

Chapter 637

(House Bill 619)

AN ACT concerning

Sales and Use Tax – Sales Between Cannabis Businesses and Cannabis Nurseries – Exemption

FOR the purpose of expanding the exemption from the sales and use tax for certain cannabis sales to include sales between certain licensed cannabis businesses and registered cannabis nurseries; and generally relating to the sales and use tax on the sale of cannabis.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 11–245
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Tax – General

11–245.

The sales and use tax does not apply to the sale of:

(1) medical cannabis under Title 36 of the Alcoholic Beverages and Cannabis Article; [or]

(2) cannabis between cannabis businesses that are licensed under Title 36 of the Alcoholic Beverages and Cannabis Article; **OR**

(3) CANNABIS BETWEEN A CANNABIS BUSINESS LICENSED UNDER TITLE 36 OF THE ALCOHOLIC BEVERAGES AND CANNABIS ARTICLE AND A CANNABIS NURSERY REGISTERED UNDER TITLE 36 OF THE ALCOHOLIC BEVERAGES AND CANNABIS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2025.

Approved by the Governor, May 20, 2025.