

Representative Ashley Carrick

Alaska State Legislature

In Juneau

Alaska State Capitol

Juneau, AK 99801

Phone: (907) 465-4976

Toll Free: (866) 465-4976



In Fairbanks

1292 Sadler Way Ste. 308

Fairbanks, AK 99701

Phone: (907) 452-6084

House District 35 – West Fairbanks

House Bill 91 Sectional Analysis 34-LS0528\N

“An Act relating to the lawful operation of retail marijuana stores; relating to marijuana cultivation; relating to registration of marijuana establishments; relating to marijuana taxes; relating to the duties of the Department of Revenue; and providing for an effective date.”

Section 1. Allows for “upstream sales” of marijuana products to allow marijuana stores to sell unused products back to producers.

Specifically, it amends AS 17.38.070(a)(6) to allow for delivery, distribution, and sale of marijuana and marijuana products to a consumer, marijuana cultivation facility, or a marijuana product manufacturing facility.

Section 2. Adds a new section to AS 17.38 relating to marijuana plant tagging. Specially AS 17.38.075 requires a marijuana cultivation facility to assign a tracking number to each crop of marijuana plants when the height exceeds eight inches. It also prohibits the AMCO board from requiring individual plant tagging.

Sections 3-9. Changes length of marijuana licenses from one to two years and related conforming language.

Section 10. Conforming changes for Section 1. Specifically, it amends the definition of a retail marijuana store to allow them to sell products back to marijuana cultivation facilities, and marijuana product manufacturing facilities.

Section 11. Reduces the marijuana excise tax rate from \$50 per ounce to \$12.50 per ounce.

Section 12. Allows at least 50% of the annual balance of the marijuana education and treatment fund to be used for the youth services grant program within the community-based marijuana misuse prevention component of the comprehensive marijuana use education and treatment program.

Section 13. Adds two subsections creating the marijuana sales tax and designating certain marijuana revenues.

- Subsection (g) designates 25% of all marijuana revenue to the public education fund.
- Subsection (h) establishes a 6% sales tax on all marijuana and marijuana product sales.

Section 14. Changes the timeline that taxes are due to the Department of Revenue from monthly to quarterly.

Section 15. Specifies that retail marijuana stores are responsible for paying the sales tax to the Department of Revenue.

Section 16. Requires the Department of Revenue to establish at least one facility in each of the four judicial districts to collect marijuana sales tax payments.

Section 17. Repeals 43.61.010(b) which allowed certain parts of a marijuana plant to be exempt from the excise tax and allowed for differential excise tax rates for certain parts of the plant.

Section 18. Repeals the excise tax established in 43.61.010(a) on January 1, 2026.

Section 19. The excise tax reduction applies to taxes accrued on or after the effective date of section 11.

Section 20. Sections 13-16 take effect January 1, 2026

Section 21. Except for Section 20, this act takes effect on July 1, 2025.