

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 871

H.P. 639

House of Representatives, March 8, 2021

**An Act To Clarify Certain Provisions Regarding the Marijuana
Excise Tax**

(EMERGENCY)

Submitted by the Department of Administrative and Financial Services pursuant to Joint Rule 204.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative PERRY of Bangor.

1 **Emergency preamble.** Whereas, acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** the Department of Administrative and Financial Services began in
4 September 2020 to issue licenses to authorize the cultivation, manufacturing, testing and
5 sale of adult use marijuana and adult use marijuana products; and

6 **Whereas,** licenses issued to cultivation facilities may authorize the transfer of, and
7 payment of excise taxes on, the items included in this legislation; and

8 **Whereas,** the department has issued rules to clarify currently ambiguous portions of
9 the excise tax laws clarified in this legislation; and

10 **Whereas,** predictability and simplicity in the enforcement of tax laws is critical to
11 ensuring compliance with tax laws; and

12 **Whereas,** the changes to the adult use marijuana and tax laws proposed in this
13 legislation are critical to sustainability and growth of a critical source of revenue in the
14 midst of an ongoing economic crisis; and

15 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
16 the meaning of the Constitution of Maine and require the following legislation as
17 immediately necessary for the preservation of the public peace, health and safety; now,
18 therefore,

19 **Be it enacted by the People of the State of Maine as follows:**

20 **Sec. 1. 36 MRSA §4921, sub-§13** is enacted to read:

21 **13. Wet marijuana flower.** "Wet marijuana flower" means marijuana flower that is
22 not dried, cured or otherwise prepared in any manner to reduce or eliminate any water
23 weight.

24 **Sec. 2. 36 MRSA §4921, sub-§14** is enacted to read:

25 **14. Wet marijuana trim.** "Wet marijuana trim" means marijuana trim that is not
26 dried, cured or otherwise prepared in any manner to reduce or eliminate any water weight.

27 **Sec. 3. 36 MRSA §4923, sub-§1,** as enacted by PL 2019, c. 231, Pt. B, §7, is
28 amended to read:

29 **1. Excise tax on marijuana flower ~~and mature marijuana plants.~~** A cultivation
30 facility licensee shall pay an excise tax of \$335 per pound or fraction thereof of marijuana
31 flower ~~or mature marijuana plants~~ sold to other licensees in the State.

32 **Sec. 4. 36 MRSA §4923, sub-§3-A** is enacted to read:

33 **3-A. Excise tax on mature marijuana plants.** Beginning July 1, 2021, a cultivation
34 facility licensee shall pay an excise tax of \$35 per mature marijuana plant sold to other
35 licensees in the State.

36 **Sec. 5. 36 MRSA §4923-A** is enacted to read:

37 **§4923-A. Calculation of excise tax imposed on wet marijuana flower and wet**
38 **marijuana trim**

