



**State of Arkansas
Department of Finance and Administration
Fiscal Impact Statement**

Bill: SB219

Bill Subtitle: TO REPEAL THE SUNSET PROVISION OF THE ARKANSAS MEDICAL MARIJUANA SPECIAL PRIVILEGE TAX ACT OF 2017; AND TO DECLARE AN EMERGENCY.

Sponsors:

Sen. Dismang and Rep. Eaves

Basic Change:

The Arkansas Medical Marijuana Special Privilege Tax Act of 2017 imposes a 4% special privilege tax on the sale of usable marijuana. The Act contains a sunset provision, and the tax is scheduled to expire on July 1, 2025, unless extended by the General Assembly. SB219 repeals the sunset provision.

SB219 includes an emergency clause to ensure that the administration and collection of the marijuana special privilege tax will continue uninterrupted.

Fiscal Impact:

Repealing the sunset clause for the Arkansas Medical Marijuana Special Privilege Tax will allow for continued collection of the privilege tax. FY2024 collections of the tax totaled \$14,803,535.

Taxpayer Impact:

The Arkansas Medical Marijuana Special Privilege Tax will continue to be collected.

Resources Required:

None.

Time Required:

None.

Procedural Changes:

None.

Other Comments:

None.

Legal Analysis:

None.