

TITLE 5  
 LEECH LAKE BAND OF OJIBWE  
 TAXATION CODE  
 CHAPTER 8  
 CANNABIS TAX

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**Section 5.801. Definitions.**

1. For purposes of this section, the following terms have the meanings given.
2. "Bundled transaction" means the retail sale of two or more products when the products are otherwise distinct and identifiable and the products are sold for one nonitemized price.
3. "Cannabis flower" has the meaning given in section 107(o) of the Leech Lake Cannabis Regulatory Act.
4. "Cannabis product" has the meaning given in section 107(q) of the Leech Lake Cannabis Regulatory Act.
5. "Cannabis solution product" means any cartridge, bottle, or other package that contains a taxable cannabis product in a solution that is consumed or meant to be consumed through the use of a heating element, power source, electronic circuit, or other electronic, chemical, or mechanical means that produces vapor or aerosol. A cannabis solution product includes any electronic delivery system, electronic vaping device, electronic vape pen, electronic oral device, electronic delivery device, or similar product or device, and any batteries, heating elements, or other components, parts, or accessories sold with and meant to be used in the consumption of a solution containing a taxable cannabis product.
6. "Cannabis retailer" means a cannabis business licensed under Chapter 8 of the Leech Lake Cannabis Regulatory Act.
7. "Commission" means the Leech Lake Tax Commission.

8. "Consumer" is defined to mean and include any Person, regardless of the race of the Person, who consensually purchases, receives, or comes into possession of a taxable cannabis product from a taxable cannabis product retailer located within the exterior boundaries of the Leech Lake Reservation.
9. "Gross receipts" means the total amount received in money or by barter or exchange for all taxable cannabis product sales at retail as measured by the sales price. Gross receipts include but are not limited to delivery charges and packaging costs. Gross receipts do not include:
  1. any taxes imposed directly on the consumer that are separately stated on the invoice, bill of sale, or similar document given to the purchaser; and
  2. discounts, including cash, terms, or coupons, that are not reimbursed by a third party and that are allowed by the seller and taken by a purchaser on a sale.
10. "Person" is defined to mean and include any natural person, company, Tribally or Band-owned corporation, partnership, corporation, commission, government agency, joint venture, association, trust, or other political or identifiable entity to which this Chapter can be applied.
11. "Reservation" means the Leech Lake Reservation.
12. "Retail sale" has the meaning given in Minnesota Statutes section 297A.61, subdivision 4.
13. "Sale" or "Sales" or their derivatives is defined to mean and include all sales, barter, trades, exchanges, or other transfers of ownership for value of taxable Cannabis products from a taxable cannabis retailer to any Consumer or Person no matter how characterized and the rental, leasing, or other transfer of actual or constructive possession and right to use taxable Cannabis products for value received from a taxable cannabis retailer to any Person no matter how characterized.
14. "Taxable cannabis product" means cannabis flower, cannabis product, cannabis solution product, hemp-derived consumer product, lower-potency hemp edible, and any substantially similar item.
15. "Taxable cannabis product retailer" means a retailer that sells any taxable cannabis product, and includes a cannabis retailer. Taxable cannabis product retailer includes, but is not limited to:
  1. retailers maintaining a place of business within the exterior boundaries of the Reservation; and
  2. retailers licensed by the Leech Lake Cannabis Regulatory Commission operating outside of the exterior boundaries of the Reservation.

**5.802. Gross receipts tax imposed.**

1. A tax equal to ten percent (10%) of gross receipts from retail sales on the Reservation or by a retailer licensed by the Cannabis Regulatory Commission in Minnesota of taxable cannabis products is imposed on any taxable cannabis product retailer that sells these products to consumers. A taxable cannabis product retailer may, but is not required to, collect the tax imposed by this section from the purchaser as long as the tax is separately stated on the receipt, invoice, bill of sale, or similar document given to the purchaser.
2. If a product subject to the tax imposed under this section is included in a bundled transaction, the entire sales price of the bundled transaction is subject to the tax imposed under this section.
3. The tax imposed under this section is in addition to any other tax imposed on the sale or use of taxable cannabis products.

**5.803. [RESERVED]**

**5.804. [RESERVED]**

**5.805. Tax collection required.** A taxable cannabis product retailer with nexus with the Leech Lake Reservation that is not subject to tax under section 5.802 is required to collect the tax imposed under section 5.803 from the purchaser of the taxable cannabis product and give the purchaser a receipt for the tax paid. The tax collected must be remitted to the commission on a quarterly basis within 30 days of the end of each reporting period.

**5.806. Taxes paid to another state or any subdivision thereof; credit.** A taxable cannabis product retailer that has paid taxes to another jurisdiction or any subdivision thereof measured by gross receipts and is subject to tax under this section on the same gross receipts is entitled to a credit for the tax legally due and paid to another jurisdiction or any subdivision thereof to the extent of the lesser of (1) the tax actually paid to the other jurisdiction or any subdivision thereof, or (2) the amount of tax imposed by Leech Lake on the gross receipts subject to tax in the other taxing jurisdiction or any subdivision thereof.

**5.807. Administration.** Unless specifically provided otherwise, the audit, assessment, refund, penalty, interest, enforcement, collection remedies, appeal, and administrative provisions of Chapter 1 that are applicable to taxes imposed under this Title apply to the tax imposed under this Section.

**5.808. Returns; payment of tax.**

1. A taxable cannabis product retailer must report the tax on a return prescribed by the commissioner and must remit the tax in a form and manner prescribed by the commissioner. The return and the tax must be filed and paid using the

filing cycle and due dates provided for taxes imposed under section 289A.20, subdivision 4, and chapter 297A.

2. Interest must be paid on an overpayment refunded or credited to the taxpayer from the date of payment of the tax until the date the refund is paid or credited. For purposes of this subdivision, the date of payment is the due date of the return or the date of actual payment of the tax, whichever is later.

**5.809. Deposit of revenues; account established.** The commissioner must deposit the revenues, including penalties and interest, derived from the tax imposed by this section as follows:

1. 100 percent to the general fund for the expenses of the Cannabis Regulatory Commission; any expended funds shall not carry forward and shall revert to the general fund;

**5.810. Personal debt.** The tax imposed by this Chapter, and interest and penalties imposed with respect to it, are a personal debt of the person required to file a return from the time that the liability for it arises, irrespective of when the time for payment of the liability occurs. The debt must, in the case of the executor or administrator of the estate of a decedent and in the case of a fiduciary, be that of the person in the person's official or fiduciary capacity only, unless the person has voluntarily distributed the assets held in that capacity without reserving sufficient assets to pay the tax, interest, and penalties, in which event the person is personally liable for any deficiency.

**5.811. Effective Date.** This Chapter applies to all sales of taxable cannabis products occurring since the date of enactment of the Leech Lake Cannabis Regulatory Act.