



LOUISIANA
DEPARTMENT *of* REVENUE

Louisiana's Taxes and Fees on Hemp and Marijuana Related Products

House Committee on
Ways and Means

**Subcommittee on
State Tax Structure**

November 30, 2022

Consumable Hemp Products Tax

- Originally enacted by Act 247 (RS2019)
 - Levied an excise tax on industrial hemp-derived CBD products beginning January 1, 2020
- Expanded by Act 336 of the 2021 RS to include hemp products that do not contain CBD beginning August 1, 2021
- Since August 2021, the tax applies to:
 - Any product derived from industrial hemp that contains any cannabinoid, including CBD, and is intended for consumption or topical use, including commercial feed, pet products, and hemp floral material

Consumable Hemp Products Tax

- Rate is 3% of the retail sales price
 - Paid by the retailer on a monthly basis
 - This tax is in addition to any other state and local sales tax due on the retail sale
- Collections are dedicated to the Early Childhood Education Fund
 - FY 21-22: \$559,837
- Only 2 exemptions:
 - Products approved for marketing as prescription medication
 - Products recommended for therapeutic use per R.S. 40:1046

Marijuana and Controlled Dangerous Substance Tax

- Enacted in 1990
 - Levies a tax of
 - \$3.50 per gram on dealers of marijuana
 - \$200 per gram on dealers of controlled dangerous substances
 - \$400 per 10 unit dosage if not measured by weight
 - Dealer is a person who in violation of Louisiana law manufactures, produces, ships, transports, or imports into Louisiana or in any manner acquires or possesses more than 42 1/2 grams of marijuana, 7+ grams or 10+ dosage units of a controlled dangerous substance
- Dealers are required to purchase stamps from the secretary to be affixed to the marijuana or controlled dangerous substance container or package as evidence that the tax has been paid.
 - Stamp purchases are typically made by collectors

Fee on Sales of Therapeutic Marijuana

Act 567 (RS2016)

- Authorized the Dept. of Agriculture and Forestry to receive a fee not to exceed 7% of the gross sales of therapeutic marijuana
- Fees were to be used to fund the expenses relating to the regulation and control of therapeutic marijuana

Act 331 (RS2019)

- Set the fee at 7% of the gross sales of therapeutic marijuana
- Transferred collection responsibilities to LDR
- Dedicated all collections to the Community and Family Support System Fund

Act 491 (RS2022)

- The fee is due by the production facility licensee or its contractor, whoever actually sells the therapeutic marijuana, and is reported and paid monthly

Collections by Fiscal Year	FY 19-20	FY 20-21	FY 21-22
Fee on Sales of Therapeutic Marijuana	76,794	286,963	1,066,243

