(Words in boldface and underlined indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 306.080(b) is amended to read:

(b) After review of the application and all relevant information, the board will deny an application for renewal of a marijuana establishment license or onsite consumption endorsement if the board finds

(1) any cause listed in (a) of this section;

(2) repealed 8/21/2019;

(3) that the license or endorsement has been operated in violation of a condition or restriction the board previously imposed;

(4) that the applicant is delinquent in the payment of taxes due in whole or in part from operation of the licensed business[;]**, the applicant has been unsuccessful in keeping the delinquent tax balance to ($insert amount) or below, and the licensee has had (insert number of NOV) issued for delinquent taxes;**

(5) that a protest by the local governing body is not arbitrary, capricious, and unreasonable; or

(6) that the applicant has lost right to possession of the applicant's licensed premises.

(Eff. 2/21/2016, Register 217; am 2/21/2019, Register 229; am 8/21/2019, Register 231; am 8/7/2021, Register 239; am ___,___,_____, Register _____)

Authority: AS 17.38.010 AS 17.38.150 AS 17.38.200

Commented [SJP(1]: In this version, the amendment is specifically in the paragraph that talks about delinquent taxes in which, perhaps, a threshold $ and a certain number of novs would "allowed"??..

AS 17.38.070 AS 17.38.190 AS 17.38.900

AS 17.38.121

3 AAC 306.480. Marijuana tax to be paid

A marijuana cultivation facility, including a standard marijuana cultivation facility and a limited marijuana cultivation facility, shall submit monthly reports to the Department of Revenue and pay the excise tax required under AS 43.61.010 and 43.61.020 on all marijuana sold or provided as a sample to a marijuana establishment. (Eff. 2/21/2016, Register 217)

Commented [SJP(2]: This is MCB's regulation that mentions the word "shall" but it is in the context of filing monthly reports to Revenue. I don't believe it needs an amendment.

Chapter 61. Excise Tax on Marijuana.

Sec. 43.61.010. Marijuana tax.

Commented [SJP(3]: These Revenue statutes are here for reference only. Will be deleted before and if the draft goes out for public comment.

Commented [SJP(4]: Implemented as
15 AAC 61.100
15 AAC 61.110
15 AAC 61.120
15 AAC 61.990
15 AAC 61.010

(a) An excise tax is imposed on the sale or transfer of marijuana from a marijuana cultivation facility to a retail marijuana store or marijuana product manufacturing facility. Every marijuana cultivation facility shall pay an excise tax at the rate of $50 per ounce, or proportionate part thereof, on marijuana that is sold or transferred from a marijuana cultivation facility to a retail marijuana store or marijuana product manufacturing facility.

(b) The department may exempt certain parts of the marijuana plant from the excise tax described in (a) of this section or may establish a rate lower than $50 per ounce for certain parts of the marijuana plant.

(c) The recidivism reduction fund is established in the general fund. The Department of Administration shall separately account for 50 percent of the tax collected under this section and deposit it into the recidivism reduction fund.

(d) The legislature may use the annual estimated balance in the recidivism reduction fund to make appropriations to the Department of Corrections, the Department of Health and Social Services, or the Department of Public Safety for recidivism reduction programs.

(e) Nothing in this section creates a dedicated fund.

(f) The marijuana education and treatment fund is established in the general fund. In addition to the accounting under (c) of this section,

the Department of Administration shall separately account for 25 percent of the tax collected under this section and deposit it into the marijuana education and treatment fund. The Department of Administration shall deposit interest earned on the fund into the general fund. Money in the fund does not lapse. The legislature may use the annual estimated balance in the fund to make appropriations to the Department of Health and Social Services for the comprehensive marijuana use education and treatment program established under AS 44.29.020(a)(17).

Sec. 43.61.020. Monthly statement and payments.

(a) Each marijuana cultivation facility shall send a statement by mail or electronically to the department on or before the last day of each calendar month. The 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.

(b) The marijuana cultivation facility shall pay monthly to the department, all taxes, computed at the rates prescribed in this chapter, on the respective total quantities of the marijuana sold or transferred during the preceding month. The monthly return shall be filed and the tax paid on or before the last day of each month to cover the preceding month.

Sec. 43.61.030. Administration and enforcement of tax.

(a) Delinquent payments under this chapter shall subject the marijuana cultivation facility to civil penalties under AS 43.05.220.

(b) If a marijuana cultivation facility fails to pay the tax to the state the marijuana cultivation facility's registration may be revoked in accordance with procedures established under AS 17.38.190(a)(1).

Commented [SJP(5]: Implemented as
15 AAC 61.010
15 AAC 61.100
15 AAC 61.120
15 AAC 61.900
15 AAC 61.990
History

Commented [SJP(6]: Implemented as
15 AAC 61.020
15 AAC 61.990

Commented [SJP(7]: **Sec. 17.38.190. Rulemaking.**
(a) The board shall adopt regulations necessary for implementation of this chapter. Regulations under this subsection may not prohibit the operation of marijuana establishments, either expressly or through regulations that make their operation unreasonably impracticable. The regulations must include

(1) procedures for the issuance, renewal, suspension, and revocation of a registration to operate a marijuana establishment; procedures under this paragraph are subject to all requirements of AS 44.62 (Administrative Procedure Act);