

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 1063

S.P. 432

In Senate, March 7, 2023

An Act to Provide Equitable Tax Treatment to State-licensed Cannabis Businesses

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator PIERCE of Cumberland.
Cosponsored by Senator GROHOSKI of Hancock, Representative PERRY of Bangor and
Senators: CHIPMAN of Cumberland, DUSON of Cumberland, HICKMAN of Kennebec,
POULIOT of Kennebec.

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

2 **Sec. 1. 36 MRSA §5122, sub-§2, ¶PP**, as enacted by PL 2017, c. 452, §31, is
3 amended to read:

4 PP. For taxable years beginning on or after January 1, 2018, for business expenses
5 related to carrying on a trade or business as a registered caregiver or a registered
6 dispensary, as defined in Title 22, section 2422, an amount equal to the deduction that
7 would otherwise be allowable under this Part to the extent that the deduction is
8 disallowed under the Code, Section 280E. For taxable years beginning on or after
9 January 1, 2023, for business expenses related to carrying on a trade or business as a
10 registered caregiver, a registered dispensary or a manufacturing facility, as defined in
11 Title 22, section 2422, or a cannabis establishment or testing facility, as defined in Title
12 28-B, section 102, an amount equal to the deduction that would otherwise be allowable
13 under this Part to the extent that the deduction is disallowed under the Code, Section
14 280E.

15 **Sec. 2. 36 MRSA §5200-A, sub-§2, ¶BB**, as enacted by PL 2017, c. 452, §32, is
16 amended to read:

17 BB. For taxable years beginning on or after January 1, 2018, for business expenses
18 related to carrying on a trade or business as a registered caregiver or a registered
19 dispensary, as defined in Title 22, section 2422, an amount equal to the deduction that
20 would otherwise be allowable under this chapter to the extent that the deduction is
21 disallowed under the Code, Section 280E. For taxable years beginning on or after
22 January 1, 2023, for business expenses related to carrying on a trade or business as a
23 registered caregiver, a registered dispensary or a manufacturing facility, as defined in
24 Title 22, section 2422, or a cannabis establishment or testing facility, as defined in Title
25 28-B, section 102, an amount equal to the deduction that would otherwise be allowable
26 under this chapter to the extent that the deduction is disallowed under the Code, Section
27 280E.

28 **SUMMARY**

29 This bill, for taxable years beginning on or after January 1, 2023, adds manufacturing
30 facilities, cannabis establishments and testing facilities to the list of cannabis businesses
31 licensed by the State that are eligible to take deductions under the state income tax laws.