

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
81st Oregon Legislative Assembly
2021 Regular Session
Legislative Revenue Office

Bill Number: HB 2445
Revenue Area: Marijuana Taxes
Economist: Mazen Malik
Date: 06-10-2021

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

Enacts express sunset for exemption of medical marijuana registry cardholder or primary caregiver from tax imposed on retail sale of marijuana items.

Revenue Impact (in \$Millions):

	2021-23	2023-25	2025-2027
State Revenue	(\$24.1)	(\$32.0)	(\$30.9)
Local Revenue	(\$4.0)	(\$5.0)	(\$4.8)
Total	(\$28.1)	(\$37.0)	(\$35.7)

Impact Explanation:

The tax expenditure report estimates the impact of medical Marijuana exemption at \$28 million for the coming biennium (18 months impact), and \$37 million per biennium thereafter until the next sunset date Jan-1-2028. However, the governor’s tax expenditure recommendations list includes this expenditure for renewal. This measure changes the implicit sunset into an explicit six-year sunset cycle. More than 23,000 people held a medical marijuana patient card as of July 2020, and nearly 8,800 people held a caregiver card.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure is to preserve access to medical marijuana in a similar manner as it was available prior to the legalization of recreational marijuana.