

2016 First Extraordinary Session

HOUSE BILL NO. 127

BY REPRESENTATIVE MAGEE

TAX/SALES-USE, STATE: Levies a state sales tax on certain medical marijuana production (Item #9)

1 AN ACT

2 To amend and reenact R.S. 47:2601, relative to the state sales and use tax; to levy a tax on
3 certain marijuana based medicines; to provide for an effective date; and to provide
4 for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 §2601. Imposition of tax

7 There is hereby levied a tax upon ~~dealers of marijuana and controlled~~
8 ~~dangerous substances, as defined herein, within the state of Louisiana, according to~~
9 ~~the classification and rates hereinafter set forth:~~

10 (1) ~~Marijuana. Upon each gram of marijuana, or each portion of a gram, a~~
11 ~~tax of three dollars and fifty cents.~~

12 (2) ~~Controlled dangerous substances. (a) Upon each gram of controlled~~
13 ~~dangerous substance, or portion of a gram, a tax of two hundred dollars.~~

14 (b) ~~Upon each ten dosage units of a controlled dangerous substance that is not sold~~
15 ~~by weight, or portion thereof, a tax of four hundred dollars.~~ based medicines for
16 therapeutic use in Louisiana. Medical marijuana production shall be subject to the
17 state four percent sales and use tax on the quarterly gross sales of any licensed
18 medical marijuana production facility.

1 Section 2. This Act shall become effective upon signature by the governor or, if not
2 signed by the governor, upon expiration of the time for bills to become law without signature
3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
5 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 127 Original

2016 First Extraordinary Session

Magee

Abstract: Levies the 4% state sales and use tax on the gross sales of certain medical marijuana production.

Present law imposes a tax on dealers of marijuana and other controlled dangerous substances at the following rates:

- (1) For marijuana, \$3.50/gram.
- (2) For controlled dangerous substances sold by the gram, \$200/gram.
- (3) For controlled dangerous substances sold by the dosage unit, \$400/10 dosage units.

Proposed law repeals present law and levies the 4% state sales and use tax on the quarterly gross sales of licensed medical marijuana production.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:2601)