



ROCKVILLE
CHAMBER OF COMMERCE

Focused
On Rockville
& Its Community

Support HB 217

Currently any business that touches cannabis can't write off their business expenses because it is touching a federally scheduled 1 substance. What this bill would do is make it so that cannabis touching businesses could make normal business tax deductions like any other business on our state taxes because it is legal to sell medical cannabis in the State of Maryland and they should be allowed to deduct normal business expenses like any other business. Currently they are taxed at an alarming rate and are not allowed to take many if any deductions. The result on the state level is that it would initially cost the state money because cannabis businesses currently don't receive these deductions and it would take some money from the state to give these deductions to these qualifying businesses. The reason that this is important to get passed as soon as possible is because the longer we wait, the more successful the industry gets, which in turn will make the state have to honor more deductions. Once this is passed and built into the budget it won't be as much of a hit on the state's budget. This is also very important as the state begins to consider passing adult use cannabis legislation because there will be additional adult use businesses requiring this deduction as well. This is why it is so important to get this passed as soon as possible. This has been an item that has received bipartisan approval and was looked upon favorably to be passed last year but of course COVID-19 threw a wrench in that at the end of the session. The fact is that medical cannabis businesses are legally licensed businesses in the State of Maryland and were even considered essential by the Governor. All they want is to have the same rights as any other law abiding business in our state.

My best,

Marji

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