



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

November 22, 2019

Also Sent Via Email

Joint Committee on Administrative Rules
Boji Tower, 3rd Floor
124 West Allegan Street
P.O. Box 30036
Lansing, MI 48909-7536

Subject: Waiver Request

Dear Chairperson Maddock, Alternate Chairperson Lucido, and Committee Members:

As the Regulatory Affairs Officer for the Department of Treasury, I request that the Joint Committee on Administrative Rules (JCAR) waive the remaining session days under the authority provided in the Administrative Procedures Act of 1969, MCL 24.245a(1)(d), for the following companion rule sets:

Taxation of Adult-Use (Recreational) Marihuana Rules (MOAHR #2019-052 TY)
General Sales and Use Tax Rules (MOAHR #2019-051 TY)

The new "Taxation of Adult-Use (Recreational) Marihuana Rules" contain 2 rules that implement the recently enacted 10% excise tax on the sales price for marihuana sold by marihuana retailers and marihuana microbusinesses prescribed by the Michigan Regulation and Taxation of Marihuana Act (MRTMA) at MCL 333.27963(1).

The addition of 1 new rule to the General Sales and Use Tax Rules, R 205.1 – 205.140, clarifies that the 6% sales tax is applied to the sales price of property sold, which includes the excise tax, pursuant to section 13(1) of the MRTMA, and that retail sales of recreational and medical marihuana are not exempt from taxation as food or prescription drugs.

No one attended to speak at the public hearing on the new rules and no written comments of opposition were received at the hearing or during the period for receiving public comment by

mail, facsimile, or electronically. Thus, this request is respectfully made to the JCAR for waiver of the balance of the session days review period.

Sincerely,



Margaret Patterson
Regulatory Affairs Officer
(517) 241-3196

cc: Timothy Reeves and Elizabeth Edberg, Legislative Services Bureau
Katie Wienczewski, Michigan Office of Administrative Hearings and Rules
Deidre O'Berry, Michigan Office of Administrative Hearings and Rules
Rachael Eubanks, State Treasurer
Lance Wilkinson, Bureau of Tax Policy
Stewart Binke, Bureau of Tax Policy