

Revenue Information Bulletin No. 21-030
December 1, 2021
Excise Tax

Consumable Hemp Products Tax
Act 336 of the 2021 Regular Session

Act 336 of the 2021 Regular Session (“Act 336”) which amends and reenacts R.S. 47:1692 and 1693 became effective August 1, 2021, and applies to tax periods beginning on or after August 1, 2021. The purpose of this bulletin is to summarize the changes made by Act 336 to the excise tax previously imposed on industrial hemp-derived cannabidiol (“CBD”) products.

Act 336 changes the name of the tax from Industrial Hemp-Derived CBD Tax to the Consumable Hemp Products Tax (“consumable hemp tax”), and expands its application to additional hemp products. As of August 1, 2021, an excise tax of three percent of the retail sales price is due on retail sales of all consumable hemp products. A consumable hemp product is any product derived from industrial hemp that contains any cannabinoid, including CBD, and is intended for consumption or topical use. The presence of CBD in the product is no longer required for the excise tax to apply.

Act 336 also amended LA R.S. 3:1482. As amended, LA R.S. 3:1482 prohibits the sale of (1) any part of hemp for inhalation, except for hemp rolling papers and (2) any alcoholic beverage containing CBD in Louisiana. However, because the definition of consumable hemp products includes all products intended for consumption, in the event any such prohibited products are sold in Louisiana, the consumable hemp tax is due and must be paid.

Beginning with the August 2021 taxable period, retailers who have been reporting and remitting the excise tax on industrial hemp-derived CBD products will now report those sales on the Consumable Hemp Products Tax Return, along with any additional consumable hemp products that meet the expanded definition. Retailers who were not previously required to pay the excise tax because their consumable hemp products do not contain CBD must report and remit the consumable hemp tax beginning with the August 2021 period, which was due September 20, 2021.

Returns and payments are submitted electronically through Louisiana Taxpayer Access Point (LaTAP). The name of the Industrial Hemp-Derived CBD account is in the process of being updated in LaTAP to Consumable Hemp Products. Because only the name of the

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account type is changing in the system, taxpayers who already have an Industrial Hemp-Derived CBD account do not need to take any action and all taxpayer information and prior filings will still be available. Taxpayers who do not have an Industrial Hemp-Derived CBD account should log into LaTAP to add a Consumable Hemp Product account. If a taxpayer logs into LaTAP and the Consumable Hemp Products account option is not available, the taxpayer should register for an Industrial Hemp-Derived CBD account. Once the name of the account type is updated in the system, the taxpayer will have the appropriate account to report and remit the consumable hemp products tax.

Taxpayers who do not have a LaTAP account should visit www.revenue.louisiana.gov/LaTAP to create one. Taxpayers who do not have a Louisiana Department of Revenue account number can register for a business account on the LaTAP site. For assistance registering your business or creating a LaTAP account, please visit the LDR's Website for [LaTAP Frequently Asked Questions](#).

Questions concerning this Revenue Information Bulletin should be directed by e-mail to Policy.Publications@La.gov. Questions related to registration or filing the return should be directed to Louisiana Department of Revenue's Taxpayer Compliance-Excise Tax Division by telephone at 855-307-3893, option 2 then 1, or by email at Excise.Inquiries@la.gov.

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