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## DIGEST

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HB 485 Engrossed

2019 Regular Session

James

**Abstract:** Authorizes the levy of an excise tax on the wholesale sale of cannabis by a cannabis production facility to a cannabis-infused product manufacturing facility or a cannabis retailer.

Proposed law authorizes an excise tax upon the wholesale sale of cannabis by a cannabis production facility to a cannabis-infused product manufacturing facility or cannabis retailer at the rate of 15%.

Proposed law provides certain definitions.

Proposed law authorizes the secretary of the Department of Revenue to collect, supervise, and enforce the collection of taxes, penalties, and interest related to the excise tax.

Proposed law establishes that the cannabis production facility is responsible for collecting the excise tax at the point of wholesale sale and remitting the collected taxes along with returns to the Department of Revenue in accordance with the law.

Proposed law establishes that the Department of Revenue may make rules and regulations in order to carry out the duties of this Chapter.

Proposed law establishes taxes collected under this Chapter are dedicated for the following uses:

1. 25% to elementary and secondary schools
2. 15% to mental health
3. 15% to state police
4. 15% to transportation
5. 10% to early childhood education
6. 5% to LSU
7. 5% to SU
8. 5% to drug and alcohol prevention

9. 5% to the state general fund

Effective January 20, 2019

(Adds R.S. 47:1692-1698)