

Date: 04-23-2023

To: Honorable Representative Jesse Sumner
Chair, House Labor & Commerce Committee
House.Labor.And.Commerce@akleg.gov

From: Bashall Redzepi -- Owner/Founder
Mercy Tree of Alaska

Re: Support for HB 119
An Act relating to marijuana taxes; and providing for an effective date

Dear Representative Sumner:

I am writing today on behalf of our company Mercy Tree of Alaska located in Anchorage, Alaska. We are a partner owned standard cultivation. Our business offers full-time employment to six Alaskans, and we have been licensed for 6 years now. Over the past 6 years we have always paid our taxes. The past year has been hard for our company as the price of wholesale cannabis has plummeted. Not only do we have to compete with the black market and imported cannabis products from the lower 48, we must also compete with hot hemp derived products and an unfair tax structure on top of everything else.

If our tax scheme remains unchanged, I don't know if we can remain in business. Currently our Trim that is sold to manufacturing sells for (\$500.00 and \$700.00) per pound with a tax rate of \$240.00 per pound. Which means off the top, that's between 34%-48% in tax. That doesn't include federal tax on the remaining money. We need help now; this should not be kicked down the road. This can is my livelihood, but this goes beyond just me. An entire industry may fail if nothing is done.

Please act now. Please get this bill a committee hearing and let us have the debate.

Thank you for your attention and dedication.

Respectfully,

Bashall Redzepi

Co-owner/Founder
Mercy Tree of Alaska