

Recreational Marijuana Revenue Allocation by State

State	Tax Rates	Recreational Marijuana Revenue Allocations
Alaska	Weight-based Excise Tax: \$50/ounce for flowers/mature buds. \$25/ounce for immature or abnormal buds. \$15/ounce for trim Clones: flat rate of \$1 per clone.	25% to the general fund. 50% to the Department of Public Safety, Health and Social Services, and Department of Corrections. 25% to the Marijuana Education Fund
Arizona	15% Excise tax 5.6% Transaction Privilege Tax	The excise tax is distributed to: Community Colleges Municipal police Fire districts The Highway User Fund The Justice Reinvestment Fund The Attorney General
California	19% Excise tax on retail sales 7.25% Sales tax	First, marijuana revenue covers regulatory and research costs. The remainder is distributed as follows: 60% goes to anti-drug programs targeting kids. 20% goes to environmental programs. 20% goes to public safety.
Colorado	15% Wholesale tax 15% Sales tax Local sales and/or excise tax option	10% goes to local governments. 90% goes to the state government. 15.56% of the state revenue goes to the general fund. 12.59% goes to the state public school fund. 71.85% goes to the marijuana tax cash fund. The cannabis tax revenue from the wholesale tax goes to the Building Excellent Schools Today fund. The first \$40 million is earmarked for constructing new schools.
Connecticut	0.625 cents/milligram of THC for cannabis flower. 2.75 cents/milligram for edibles. 0.9 cents/milligram for other products. 6.35% Sales tax. Local tax option	During the first two fiscal years, marijuana revenue will go toward supporting administrative costs. The remainder will be distributed as follows: 15% to the general fund 60% of the remaining revenue will go toward social equity programs. 25% of the remaining revenue will go toward substance misuse treatment programs.

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Delaware	15% Sales tax	Marijuana tax revenue will go to the Marijuana Regulation Fund; 7% will be credited to the Justice Reinvestment Fund to be used for projects to improve the quality of life for communities most impacted by the prohibition of marijuana. The legislature will be able to decide how to distribute the remainder of the funds after covering administrative costs.
Illinois	7% of gross receipts from the sale of cannabis by a cultivator or craft grower. Excise Tax: 10% of purchase price – cannabis with THC level at or below 35%. 20% of purchase price – all cannabis infused products. 25% of the purchase price – cannabis with THC level above 35%. 6.25% Sales and use tax.	35% to the general fund. 25% to the Illinois Recover, Reinvest and Renew Program 20% to mental health and substance abuse. 10% to pay state bills. 8% to local government. 2% to public education.
Maine	\$335/pound for flowers or mature plants. \$94/pound for trim. \$1.50 /immature plants. \$0.30 /seed. 10% Sales tax (14% beginning Jan. 1, 2026)	12% to Adult Use Marijuana Public Health and Safety Fund. 88% to the general fund.

Maryland	12% Sales tax	Marijuana revenue is used to cover the cost of the Maryland Cannabis Administration. The remainder of tax revenue is allocated in the following ways: 35% to the Community Reinvestment and Repair Fund. 5% to counties. 5% to the Cannabis Public Health Fund. 5% to the Cannabis Business Assistance Fund. Any remaining balance to the state general fund.
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Massachusetts	10.75% Excise tax 6.25% Sales tax	Sales tax revenue goes to the general fund, the Massachusetts Bay Transportation Authority and the School Building Authority. The excise tax support programs like the Alcoholic Beverages Control Commission and the Cannabis Control Commission.
Michigan	10% Excise tax 6% Sales tax	Michigan's Marijuana Regulation Fund distributes tax revenues as follows: 15% to municipalities. 15% to counties. 35% to the Statewide School Aid Fund. 35% to the Michigan Transportation Fund.
Minnesota	15% Excise tax 6.875% Sales tax	Marijuana revenue will be split 80/20 between state and local government. The revenue is expected to be directed towards education, prevention, outreach and research.
Missouri	6% Sales tax	Marijuana tax revenue is first used to cover operational costs and then to expenses incurred by the court system for expunging marijuana expenses from people's criminal records. Remaining revenues are split three ways: Public defenders. Drug addiction treatment. Veterans.
Montana	20% Excise tax	\$6,000,000 to the Healing and Ending Addiction through Recovery and Treatment program. 20% of remaining revenue to Fish, Wildlife and Parks 3% or \$200,000, whichever is less, to veterans and surviving spouses. \$150,000 to crisis treatment and training. Remainder to general fund.
Nevada	10% Retail excise tax 15% Wholesale excise tax 6.85% Sales tax	The retail tax revenue goes to the state's rainy day fund. Revenue from the wholesale tax goes to cover expenses and boost the rainy day fund as well.

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New Jersey	6.625% Sales tax One third of 1% of the statewide average retail price. 2025: \$2.50/oz	Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization: the funds are used to support the operations of the New Jersey Cannabis Regulatory Commission and for: • Grants, loans, and assistance programs for communities disproportionately harmed by past marijuana laws • Programs that promote education, health, and economic opportunity At least 70% of all marijuana tax revenues are used for investing in impact zones, which are defined as cities with high crime indexes or high unemployment rates. Social Equity Excise Fee: 15% to Underage Deterrence and Prevention Account and the remainder can be appropriated by the legislature to spend on recommended programs.
New Mexico	12% Excise tax	State general fund
New York	\$0.005/ milligram of the amount of total THC concentrated cannabis: \$0.008/milligram of the amount of total THC and cannabis edible product. \$0.03/milligram of the amount of total THC. 13% of the amount charged for adult-use cannabis products (9% retail tax and 4% state and local tax.	Marijuana taxes are deposited into the New York State Cannabis Revenue Fund. The revenue covers the costs of administering cannabis programs and implementing the MRTA, including the OCM's operating costs, increasing Drug Recognition Expert (DRE) training, and implementing incubators and workforce development for social and economic equity applicants. The remainder is distributed as follows: 40% to the State Lottery fund for education purposes. 40% to the Community Grants Reinvestment Fund. 20% to the Drug Treatment and Public Education Fund

Ohio	10% excise tax 5.75% Sales Tax Local Sales Tax option	Tax revenue from the adult use cannabis tax is deposited into the adult use tax fund. The tax commissioner provides data to the director of the office of budget and management for further distribution. According to R.C. 3780.23, the revenue is distributed as follows: 36% to the Cannabis Social Equity and Jobs Fund: Used for social equity and job initiatives. 36% to the Host Community Cannabis Fund: Benefits municipal corporations or townships with adult use dispensaries. 25% to the Substance Abuse and Addiction Fund: Supports substance abuse and addiction services. 3% to the Division of Cannabis Control and Tax Commissioner Fund: Supports the operations of the Division of Cannabis Control and covers the tax administration costs.
Oregon	17% Retail sales tax	40% to the state school fund. 20% to mental health, alcoholism, and drug services. 15% to the Oregon State Police. 5% to the Oregon Health Authority for drug treatment and prevention. 10% to cities. 10% to counties.

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Rhode Island	10% Excise tax 7% Sales tax	Excise taxes from adult-use cannabis businesses are deposited into the marijuana trust fund. The marijuana trust fund is for programs and activities related to program administration; revenue collection and enforcement; substance use disorder prevention for adults and youth; education and public awareness campaigns, including awareness campaigns relating to driving under the influence of cannabis; treatment and recovery support services; public health monitoring, research, data collection, and surveillance; law enforcement training and technology improvements, including grants to local law enforcement. Sales tax are deposited into the state general fund. Cannabis application and licensing fees and penalties are deposited into the Social Equity Fund. The fund's purpose is to provide grants to qualified applicants for the establishment of a cannabis businesses and to waive or reduce licensing fees. Additionally, the funds are to be used to implement and administer programming for restorative justice, jail diversion, drug rehabilitation and education workforce development for jobs related to cannabis cultivation, transportation, distribution and sales.
Virginia*	N/A	*The possession and use of recreational marijuana was legalized in 2021 by lawmakers. The sale of marijuana is not yet legal in Virginia.
Vermont	15% Excise tax 6% Sales tax	fund a grant program to start or expand afterschool and summer learning programs, with a focus on increasing access in underserved areas of the state.
Washington	37% Excise tax 6.5% Sales tax	Marijuana tax revenue is distributed towards healthcare, the state general fund, local governments, and state-run programs.
Virgin Islands	18% tax on sales	Three-fourths of the tax revenue will go to the general fund. Of that amount, 15% is earmarked for behavioral health programs, 5% to address homelessness, and 5% for youth programs.