



# MISSISSIPPI DEPARTMENT OF REVENUE

Sales and Use Tax Bureau

Notice 72-25-01

January 1, 2025

## Notice of Fair Market Values for Cannabis Excise Tax

### **Sales or Transfers from a Cultivation Facility to a Medical Cannabis Establishment with No Common Ownership**

A five percent (5%) excise tax will be applied to the sales price of a cultivation facility's first sale or transfer of cannabis flower or cannabis trim to a medical cannabis establishment.

### **Sales of Transfers from a Cultivation Facility to a Medical Cannabis Establishment with Common Ownership**

A five percent (5%) excise tax will be calculated using the fair market value of the cannabis flower or cannabis trim on the first sale or transfer of cannabis flower or cannabis trim to a medical cannabis establishment having common ownership with the cultivator. The fair market value is only used when the cultivator shares common ownership with the medical cannabis establishment.

The fair market value of medical cannabis flower and medical cannabis trim is set by the Mississippi Department of Revenue (DOR) for the purposes of levying the cannabis excise tax pursuant to Miss. Code Ann. Section 27-72-1(2)(b) on the first sale or transfer of medical cannabis flower or medical cannabis trim between cultivators and other common ownership medical cannabis establishments. MS Administrative Code 35.VIII.4.01

The fair market values effective January 1, 2025, are as follows:

<b>Category</b>	<b>Fair Market Value</b>
Flower sold to common interest establishment	\$1,607 per lb.
Trim sold to common interest establishment	\$69 per lb.

The DOR shall recalculate and adjust the fair market value of cannabis flower and cannabis trim twice per calendar year on January 1 and July 1.

If you have any questions, please contact the Sales Tax Department at 601-923-7015.