



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 " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

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