



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 567** HLS 21RS 438
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 12, 2021 5:51 PM	Author: JORDAN
Dept./Agy.: Revenue	Analyst: Benjamin Vincent
Subject: Excise Tax: Marijuana Tax Stamps	

TAX/EXCISE EG SEE FISC NOTE GF RV See Note Page 1 of 1
 Repeals the marijuana tax levied on certain dealers and repeals provisions related to tax stamps which evidence payment of tax
Current law levies a tax on dealers of marijuana and controlled substances, requires purchase of a tax stamp as evidence of payment, and provides for penalties for noncompliance. The rate of tax applied on marijuana dealers is \$3.50 per gram, or for each portion of a gram. "Dealer" as defined in current law requires possession of more than 42.5 grams of marijuana.
Proposed law removes the excise tax and stamp requirements for marijuana dealers, and retains the tax and stamp requirements for other dangerous controlled substances. Proposed law additionally removes the 42.5 gram minimum possession requirement under the definition of "dealer".

Effective upon enactment and effectiveness of either House Bill 243 or 699 of the 2021 Regular Session. Neither bill has a specific effectiveness date in their current posture as of the writing of this analysis.

EXPENDITURES	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Proposed law repeals the tax on marijuana paid under the Marijuana and Controlled Dangerous Substances Act, and is effective contingent on the effective upon enactment and effectiveness of either House Bill 243 or 699 of the 2021 Regular Session.

Proposed law would reduce general fund tax collections to an indeterminable but likely negligible extent. Tax collections specifically on marijuana under this tax are not reported, however total collections under Marijuana & Dangerous Controlled Substances has averaged approximately \$1,500 for the previous three fiscal years, with considerable variability (FY18 \$3,100, FY19, \$53, FY20 \$1,200).

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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