

TABLE 15. UNAUTHORIZED SUBSTANCE TAXES COLLECTIONS  
[§ 105 ARTICLE 2D.]

| Fiscal year | Gross tax collections [\$] | Refunds [\$] | Net collections before transfers [\$] | Distributions and Transfers |   |   |   |  |  | Net collections after transfers [\$] |                                   |
|-------------|----------------------------|--------------|---------------------------------------|-----------------------------|---|---|---|--|--|--------------------------------------|-----------------------------------|
|             |                            |              |                                       | Administrative costs [\$]   | Collection fees on overdue tax debts [\$] | OSBM Civil Penalty & Forfeiture Fund [\$] | Collection cost of fines/forfeitures [\$] | DOR reimbursement by law enforcement agencies [\$] | Unencumbered proceeds<br>State/local law enforcement agencies [\$] |                                      | General Fund non-tax revenue [\$] |
| 2000-01.... | 6,406,420                  | 208,847      | 6,197,572                             | 145,478                     | -   | -   | -   | -  | 4,798,179  | 1,596,060                            | (342,145)                         |
| 2001-02.... | 8,205,269                  | 208,777      | 7,996,492                             | 208,285                     | 79,385                                    | -   | -   | -  | 5,243,184  | 1,746,439                            | 719,199                           |
| 2002-03.... | 9,024,184                  | 193,982      | 8,830,203                             | 223,371                     | 181,525                                   | -   | -   | -  | 7,327,354  | 2,443,067                            | (1,345,116)                       |
| 2003-04.... | 8,468,185                  | 279,351      | 8,188,835                             | 230,033                     | 288,232                                   | -   | -   | -  | 5,556,584  | 1,701,441                            | 412,545                           |
| 2004-05.... | 9,349,534                  | 261,945      | 9,087,588                             | 193,980                     | 299,208                                   | -   | -   | -  | 6,741,211  | 2,526,223                            | (673,034)                         |
| 2005-06.... | 11,532,085                 | 204,435      | 11,327,650                            | 208,728                     | 576,250                                   | 811,424                                   | -   | -  | 4,697,222  | 1,273,478                            | 3,760,549                         |
| 2006-07.... | 11,093,468                 | 145,300      | 10,948,168                            | 135,451                     | 750,687                                   | 271,423                                   | 1,131                                     | 2,397,860  | 8,240,794  | 2,739,657                            | (3,588,835)                       |
| 2007-08.... | 10,021,443                 | 119,409      | 9,902,035                             | 119,392                     | 783,690                                   | 366,558                                   | 1,498                                     | 28,217   | 6,826,708  | 2,281,106                            | (505,134)                         |
| 2008-09.... | 8,831,377                  | 196,096      | 8,635,280                             | 92,893                      | 706,483                                   | 507,346                                   | 2,135                                     | 2,692  | 5,765,799  | 1,929,418                            | (371,485)                         |
| 2009-10.... | 9,074,780                  | 286,474      | 8,788,306                             | 92,199                      | 666,377                                   | 457,136                                   | 2,113                                     | 49   | 5,518,309  | 1,792,655                            | 259,468                           |
| 2010-11.... | 8,286,554                  | 170,550      | 8,116,004                             | 68,793                      | 587,390                                   | 609,252                                   | 2,631                                     | -  | 5,240,147  | 1,760,390                            | (152,599)                         |
| 2011-12.... | 8,402,176                  | 132,496      | 8,269,680                             | 75,944                      | 623,051                                   | 487,745                                   | 2,008                                     | -  | 5,008,686  | 1,683,820                            | 388,426                           |
| 2012-13.... | 8,176,727                  | 294,050      | 7,882,677                             | 67,195                      | 639,515                                   | 601,293                                   | 2,415                                     | -  | 5,099,929  | 1,701,333                            | (229,003)                         |
| 2013-14.... | 7,635,231                  | 152,709      | 7,482,522                             | 45,798                      | 558,858                                   | 481,369                                   | 1,933                                     | -  | 4,705,704  | 1,568,010                            | 120,850                           |
| 2014-15.... | 6,586,783                  | 169,279      | 6,417,504                             | 37,593                      | 540,316                                   | 536,924                                   | 2,210                                     | -  | 4,131,235  | 1,377,621                            | (208,396)                         |

Detail may not add to totals due to rounding.

[The General Fund non-tax revenue represents the unencumbered tax proceeds collected by assessment not required to be paid to State and local law enforcement agencies.]

Unauthorized substance tax rates and bases:

The excise tax levied under Article 2D is to generate revenue for State and local law enforcement agencies and for the General Fund. The tax was first imposed effective January 1, 1990.

Unauthorized substance

| Unauthorized substance   | Rate   | Minimum Quantity Before Tax is Due |
|--|--|------------------------------------|
| Marijuana stems & stalks that have been separated from the plant           | \$0.40 for each gram or fraction thereof                             | More than 42.5 grams               |
| Marijuana other than separated stems and stalks, or synthetic cannabinoids | \$3.50 for each gram or fraction thereof                             | More than 42.5 grams               |
| Cocaine  | \$50.00 for each gram or fraction thereof                            | 7 or more grams                    |
| Any other controlled substance that is sold by weight                      | \$200.00 for each gram or fraction thereof                           | 7 or more grams                    |
| Any other controlled substance that is <i>not</i> sold by weight           | \$200.00 for each 10 dosage units or fraction thereof                | 10 dosage units                    |
| Any low-street-value drug that is not sold by weight                       | \$50.00 for each 10 dosage units or fraction thereof                 | 10 dosage units                    |
| Illicit spirituous liquor sold by the drink                                | \$31.70 for each gallon or fraction thereof                          | No minimum                         |
| Illicit spirituous liquor <i>not</i> sold by the drink                     | \$12.80 for each gallon or fraction thereof                          | No minimum                         |
| Mash   | \$1.28 per gallon or fraction thereof                                | No minimum                         |
| Illicit mixed beverages  | \$20.00 on each 4 liters and a proportional sum on lesser quantities | No minimum                         |

When the tax was first imposed, the \$50 rate applicable to cocaine was \$200 per gram, and the \$200 rate applicable to drugs sold by dosage units was \$400. In *Lynn v. West*, the 4th U.S. Circuit Court of Appeals found the tax to be a criminal penalty; as a result, the rates were reduced effective October 31, 1998.

The statute specifies that the refund of a tax that has already been distributed is to first be drawn from the State Unauthorized Substances Tax Account. The amount of any refunded taxes that had been credited to the General Fund is to be subtracted from succeeding credits to the General Fund.

