

Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

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Marijuana Control Board

Resolution Requesting Restructuring of Tax on Flower Sold to Manufacturers

Adopted (passed 3-2) on March 7, 2017

WHEREAS, it is to the State of Alaska's economic benefit to receive tax revenue from all marijuana cultivated by licensed facilities; and

WHEREAS, in a mature industry, it is economical for cultivators to sell lower quality flower to product or concentrate manufacturers at a price lower than supports the \$50 per ounce tax rather than destroy the flower; and

WHEREAS, per 15 AAC 61.100(a)(2), the remainder of the plant is taxed at \$15 per ounce.

RESOLVED, the Marijuana Control Board requests that the State of Alaska Department of Revenue restructure the marijuana tax to reduce the tax on flower sold to product or concentrate manufacturers from \$50 per ounce to \$15 per ounce, either by regulation or by seeking a statutory change from the Alaska Legislature.

Peter Mlynarik

Chair

Marijuana Control Board

Erika McConnell

Director

Alcohol & Marijuana Control Office

Euha M. Connell