

CHAPTER 723

CANNABIS EXCISE TAX

(Title 36, chapter 723 as enacted by PL 2019, c. 548, §2 is REALLOCATED TO TITLE 36, CHAPTER 725)

§4921. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 2019, c. 231, Pt. B, §7 (NEW).]

1. Adult use cannabis. "Adult use cannabis" has the same meaning as in Title 28-B, section 102, subsection 1.
[PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

2. Cultivation facility. "Cultivation facility" has the same meaning as in Title 28-B, section 102, subsection 13.
[PL 2019, c. 231, Pt. B, §7 (NEW).]

3. Immature cannabis plant. "Immature cannabis plant" has the same meaning as in Title 28-B, section 102, subsection 19.
[PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

4. Licensee. "Licensee" has the same meaning as in Title 28-B, section 102, subsection 24.
[PL 2019, c. 231, Pt. B, §7 (NEW).]

5. Cannabis establishment. "Cannabis establishment" has the same meaning as in Title 28-B, section 102, subsection 29.
[PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

6. Cannabis flower. "Cannabis flower" has the same meaning as in Title 28-B, section 102, subsection 31.
[PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

7. Cannabis plant. "Cannabis plant" has the same meaning as in Title 28-B, section 102, subsection 32.
[PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

8. Cannabis trim. "Cannabis trim" has the same meaning as in Title 28-B, section 102, subsection 35.
[PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

9. Mature cannabis plant. "Mature cannabis plant" has the same meaning as in Title 28-B, section 102, subsection 36.
[PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

10. Registered caregiver. "Registered caregiver" has the same meaning as in Title 22, section 2422, subsection 11.
[PL 2019, c. 231, Pt. B, §7 (NEW).]

11. Registered dispensary. "Registered dispensary" has the same meaning as in Title 22, section 2422, subsection 6.
[PL 2019, c. 231, Pt. B, §7 (NEW).]

12. Seedling. "Seedling" has the same meaning as in Title 28-B, section 102, subsection 51.
[PL 2019, c. 231, Pt. B, §7 (NEW).]

13. Wet cannabis flower. "Wet cannabis flower" means cannabis flower that is not dried, cured or otherwise prepared in any manner to reduce or eliminate any water weight.

[PL 2021, c. 323, §1 (NEW); PL 2021, c. 669, §5 (REV).]

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

[PL 2021, c. 323, §2 (NEW); PL 2021, c. 669, §5 (REV).]

SECTION HISTORY

PL 2019, c. 231, Pt. B, §7 (NEW). PL 2021, c. 323, §§1, 2 (AMD). PL 2021, c. 669, §5 (REV).

§4922. Registration

1. Generally. A cultivation facility licensee operating in this State shall register with the assessor each cultivation facility operated by the cultivation facility licensee and collect and remit taxes in accordance with the provisions of this chapter. A person required to be registered as a cultivation facility licensee pursuant to this section must also be in compliance with Title 28-B, chapter 1. A registration issued pursuant to this section is not a license within the meaning of that term in the Maine Administrative Procedure Act.

[PL 2019, c. 231, Pt. B, §7 (NEW).]

2. Applications; forms. A registration application under this section must be made on a form prescribed by the assessor and must state the name and address of the applicant, the address of the applicant's registered cultivation facility and such other information as the assessor may require for the proper administration of this chapter.

[PL 2019, c. 231, Pt. B, §7 (NEW).]

3. Penalties. The following penalties apply to violations of this section.

A. A cultivation facility licensee that sells at wholesale, offers for sale at wholesale or possesses with intent to sell at wholesale any adult use cannabis without being registered with the assessor pursuant to this section commits a civil violation for which a fine of not less than \$250 and not more than \$500 must be adjudged. [PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

B. A cultivation facility licensee that violates paragraph A after having been previously adjudicated as violating paragraph A commits a civil violation for which a fine of not less than \$500 and not more than \$1,000 must be adjudged for each subsequent violation. [PL 2019, c. 231, Pt. B, §7 (NEW).]

[PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

4. Surrender, revocation and suspension. A registration pursuant to this section is nontransferable. The assessor may revoke or suspend the registration of any registered cultivation facility licensee for failure to comply with any provision of this chapter or if the person no longer cultivates adult use cannabis. A person aggrieved by a revocation or suspension may request reconsideration as provided in section 151.

[PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

5. Notification. A cultivation facility licensee that has its registration under this section suspended or revoked shall, within 10 business days of the suspension or revocation, inform in writing all its accounts in this State that it no longer holds a valid registration. The assessor may publish the name of a cultivation facility licensee that has had its registration suspended or revoked.

[PL 2019, c. 231, Pt. B, §7 (NEW).]

SECTION HISTORY

PL 2019, c. 231, Pt. B, §7 (NEW). PL 2021, c. 669, §5 (REV).

§4923. Excise tax imposed

Beginning on the first day of the calendar month in which adult use cannabis may be sold in the State by a cultivation facility under Title 28-B, chapter 1, an excise tax on adult use cannabis is imposed in accordance with this chapter. [PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

1. Excise tax on cannabis flower. A cultivation facility licensee shall pay an excise tax of \$335 per pound or fraction thereof of cannabis flower sold to other licensees in the State. [PL 2021, c. 323, §3 (AMD); PL 2021, c. 669, §5 (REV).]

2. Excise tax on cannabis trim. A cultivation facility licensee shall pay an excise tax of \$94 per pound or fraction thereof of cannabis trim sold to other licensees in the State. [PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

3. Excise tax on immature cannabis plants and seedlings. A cultivation facility licensee shall pay an excise tax of \$1.50 per immature cannabis plant or seedling sold to other licensees in the State. [PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

3-A. Excise tax on mature cannabis plants. Beginning July 1, 2021, a cultivation facility licensee shall pay an excise tax of \$35 per mature cannabis plant sold to other licensees in the State. [PL 2021, c. 323, §4 (NEW); PL 2021, c. 669, §5 (REV).]

4. Excise tax on cannabis seeds. A cultivation facility licensee shall pay an excise tax of 30¢ per cannabis seed sold to other licensees in the State. [PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

5. Excise tax on purchases from registered caregivers and registered dispensaries. A cultivation facility licensee authorized pursuant to Title 28-B, section 501, subsection 6, paragraph A to purchase cannabis plants and cannabis seeds from registered caregivers and registered dispensaries that transacts such a purchase shall pay to the assessor the excise taxes that would have been imposed under subsections 1 to 4 on the sale of the cannabis plants and cannabis seeds if the cannabis plants and cannabis seeds had been sold by a cultivation facility licensee to another licensee. [PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

6. Multiple licenses. When a cultivation facility licensee also holds a license to operate another cannabis establishment, the taxes imposed by subsections 1 to 4 apply to any transfer of cannabis from the cultivation facility to the other cannabis establishment or, if no such transfer is made, to any activity undertaken pursuant to Title 28-B, section 501, subsection 2 or 4 with regard to cannabis cultivated by the cultivation facility. [PL 2019, c. 231, Pt. B, §7 (NEW); PL 2021, c. 669, §5 (REV).]

SECTION HISTORY

PL 2019, c. 231, Pt. B, §7 (NEW). PL 2021, c. 323, §§3, 4 (AMD). PL 2021, c. 669, §5 (REV).

§4923-A. Calculation of excise tax imposed on wet cannabis flower and wet cannabis trim

For purposes of the excise tax imposed pursuant to section 4923 on wet cannabis flower or wet cannabis trim, a cultivation facility licensee shall calculate the taxable weight by reducing the total weight of the wet cannabis flower or wet cannabis trim by 75% before applying the excise tax. [PL 2021, c. 323, §5 (NEW); PL 2021, c. 669, §5 (REV).]

SECTION HISTORY

PL 2021, c. 323, §5 (NEW). PL 2021, c. 669, §5 (REV).

§4924. Returns; payment of excise tax

On or before the 15th day of each month, a cultivation facility licensee shall file a return, as required by the assessor, and pay to the assessor all excise taxes due under this chapter for the preceding calendar month. [PL 2019, c. 231, Pt. B, §7 (NEW).]

SECTION HISTORY

PL 2019, c. 231, Pt. B, §7 (NEW).

§4925. Application of excise tax revenue

All excise tax revenue collected by the assessor pursuant to this chapter on the sale of adult use cannabis must be deposited into the General Fund, except that, on or before the last day of each month, the assessor shall transfer 12% of the excise tax revenue received during the preceding month pursuant to this chapter to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund established in Title 28-B, section 1101. [PL 2021, c. 645, §6 (AMD); PL 2021, c. 669, §5 (REV).]

SECTION HISTORY

PL 2019, c. 231, Pt. B, §7 (NEW). PL 2021, c. 645, §6 (AMD). PL 2021, c. 669, §5 (REV).

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