

News Release

Comptroller's Office Issues Quarterly Report on Tax Revenue Collected from Adult Use Cannabis Sales in Maryland

State collected more than \$18.4 million in tax revenue from April to June; new tax rate of 12% effective July 1

ANNAPOLIS, Md. (September 4, 2025) — The Maryland Office of the Comptroller today announced that the State of Maryland collected more than \$18.4 million in cannabis sales tax revenue between April and June 2025, with the largest share of revenue generated in Maryland's Central Region, which includes Baltimore City, as well as Anne Arundel, Baltimore, Carroll, Harford, and Howard counties.

Under state law, the Comptroller of Maryland is responsible for collecting sales and use tax revenue generated from the retail sale of adult-use cannabis in the state. Adult-use cannabis and cannabis products were previously taxed at a rate of 9%, which is reflected in the revenue collected April through June of 2025. Beginning July 1, 2025, the tax rate increased to 12%, in accordance with the Budget Reconciliation and Financing Act of 2025. The additional 3% will be allocated to Maryland's General Fund and this change will be reflected in cannabis revenues shared in the next quarterly report covering July through September of 2025.

Region	Revenue Collected
Capital	\$4,122,301
Central	\$8,044,062
Eastern	\$2,381,912
Southern	\$913,345

Western	\$2,910,164
Total	\$18,371,784

<u>The Cannabis Reform Act of 2023</u> allows for an allocation of funding to the <u>Maryland Cannabis Administration</u> to cover operations and administrative expenses, which is \$9,790,089 for the most recent quarter. Revenue is then allocated to the following funds as required by the Cannabis Reform Act:

Community Reinvestment and Repair Fund (CRRF): \$3,003,593 35% of quarterly revenues fund community-based initiatives serving areas disproportionately impacted by the enforcement of cannabis prohibition prior to July 1, 2022. Funds from the CRRF will be distributed to each county based on percentages formulated by the Office of Social Equity.

Maryland Counties: \$429,085

5% of quarterly revenue is allocated to Maryland counties based on the percentage of revenue collected from that county. Counties will then distribute 50% of funds to municipalities with cannabis dispensaries that contribute to sales and use tax revenue.

Cannabis Public Health Fund: \$429,085

5% of quarterly revenues will be distributed to the Cannabis Public Health Fund to address the health effects associated with the legalization of adult-use cannabis.

Cannabis Business Assistance Fund: \$429,085

5% of quarterly revenues will be distributed to the Cannabis Business Assistance Fund through FY 2028 to assist small, minority-owned, and women-owned businesses entering the adult-use cannabis industry.

General Fund: \$4,290,847

The remainder of quarterly revenues, after required disbursements.

The Office of the Comptroller releases quarterly reports on the tax revenue generated from cannabis sales in the state that are available at https://www.marylandcomptroller.gov/cannabis/tax-reports.html

The Maryland Cannabis Administration has developed information and resources for responsible adult cannabis use, which can be found

at: https://cannabis.maryland.gov/Pages/BeCannabisSmart.aspx.

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Media Contacts

Robyne McCullough

rmccullough@marylandtaxes.gov 410-980-0139 (cell)

Barbara Sauers

bsauers@marylandtaxes.gov 410-212-9414 (cell)

Comptroller of Maryland, 80 Calvert Street, Annapolis, Maryland 21401, United States