

INDUSTRY GUIDANCE

Category:	Marijuana Facilities	Tax Type:	Sales & Use Tax
Brief Description:	Marijuana Facilities Tax Matrix	Effective Date:	7-25-2023

The taxability of sales and purchases of tangible personal property and labor services by marijuana facilities are summarized below. While this document provides general information as to the taxability of sales and purchases of tangible personal property and labor services by businesses in the cannabis industry, it may not necessarily cover every situation as the taxability may depend on facts and circumstances around the specific transaction. Should a more definitive determination be desired, businesses may request a letter ruling from the Department. [MODOR Letter Ruling Page](#)

This list is not all-inclusive.

Missouri sales or use tax applies to those purchases identified or designated as taxable in the chart below. The applicable Missouri sales or Missouri consumer's use tax must be paid to the vendor or accrued and remitted directly to the Missouri Department of Revenue. Purchases from Missouri vendors may be reported using the retailer's sales tax return. Purchases from outside this state which are delivered to this state are to be reported on the Missouri consumer's use tax return.

Note: For both medical and adult use marijuana, products that are smoked or ingested are subject to both the state and local sales tax rates in each jurisdiction in addition to the marijuana taxes.

For example, if you are in a jurisdiction which has an 8.45% tax rate (4.225% state + 4.225% local), total tax rate for medical marijuana would be 12.45% (8.45% state and local + 4% medical) or 14.45% for adult use (8.45% state and local + 6% adult use). Medical marijuana is sold to customers with a valid medical card and adult use (non-medical) marijuana is sold to customers where a medical card is not needed.

Items with an asterisk represent products that are subject to marijuana taxes in addition to both state and local sales tax.

Sales by Marijuana Facilities:	Taxable/Exempt
* Marijuana	Taxable
Marijuana accessories	Taxable
* THC (Weed) Gummies	Taxable
* Pre-roll pack	Taxable
Rolling papers	Taxable
* Cannabis concentrates and extracts	Taxable

AUDIT SERVICES

**MARIJUANA
FACILITIES**

TAX MATRIX

Sales by Marijuana Facilities (continued):	Taxable/Exempt
Drum cannabis grinder	Taxable
* Cannabis tinctures and sprays	Taxable
* Marijuana vaporizers	Taxable
Vaporizers (vapes) for tobacco use	Taxable
CBD oil (Cannabidiol) and CBD wax	Taxable
CBD soap, tincture, and skin cream	Taxable
Pipes and water pipe (bong)	Taxable
Hookah and hookah accessories	Taxable
Books and periodicals	Taxable
Batteries	Taxable
Services separate from product sales	Exempt

Purchases by Marijuana Facilities:	Taxable/Exempt
Equipment to grow marijuana	Taxable
Packaging and labels used to contain products for sale	Exempt
Inventory control and tracking equipment	Taxable
Scales	Taxable
Lockboxes	Taxable
Track and trace systems	Taxable
Point of sale systems and supplies	Taxable
Shelving, display racks, display cases, suction tables, checkout counters, storage cabinets, etc.	Taxable
Office supplies such as office forms, staplers, paper, pens, pencils, labels, business cards, ink, toner, ribbon cartridge, etc.	Taxable
Furniture and fixtures, including but not limited to: desks, lamps, tables, chairs, artwork, signs, plants and planters, shelving, etc.	Taxable
Promotional items including but not limited to: calendars, mugs, clothing, balloons, etc.	Taxable

AUDIT SERVICES

**MARIJUANA
FACILITIES**

TAX MATRIX

Purchases by Marijuana Facilities (continued):	Taxable/Exempt
Complimentary bottled water, coffee, soft drinks, creamer, sugar, cups and stir sticks, candy, etc.	Taxable
Break room supplies such as microwaves, refrigerators, tables, chairs and paper products	Taxable
Books, newspaper, and magazine subscriptions	Taxable
Educational materials such as posters, printed materials and literature, etc.	Taxable
Computer & internet equipment	Taxable
Donations of tangible personal property	Taxable
Specialty advertising	Taxable
Media advertising	Exempt
Utilities	Taxable
Canned software and software upgrades to maintain or update software delivered via CD Rom	Taxable
Canned software provided via electronic download through the internet	Exempt
Custom software and software upgrades to maintain or update software developed for a single end user	Exempt
Security cameras & other security related equipment	Taxable
Security monitoring services	Exempt
Streaming music services	Exempt
Janitorial supplies	Taxable
Trash & cleaning services	Exempt
Pest control services	Exempt
Uniforms	Taxable
Repairs, maintenance, and remodeling services to existing structure/facility through a hired contractor	Exempt
Warranty or service agreements for tangible personal property such as computers, printers, copiers, security equipment, etc.	Exempt