

**Illinois Department of Revenue
Regulations**

Title 86 Part 422 Section 100 Nature of the Tax

**TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE

PART 422
CANNABIS CULTIVATION PRIVILEGE TAX**

Section 422.100 Section 422.100 Nature of the Tax

- a) *Beginning September 1, 2019, the Cannabis Cultivation Privilege Tax Law imposes a tax on the privilege of cultivating cannabis in this State at the rate of 7% of gross receipts received from the first sale of cannabis by the cultivator. [410 ILCS 705/60-10(a)]*
- b) *The Tax is imposed upon cultivation centers and craft growers growing cannabis for sale to cannabis business establishments. The Cannabis Cultivation Privilege Tax imposed by Section 60-10 of the Law is imposed only upon a cultivation center or craft grower who makes the first sale and is not imposed upon a subsequent purchaser, a dispensing organization, or an infuser. Persons subject to the Tax imposed under the Law may, however, reimburse themselves for their Tax liability by separately stating reimbursement for their Tax liability as an additional charge. [410 ILCS 705/60-10(b)]*

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(SOURCE: Adopted at 44 Ill. Reg.10732, effective June 02, 2020.)

