



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB5827

by Rep. John D. Cavaletto

#### SYNOPSIS AS INTRODUCED:

410 ILCS 130/200

Amends the Compassionate Use of Medical Cannabis Pilot Program Act. Imposes (1) an additional tax upon the privilege of cultivating medical cannabis at the rate of 50% of the sales price per ounce, (2) a tax upon the privilege of dispensing medical cannabis at a rate of 25% of the sales price per ounce, and (3) a tax upon the privilege of using medical cannabis at a rate of 15% of the sales price per ounce. Provides that proceeds from the taxes shall be deposited into the General Revenue Fund and specifies the manner in which the proceeds shall be used.

LRB098 18971 RPM 54119 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning public health.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Compassionate Use of Medical Cannabis Pilot  
5 Program Act is amended by changing Section 200 as follows:

6 (410 ILCS 130/200)

7 (Section scheduled to be repealed on January 1, 2018)

8 Sec. 200. Tax imposed.

9 (a) Beginning on the effective date of this Act, a tax is  
10 imposed upon the privilege of cultivating medical cannabis at a  
11 rate of 7% of the sales price per ounce. The proceeds from this  
12 tax shall be deposited into the Compassionate Use of Medical  
13 Cannabis Fund created under the Compassionate Use of Medical  
14 Cannabis Pilot Program Act. This tax shall be paid by a  
15 cultivation center and is not the responsibility of a  
16 dispensing organization or a qualifying patient.

17 (a-5) Beginning on the effective date of this amendatory  
18 Act of the 98th General Assembly, an additional tax is imposed  
19 upon the privilege of cultivating medical cannabis at the rate  
20 of 50% of the sales price per ounce. The proceeds from this 50%  
21 tax shall be deposited into the General Revenue Fund, and shall  
22 be used in the manner set forth in subsection (a-10) of this  
23 Section.

1       A tax is imposed upon the privilege of dispensing medical  
2 cannabis at a rate of 25% of the sales price per ounce. The  
3 proceeds from this tax shall be deposited into the General  
4 Revenue Fund, and shall be used in the manner set forth in  
5 subsection (a-10) of this Section.

6       A tax is imposed upon the privilege of using medical  
7 cannabis at a rate of 15% of the sales price per ounce. The  
8 proceeds from this tax shall be deposited into the General  
9 Revenue Fund, and shall be used in the manner set forth in  
10 subsection (a-10) of this Section.

11       (a-10) Proceeds from the taxes generated under subsection  
12 (a-5) of this Section shall be deposited into the General  
13 Revenue Fund. The proceeds shall be designated as follows:

14           (1) Thirty-five percent to pay outstanding pension  
15 obligations.

16           (2) Thirty-five percent to pay outstanding debt  
17 obligations of the State. Once outstanding debt  
18 obligations are eliminated, the remaining proceeds from  
19 the 35% shall remain in the General Revenue Fund.

20           (3) Thirty percent to be transferred into the  
21 Grandparents Custody Assistance Fund.

22       (b) The tax imposed under this Act shall be in addition to  
23 all other occupation or privilege taxes imposed by the State of  
24 Illinois or by any municipal corporation or political  
25 subdivision thereof.

26       (Source: P.A. 98-122, eff. 1-1-14.)