

SENATE BILL REPORT

SB 5467

As of February 2, 2015

Title: An act relating to providing a single point of excise taxation on sales of recreational marijuana.

Brief Description: Providing a single point of excise taxation on sales of recreational marijuana.

Sponsors: Senators Hatfield, Rivers and Kohl-Welles.

Brief History:

Committee Activity: Commerce & Labor: 2/02/15.

SENATE COMMITTEE ON COMMERCE & LABOR

Staff: Richard Rodger (786-7461)

Background: There is a 25 percent excise tax imposed on marijuana licensees at the three different stages – production, processing, and retail.

Summary of Bill: The bill repeals the excise taxes imposed on marijuana and creates a new tax that is imposed on the purchaser at retail.

The tax is set at:

- 37 percent until July 1, 2017;
- 30 percent from July 1, 2017, through June 30, 2019; and
- 25 percent beginning July 1, 2019.

The seller must hold the funds in trust until paid to the Liquor Control Board. The seller is personally liable for the amount of the tax. A process is created to address the failure to remit the taxes by a limited liability entity that has been terminated, dissolved, or abandoned, or is insolvent.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2015.