HOUSE DOCKET, NO. 4189 FILED ON: 1/17/2025

HOUSE . . . . . No. 177

The Commonwealth of Massachusetts

PRESENTED BY:

Michael J. Soter

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 establishing a local transaction fee on cannabis sales.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Michael J. Soter	*8th Worcester*	*1/17/2025*

HOUSE DOCKET, NO. 4189 FILED ON: 1/17/2025

HOUSE . . . . . No. 177

By Representative Soter of Bellingham, a petition (accompanied by bill, House, No. 177) of Michael J. Soter relative to establishing a local transaction fee on cannabis sales. Cannabis Policy.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court
(2025-2026)

An Act establishing a local transaction fee on cannabis sales.

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

SECTION 1. Chapter 94G of the General Laws, as appearing in the 2022 Official Edition, is hereby amended by striking out subsection (d) of section 3 in its entirety and inserting in its place thereof the following:-

(d) No municipality shall require a host community agreement (HCA) as a condition for the licensing, operation, or approval of any cannabis retail establishment within its jurisdiction. Cannabis retailers shall be subject to all applicable state laws and regulations but shall not be required to enter into separate agreements with municipalities beyond the requirements of state law.

SECTION 2. Chapter 64H of the General Laws, as appearing in the 2022 Official Edition, is hereby amended by inserting the following:-

Section 6B. Local transaction fees on cannabis sales

12 (a) In addition to the state sales tax imposed under section 2 of chapter 64H, there shall
13 be an additional local transaction fee of 1% on all retail sales of cannabis or cannabis products
14 sold by a licensed cannabis retailer in any municipality within the commonwealth.

15 (b) The local transaction fee shall be collected by the retailer at the point of sale and
16 remitted to the department of revenue, which shall distribute the funds to the appropriate
17 municipality.

18 (c) The 1% local transaction fee shall be in addition to any local sales tax and shall be
19 collected on all adult-use cannabis products. All medical marijuana transactions shall be exempt.

20 SECTION 3. The department of revenue shall promulgate regulations regarding local
21 transaction fee collection and distribution within 90 days of the effective date of this act.