

1.1 moves to amend the amendment (H0100A86) to H.F. No. 100, the
1.2 eighth engrossment, as follows:

1.3 Page 7, delete subdivision 2 and insert:

1.4 "Subd. 2. **Gross receipts tax imposed.** (a) A tax equal to a rate established by
1.5 subdivisions 2 and 3 of this section of gross receipts from retail sales in Minnesota of taxable
1.6 cannabis products is imposed on any taxable cannabis product retailer that sells these products
1.7 to customers:

1.8 (1) beginning on July 1, 2023, to June 30, 2025, the rate is equal to eight percent;

1.9 (2) beginning on July 1, 2025, to June 30, 2027, the rate is equal to 5.25 percent; and

1.10 (3) beginning with fiscal year 2028, the rate is equal to the amount established under
1.11 subdivision 3.

1.12 (b) A taxable cannabis product retailer may but is not required to collect the tax imposed
1.13 by this section from the purchaser as long as the tax is separately stated on the receipt,
1.14 invoice, bill of sale, or similar document given to the purchaser.

1.15 (c) If a product subject to the tax imposed by this section is bundled in a single transaction
1.16 with a product or service that is not subject to the tax imposed by this section, the entire
1.17 sales price of the transaction is subject to the tax imposed by this section.

1.18 (d) The tax imposed under this section is in addition to any other tax imposed on the
1.19 sale or use of taxable cannabis products.

1.20 Subd. 3. **Tax rate adjustment.** (a) In April of each odd-numbered year, the commissioner
1.21 of revenue must make reductions to the tax imposed under this section if, on the basis of a
1.22 February forecast of general fund revenues and expenditures reflecting the most recently
1.23 completed fiscal year, the commissioner of management and budget determines the following
1.24 conditions are met:

2.1 (1) revenues raised by the tax imposed under this section combined with the tax imposed
2.2 under chapter 297A on taxable cannabis products exceed the projected expenditures related
2.3 to the ongoing regulation of cannabis for the upcoming biennium including:

2.4 (i) the appropriations to the Office of Cannabis Management;

2.5 (ii) the appropriations to the Department of Agriculture;

2.6 (iii) the appropriations to the Cannabis Expungement Board;

2.7 (iv) the appropriations to the Department of Commerce;

2.8 (v) the appropriations to the Department of Corrections;

2.9 (vi) the appropriations to the Department of Education;

2.10 (vii) the appropriations to the Department of Employment and Economic Development;

2.11 (viii) the appropriations to the Department of Health;

2.12 (ix) the appropriations to the Department of Human Services;

2.13 (x) the appropriations to the Department of Labor and Industry;

2.14 (xi) the appropriations to the Department of Natural Resources;

2.15 (xii) the appropriations to the Office of Higher Education;

2.16 (xiii) the appropriations to the Pollution Control Agency;

2.17 (xiv) the appropriations to the Department of Public Safety;

2.18 (xv) the appropriations to the Department of Revenue;

2.19 (xvi) the appropriations to the supreme court; and

2.20 (xvii) the appropriations to the substance use treatment, recovery, and prevention grant
2.21 account.

2.22 (b) The new rate must be rounded to the nearest one-quarter of one percent. The first
2.23 rate reduction must occur by April 15, 2027, using the February 2027 forecast. The
2.24 commissioner of revenue must post the new rate on the department website within five
2.25 business days."

2.26 Renumber the subdivisions in sequence