



131st MAINE LEGISLATURE

LD 1392

LR 410(02)

An Act to Change How the Adult Use Cannabis Excise Tax Is Calculated

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	\$105,000	\$545,000	\$856,000	\$729,000
Revenue				
General Fund	(\$105,000)	(\$545,000)	(\$856,000)	(\$729,000)
Other Special Revenue Funds	\$67,000	\$429,000	\$809,000	\$920,000

Fiscal Detail and Notes

This bill concurrently increases the sales tax on adult use cannabis and adult use cannabis products and decreases the cannabis excise tax. The decrease in cannabis excise tax revenue is greater than the increase in cannabis sales tax revenue, resulting in a net decrease in General Fund revenue of \$105,000 in fiscal year 2023-24 and \$545,00 in fiscal year 2024-25.

The increase in the cannabis sales tax will increase revenue to the Local Government Fund by \$70,000 in fiscal year 2023-2024 and \$446,000 in fiscal year 2024-25. The increase in the cannabis sales tax and decrease in the cannabis excise tax will decrease revenue to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund by \$3,000 in fiscal year 2023-24 and \$17,000 in fiscal year 2024-25. The combined impact of these changes to Other Special Revenue Funds is a revenue increase of \$67,000 in fiscal year 2023-24 and \$429,000 in fiscal year 2024-25.