

2019 Regular Session

HOUSE BILL NO. 507

BY REPRESENTATIVE ABRAMSON

TAX: Levies a 7% tax on the gross sales of therapeutic marijuana and dedicates the avails into the New Opportunities Waiver Fund

1 AN ACT

2 To amend and reenact R.S. 40:1046(H)(8)(a), relative to the gross sales of therapeutic  
3 marijuana; to authorize a tax on the gross sales of therapeutic marijuana; to dedicate  
4 the avails of the tax; to provide for an effective date; and to provide for related  
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 40:1046(H)(8)(a) is amended and hereby reenacted to read as  
8 follows:

9 §1046. Prescription of marijuana for therapeutic use; rules and regulations;  
10 Louisiana Board of Pharmacy and the adoption of rules and regulations  
11 relating to the dispensing of prescribed marijuana for therapeutic use; the  
12 Department of Agriculture and Forestry and the licensure of a production  
13 facility

14 \* \* \*

15 H.

16 \* \* \*

17 (8)(a) The department shall perform the following:

18 (i) Establish and collect an annual license fee of one hundred thousand dollars  
19 and an annual permit fee of one hundred dollars for administrative and inspection  
20 costs.

- 1 (ii) Collect a nonrefundable application fee of ten thousand dollars.
- 2 (iii) ~~Receive an amount not to exceed seven percent of the gross sales.~~
- 3 Collect a tax of seven percent of the gross sales of therapeutic marijuana. The
- 4 department shall transfer monthly to the state treasury for deposit into the New
- 5 Opportunities Waiver Fund the amount of revenues collected in accordance with this
- 6 Item. An amount shall be allocated to the department, pursuant to legislative
- 7 appropriation, for regulatory, administrative, investigative, enforcement, legal, and
- 8 other such expenses as may be necessary to carry out the provisions of this Chapter
- 9 and for activities associated with the enforcement of law and regulations governing
- 10 the therapeutic marijuana program.

11 \* \* \*

12 Section 2. The provisions of this Act shall become effective on July 1, 2019.

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 507 Engrossed	2019 Regular Session	Abramson
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**Abstract:** Levies a 7% tax on the gross sales of therapeutic marijuana and dedicates the avails of the tax into the New Opportunities Waiver Fund after amounts appropriated by the legislature have been paid to the Dept. of Agriculture and Forestry.

Present law establishes an annual license fee of \$100,000 for a license to produce marijuana for therapeutic use, an annual permit fee of \$100 for the administrative and inspection costs associated with producing marijuana for therapeutic use, and a nonrefundable application fee of \$10,000 to apply for the license to produce marijuana for therapeutic use. Proposed law retains present law.

Present law mandates that the Dept. of Agriculture and Forestry receive an amount not to exceed 7% of the gross sales of therapeutic marijuana.

Proposed law changes present law to levy a tax of 7% of the gross sales of therapeutic marijuana and dedicates the remainder of the avails of the tax into the New Opportunities Waiver Fund after an amount appropriated by the legislature has been paid to the Dept. of Agriculture and Forestry for administrative costs.

Eff. July 1, 2019.

(Amends R.S. 40:1046(H)(8)(a))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Clarify that the legislature may appropriate an amount from the 7% tax to the Dept. of Agriculture and Forestry for administrative costs of the therapeutic marijuana program. The remainder of the avails of the tax on therapeutic marijuana shall be deposited into the New Opportunities Waiver Fund.