



State of New Jersey
CANNABIS REGULATORY COMMISSION

PHILLIP D. MURPHY
Governor

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DIANNA HOUEYOU, *Chair*
SAMUEL DELGADO, *Vice Chair*
KRISTA NASH, *Commissioner*
MARIA DEL CID-KOSSO, *Commissioner*
CHARLES BARKER, *Commissioner*
JEFF BROWN, *Executive Director*

TAHESHA L. WAY
Lt. Governor

RESOLUTION 2023-142
IMPOSITION OF SOCIAL EQUITY EXCISE FEES ON CLASS 1 CANNABIS
CULTIVATORS FOR THE 2024 CALENDAR YEAR

WHEREAS, pursuant to N.J.S.A. 54:47F-1(a), there may be a Social Equity Excise Fee imposed by the Commission on the cultivation of cannabis by any cannabis cultivator licensed pursuant to the provisions P.L.2021, c.16 (C.24:6I-31 et al.), or on the cultivation of cannabis for the personal-use cannabis marketplace and not for the medical cannabis marketplace by any alternative treatment center deemed to be licensed to engage in personal-use cannabis activities pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7) and issued a Class 1 Cannabis Cultivator license by the Commission pursuant to subparagraph (a) of paragraph (3) of subsection a. of section 33 of P.L.2021, c.16 (C.24:6I-46); and

WHEREAS, the excise fee, if imposed by the Commission, shall be imposed on the receipts from the sale, or equivalent value of the transfer, of usable cannabis by a cannabis cultivator to any other cannabis establishment, other than another cannabis cultivator; and

WHEREAS, any sale by a cannabis cultivator for which the excise fee is imposed shall be exempt from the tax imposed under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.); and

WHEREAS, pursuant to N.J.S.A. 54:47F-1(a)(1), immediately following the adoption of the Commission's initial rules and regulations pursuant to subparagraph (a) of paragraph (1) of subsection d. of section 6 of P.L.2021, c.16 (C.24:6I-34), there may be an excise fee imposed on a cannabis cultivator's sale or transfer in the initial amount of 1/3 of one percent of the statewide average retail price of an ounce of usable cannabis for consumer purchase, and any fractional portion of an ounce sold or transferred shall be subject to the fee on a proportional basis, during the calendar year the fee may be imposed; and

WHEREAS, pursuant to N.J.S.A. 54:47F-1(a)(2), beginning nine months following the first sale or transfer of usable cannabis subject to the excise fee that is made by a cannabis cultivator that is not also an alternative treatment center issued a Class 1 Cannabis Cultivator license, the excise fee may be adjusted annually based upon the statewide average retail price of usable cannabis for consumer purchase; and

WHEREAS, on August 19, 2021, by adopting the initial rules at N.J.A.C. 17:30-3.4(c), the Commission imposed an initial Social Equity Excise Fee at the rate of 1/3 of one percent of the statewide average retail price of an ounce of usable cannabis for consumer purchase; and

WHEREAS, pursuant to N.J.A.C. 17:30-3.4(c), the initial imposed Social Equity Excise Fee was published in the New Jersey Register and was determined to be \$1.10 per ounce for the 2022 calendar year, which was based on a statewide average retail price per ounce of usable cannabis of \$329.17; and

WHEREAS, the Social Equity Excise Fee for 2023 was adjusted to \$1.52 per ounce; and

WHEREAS, as of September 8, 2023, the statewide average retail price of an ounce of usable cannabis was \$373.00. One-third of one percent of this amount is \$1.24 per ounce;

NOW, THEREFORE, BE IT RESOLVED, by the New Jersey Cannabis Regulatory Commission pursuant to N.J.S.A. 54:47F-1 and N.J.A.C. 17:30-3.4, that the Social Equity Excise Fee is adjusted to \$1.24 per ounce for the 2024 calendar year.

Submitted by:



Dianna Houenou, Chair

CERTIFICATION

I hereby certify that the foregoing is a true copy of the Resolution adopted by the Cannabis Regulatory Commission at its meeting held on the 8th day of September 2023.



Christopher Riggs, Chief Counsel

Vote on the Approval of This Resolution	Motion	Second	Yes	No	Abstain	Absent
Commissioner Barker		X	X			
Commissioner Del Cid-Kosso						X
Commissioner Delgado			X			
Chairwoman Houenou			X			
Commissioner Nash	X		X			