$6,000</b>	<b>\$0</b>

Amend the bill in section 11 in the last 4 lines (page 2, lines 39 and 40 and page 3, lines 1 and 2 in L.D.) by striking out the following: "except that the section of this Act that amends the Maine Revised Statutes, Title 36, section 1811, subsection 1, paragraph D takes effect 90 days after the adjournment of the First Regular Session of the 130th Legislature"

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

**SUMMARY**

This amendment clarifies that the Act takes effect January 1, 2022 and adds an appropriations and allocations section.

**FISCAL NOTE REQUIRED**

(See attached)



# 130th MAINE LEGISLATURE

LD 830

LR 677(02)

## An Act To Restructure the Taxation of Adult Use Marijuana

Fiscal Note for Bill as Amended by Committee Amendment *A (H-267)*

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
<b>Net Cost (Savings)</b>				
General Fund	\$444,088	\$661,875	\$1,085,000	\$1,318,750
<b>Appropriations/Allocations</b>				
General Fund	\$6,000	\$0	\$0	\$0
<b>Revenue</b>				
General Fund	(\$438,088)	(\$661,875)	(\$1,085,000)	(\$1,318,750)
Other Special Revenue Funds	\$133,088	\$661,875	\$1,085,000	\$1,318,750

### Fiscal Detail and Notes

The bill repeals the excise tax on marijuana and marijuana products and increases the sales tax from 10% to 20% effective January 1, 2022. The repeal of excise taxes would result in a decrease in General Fund revenue of \$5,650,400 in fiscal year 2021-22 and \$15,882,000 in fiscal year 2022-23. The increase in the sales tax rate would result in additional General Fund revenue of \$5,212,312 in fiscal year 2021-22 and \$15,20,125 in fiscal year 2022-23. The net impact of the repeal of the excise taxes and increase in sales tax rate would be a decrease in General Fund revenue of \$438,088 and a decrease in Other Special Revenue Funds revenue of \$36,600 in fiscal year 2021-22. It would also result in an increase in Local Government Fund revenue of \$169,688 in fiscal year 2021-22 and \$661,875 in fiscal year 2022-23. The bill includes a one-time General Fund appropriation of \$6,000 in fiscal year 2021-22 to the Department of Administrative and Financial Services for computer programming costs.