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Nauman
3/10/16

CS FOR HOUSE BILL NO. 337()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY

**Offered:
Referred:**

Sponsor(s): REPRESENTATIVE LEDOUX

A BILL

FOR AN ACT ENTITLED

"An Act relating to taxes on marijuana; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

*** Section 1.** AS 17.38.200 is amended by adding a new subsection to read:

(j) A marijuana cultivation facility shall furnish the bond as required in AS 43.61.050. The board shall suspend the license of a marijuana cultivation facility that does not furnish the bond as required in AS 43.61.050.

*** Sec. 2.** AS 43.61.020(a) is amended to read:

(a) Each marijuana cultivation facility shall file an electronic return with [SEND A STATEMENT BY MAIL OR ELECTRONICALLY TO] the department on or before the last day of each calendar month. The electronic return shall be filed in a manner prescribed by the department. The return [STATEMENT] must contain an account of the amount of marijuana sold or transferred to retail marijuana stores and marijuana product manufacturing facilities in the state during the preceding month, setting out

(1) the total number of ounces, including fractional ounces, sold or

transferred;

(2) the names and Alaska address of each buyer and transferee; and

(3) the weight of marijuana sold or transferred to the respective buyers or transferees.

* **Sec. 3.** AS 43.61 is amended by adding new sections to read:

Sec. 43.61.040. Tax for excess marijuana. A person who is not registered under AS 17.38 and who is found to be in possession of marijuana plants in excess of the amount of marijuana plants authorized for personal use in AS 17.38.020(2) is subject to the tax on the marijuana plants possessed in excess of the amount authorized for use in AS 17.38.020. The tax due under this section is \$50 for each ounce or partial ounce of marijuana possessed. When determining the weight of marijuana for purposes of this section, the department shall use the aggregate weight calculated under AS 11.71.080.

Sec. 43.61.050. Administration and enforcement of tax. (a) Each marijuana cultivation facility is primarily liable for the payment of the excise taxes on marijuana sold and shall furnish a cash or surety bond of \$5,000, payable to the department and approved by the Department of Law. If a marijuana cultivation facility fails to pay the tax to the state, the marijuana cultivation facility forfeits the bond, and the Marijuana Control Board shall suspend the marijuana cultivation facility's license until payment is made.

(b) Upon receipt of the bond and its subsequent approval, the department shall notify the Marijuana Control Board that the marijuana cultivation facility has met the bond requirement. The Marijuana Control Board may not issue a license under AS 17.38 until the department has received and the Department of Law has approved the bond.

(c) A marijuana product manufacturing facility or retail marijuana store is secondarily liable for the taxes on marijuana that is sold by or to the marijuana product manufacturing facility or retail marijuana store. If requested by the department, the marijuana product manufacturing facility or retail marijuana store shall provide the department with proof that the taxes have been paid on the marijuana inventory in the possession of the marijuana product manufacturing facility or retail marijuana store.

(d) The department may examine the books, papers, records, or memoranda of a person growing, selling, receiving, storing, refining, or processing marijuana. A person growing, selling, receiving, storing, refining, or processing marijuana shall preserve all books, papers, records, or memoranda for at least three years and shall provide the books, papers, records, or memoranda for inspection when demanded by the department.

* **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).