

New Bedford set to impose a 3% recreational marijuana excise tax

New Bedford Mayor Jon Mitchell sent the City Council a proposed 3% excise tax on recreational marijuana sales within the city. The New Bedford City Council is expected to approve the measure this Thursday during their scheduled session. The City Council already unanimously approved the measure and now just needs to approve the language of the ordinance. 3% is the maximum excise tax a city in Massachusetts can levy on marijuana.

Massachusetts legislators passed legislation that set the maximum tax on recreational marijuana at 20% even though Massachusetts residents approved a ballot measure in 2016 setting the maximum tax at 12%. Currently, the State has a sales tax of 6.25% tax and an excise tax rate to 10.75% bringing the total State tax on marijuana to 17%. Add on the 3% City of New Bedford tax and 20% is the total tax recreational consumers can expect to pay when purchasing marijuana in New Bedford.

Here's a look at the proposed language/ordinance.

Communication-Order-G.L._c.64N__Sec._3_excise_tax_on_Marijuana