

HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Alan Silvia

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act allowing cities and towns to impose a local tax on medical marijuana.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Alan Silvia</i>	<i>7th Bristol</i>	<i>10/23/2015</i>
<i>Paul R. Heroux</i>	<i>2nd Bristol</i>	<i>10/26/2015</i>
<i>Patricia A. Haddad</i>	<i>5th Bristol</i>	<i>7/18/2019</i>
<i>Carole A. Fiola</i>	<i>6th Bristol</i>	<i>7/18/2019</i>

HOUSE No.

By Mr. Silvia of Fall River, a petition (subject to Joint Rule 12) of Alan Silvia and others for legislation to authorize a local option medical marijuana excise tax. Revenue.

The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court
(2015-2016)

An Act allowing cities and towns to impose a local tax on medical marijuana.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. The General Laws are hereby amended by inserting after chapter 64M the
2 following chapter:-

3 Chapter 64N.

4 LOCAL OPTION MEDICAL MARIJUANA EXCISE

5 Section 1. As used in this chapter, the following words shall have the following
6 meanings unless the context clearly requires otherwise:-

7 “Authorized purchaser”, a registered qualifying patient or a personal caregiver who is
8 also a registrant, as defined in regulation by the department of public health issued pursuant to
9 chapter 369 of the acts of 2012.

10 “Commissioner”, the commissioner of revenue.

“Marijuana”, all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; and resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or resin. Marijuana shall not include the mature stalks of the plant, fiber produced from the stalks, or oil or cake made from the seeds of the plant, or any other compound, manufacture, salt, derivative, mixture or preparation of the mature stalks, but Marijuana shall include the resin extracted from a mature stalk, fiber, oil, or cake made from the sterilized seed of the plant which is incapable of germination.

“Medical marijuana treatment center”, a not-for-profit entity licensed by the commonwealth pursuant to chapter 369 of the acts of 2012 that: acquires, cultivates, possesses or processes marijuana, including the development of related products such as edible marijuana infused products, tinctures, aerosols, oils or ointments; or transfers, transports, sells, distributes, dispenses or administers marijuana, products containing marijuana, related supplies or educational materials to an authorized purchaser. Unless otherwise specified, medical marijuana treatment center refers to the site of dispensing, cultivation, and preparation of marijuana.

“Sale”, any transfer of title or possession, or both, exchange, barter, lease, rental, conditional or otherwise, of tangible personal property or the performance of services for a consideration, in any manner or by any means whatsoever.

Section 2. Notwithstanding section 6 of chapter 64H or any other general or special law to the contrary, a city or town which accepts this section in the manner provided in section 4 of chapter 4 may impose a local tax upon:

(a) The sale of marijuana by a medical marijuana treatment center within the city or town to an authorized purchaser or another medical marijuana treatment center; and

(b) The value of marijuana cultivated at a medical marijuana treatment center in the city or town but sold by that medical marijuana treatment center in another city or town.

Section 3. The tax imposed pursuant to subsection (a) of section 2 shall be at a rate of 5 per cent of the gross receipts from the sale of marijuana. The tax imposed pursuant to subsection (b) of said section 2 shall be at a rate of 5 per cent of the value of the marijuana at the time it is transported from the city or town that has adopted this section; provided, that the value shall be determined in accordance with rules and regulations promulgated by the commissioner.

Section 4. The excise imposed by this chapter shall be paid by the medical marijuana treatment center to the commissioner at the time a vendor is required to file a return pursuant to subsection (h) of section 16 of chapter 62C.

All sums received by the commissioner under this section shall, at least quarterly, be distributed, credited and paid by the state treasurer, upon certification of the commissioner, to each city or town that has accepted this chapter in proportion to the amount of the sums received from the sales and cultivation of marijuana in that city or town. Any city or town seeking to dispute the commissioner's calculation of its distribution under this section shall notify the commissioner, in writing, not later than 1 year from the date the tax was distributed by the commissioner to the city or town.

Section 5. Every person who fails to pay to the commissioner any sums required by this chapter shall be personally and individually liable therefor to the commonwealth.

SECTION 2. The commissioner shall promulgate rules and regulations for assessing the value of marijuana to be taxed pursuant to subsection (b) of section 2 of chapter 64N of the General Laws on or before the effective date of this act.