

Cannabis Law and Price Comparisons With Certain Northeast States

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Issue

Compare the recreational cannabis markets and regulations across select Northeast states, specifically their (1) state and local taxes; (2) restrictions on product advertisements, labeling, packaging, and potency; (3) cannabis sales for 2024 on an aggregate and per capita basis; and (4) product sales categories and prices per gram.

Summary

We compared various recreational cannabis taxes, laws, and prices across Connecticut, Maine, Massachusetts, New Jersey, New York, Rhode Island, and Vermont. The comparison includes the (1) state and local excise and cannabis taxes imposed in these states; (2) marketing, labeling, and potency laws; and (3) available product sales and price data. In brief, we found the following:

- The selected states' cannabis taxes vary in the tax rates and bases imposed, whether they apply at the retail or wholesale level, and whether local taxes also apply. Connecticut is the only one of the selected states with an excise tax based on THC content.
- All of the states' laws incorporate numerous restrictions and requirements on cannabis advertising and marketing, including prohibitions on advertisements targeting underage individuals and including certain claims and statements.
- The states vary in their packaging and labeling requirements, but all require tamper-evident or child-resistant packaging. All but Vermont prohibit packaging that resembles food or candy.

- All of the states set THC potency limits for edibles on a per serving and per package basis. ranging from 5 mg per serving in Connecticut to 200 mg per package in Maine. Only Connecticut and Vermont set potency limits for flower products at 30% THC and concentrates at 60% THC. None of the states set potency limits for vapes.
- Total product sales for 2024 ranged from \$94 million in Rhode Island to \$1.6 billion in Massachusetts. On a per capita basis, sales ranged from \$54.40 in Connecticut to a high of \$233.16 in Massachusetts. In both Maine and Massachusetts, flower products accounted for approximately 58% of all adult-use sale, while concentrate products accounted for less than 3% of all adult-use sales in Connecticut and approximately 5% in Massachusetts.
- We obtained price-per-gram data for only four of the selected states (Connecticut, Maine, Massachusetts, and New Jersey). For December 2024, it ranged from a high of \$10.62 in Connecticut to a low of \$4.44 in Massachusetts.

State and Local Taxes

These states have taken differing approaches on taxing recreational cannabis. As Table 1 below shows, although all of the selected states levy an excise and state sales tax on cannabis, they differ in the tax rates and bases imposed, whether the excise tax is levied at the wholesale or retail level, and whether local taxes also apply.

Connecticut is the only one of the selected states with an excise tax based on THC content. The other states generally base their taxes on product weight (Maine and New Jersey) or price (Massachusetts, New York, Rhode Island, and Vermont). The sales tax rates imposed in these states range from a low of 6% in Vermont to a high of 10% in Maine.

Table 1: State and Local Taxes on Recreational Cannabis in Select States

State	Excise Taxes		Other Applicable Taxes	
	Rate and Base	Wholesale or Retail Level	State Sales Tax	Local Taxes
Connecticut CGS §§ 12-330II & -330mm	<ul style="list-style-type: none"> 0.625 cents (\$0.00625) per milligram of THC for cannabis plant material 2.75 cents (\$0.0275) per milligram of THC for cannabis edible products 0.9 cents (\$0.009) per milligram of THC for other cannabis 	Wholesale	6.35%	3%
Maine Me. Rev. Stat. tit. 36, § 4923	<ul style="list-style-type: none"> \$335 per pound of flowers or mature plants \$94 per pound of trim \$1.50 per immature plant or seedling \$0.30 per marijuana seed 	Wholesale	10%	None
Massachusetts Mass. Gen. Laws ch. 64N, §§ 2 & 3	10.75% of retail sales price	Retail	6.25%	Up to 3% local option tax may also apply
New Jersey N.J. Stat. §§ 54:47F-1 & 40:48I-1	\$2.50 per ounce of cannabis for Social Equity Excise Fee	Wholesale	6.625%	Up to 2% local option tax
New York N.Y. Tax Law § 493	9% of sales price	Wholesale	9%	4%
Rhode Island 44 R.I. Gen. Laws §§ 44-70-2 & 44-70-3	10% of sales price	Retail	7%	3%
Vermont Vt. Stat. tit. 32, § 7902 & tit. 24, § 138	14% of sales price	Retail	6%	Up to 1% local option tax may also apply

Source: Tax Foundation, [Recreational Marijuana Taxes by State, 2024](#); CCH State Tax SmartCharts; state agency websites and statutes

Advertising and Marketing

Except for Rhode Island, all of these states have numerous laws regulating cannabis advertising and marketing. In addition, Rhode Island has [proposed regulations](#) for its recreational market, with its public comment period ending early [February 2025](#).

Table 2 below indicates whether the selected states' cannabis laws include the following:

1. whether an advertisement must be approved by a regulatory body before dissemination;
2. if the state prohibits advertisements from targeting underage individuals and making certain claims and statements;
3. certain location-based marketing restrictions (e.g., only allowing this marketing on certain location-based web applications);
4. restrictions on cannabis businesses sponsoring certain events and providing gifts or inducements;
5. requirements for certain warnings in the advertisements; and
6. prohibitions on advertisements located within a certain distance from schools.

As the table indicates, all of the selected states restrict cannabis advertising from targeting those under age 21. Maine and New York have a general prohibition, the other states only allow the advertising if a certain percent of the audience is reasonably expected to be over age 21. For Connecticut, the threshold is 90%; for Massachusetts and Vermont, 85%; and for New Jersey, 71.6%.

Table 2: Cannabis Advertising and Marketing Restrictions in Select States

Restriction or Requirement	Connecticut	Maine	Massachusetts	New Jersey	New York	Vermont
	<u>CGS § 21a-421bb</u>	<u>Me. Rev. Stat. tit. 28-B, § 702;</u> <u>Code Me. R. tit. 18-691 Ch. 1., § 5.2</u>	<u>Mass. Gen. Laws ch. 94G, § 4</u>	<u>N.J. Stat. § 24:6I-35 & N.J. Admin. Code § 17:30-17.2</u>	<u>NY CANBS § 86</u>	<u>Vt. Stat. tit. 7, § 864 & Advertisement Guidance</u>
Advertisement Must be Approved						✓
Targeting Underaged Individuals Restrictions	✓	✓	✓	✓	✓	✓
Event Sponsorship	✓			✓		
Location-Based Marketing	✓	✓		✓		
Safety Claims		✓	✓	✓		
False or Misleading Statements	✓	✓	✓	✓	✓	✓
Therapeutic Claims	✓	✓	✓	✓	✓	✓
Product Warnings	✓	✓	✓	✓		✓
Gifts or Other Inducements			✓	✓	✓	
Distance From Schools	✓	✓		✓	✓	

Labeling and Packaging

Similar to the advertising and marketing laws, these states have many requirements for labeling and packaging cannabis. Table 3 below indicates whether the states have restrictions or requirements in the following areas:

1. plain or opaque packaging;
2. tamper-evident or child-resistant packaging;
3. specific prohibitions on packaging designed to appeal to children (e.g., bright colors or cartoon characters);
4. prohibitions on packaging that resembles food; and
5. requirements to include the poison control phone number on the packaging.

Although there are differences across these areas, all of these states require that the packaging of cannabis products be child-resistant.

Table 3: Cannabis Labeling and Packaging Requirements in Select States

Restriction or Requirement	Connecticut	Maine	Massachusetts	New Jersey	New York	Vermont
	<u>CGS § 21a-421j</u>	<u>Me. Rev. Stat. tit. 28-B, § 701; Code Me. R. tit. 18-691 Ch. 1, § 9</u>	<u>935 Mass. Code Regs. 500.105</u>	<u>N.J. Stat. Ann. § 24:6I-35 & N.J. Admin. Code § 17:30-16.2</u>	<u>N.Y. Comp. Codes R. & Regs. tit. 9, § 128.1 et seq.; Packaging and Labeling Guidance</u>	<u>26-1 Vt. Code R. § 2</u>
Requires Plain Packaging	✓		✓	✓		
Requires Opaque Packaging	✓	✓	✓	✓		
Requires Tamper- Evident or Child-Resistant Packaging	✓	✓	✓	✓	✓	✓
Prohibits Appeal to Children			✓	✓	✓	✓
Prohibits Packaging That Resembles Food or Candy	✓	✓	✓	✓	✓	
Requires Poison Control Number				✓	✓	✓

THC Potency Limits

All of these states set THC potency limits for edibles (see Table 4 below), but only Connecticut and Vermont have limits for flower products and concentrates. Both states limit the flower product to 30% THC and the concentrates to 60%. Additionally, none of these states have potency limits for vapes.

Table 4: Edible THC Potency Limits

State	THC Limit	
	Per Serving	Per Package
Connecticut CGS § 21a-421j; Conn. Agency Regs., § 21a-421j-31	5 mg	100 mg
Maine Me. Rev. Stat. Ann. tit. 28-B § 703(F)	10 mg	200 mg
Massachusetts 935 Mass. Code Regs. 500.150	5.5mg	110mg
New Jersey N.J. Stat. Ann. § 24:6I-35	10 mg	100 mg
New York N.Y. Comp. Codes R. & Regs. Tit. 9, § 123.6	10 mg	100 mg
Vermont Vt. Stat. Ann. tit. 7 §§ 868 & 881	5 mg	100 mg

Product Pricing

Of these states, the total product sales figures in 2024 ranged from \$94 million in Rhode Island to \$1.6 billion in Massachusetts, though the per capita amount ranged from \$54.40 in Connecticut to a high of \$233.16 in Massachusetts.

The most popular product in every state was flower product and for the most part the least popular was concentrates. In both Maine and Massachusetts, flower products accounted for approximately 58% of all adult-use sale, while concentrate products accounted for less than 3% of all adult-use sales in Connecticut and approximately 5% in Massachusetts.

We contacted the cannabis control boards for New York and Vermont but we did not hear back from New York, and Vermont stated that it did not have sales data available.

Table 5 below details total sales and product sales percent for each state with available data.

Table 5: 2024 Cannabis Sales by Product

State	Flower Product	Concentrates	Edibles	Vaporizers	Total Sales	Per-Capita**
Connecticut	\$89,880,170 (44.9%)	\$5,127,256 (2.6%)	\$31,199,815 (15.6%)	\$73,714,073 (36.9%)	\$199,921,314	\$54.40
Maine *	142,361,250 (58.4%)	64,549,019 (26.5%) (Includes vape products and pre roll products)	36,891,247 (15.1%)	See Concentrates	243,916,018	173.60
Massachusetts *	655,839,905 (39.8%)	68,123,219 (4.1%)	181,174,403 (11.1%)	314,197,747 (19.1%)	1,645,004,967	233.16
New Jersey *	389,815,813 (41%)	38,030,811 (4%)	123,600,135 (13%)	266,215,677 (28%)	950,770,276	100.07
Rhode Island	59,431,629 (63.2%)	6,450,961 (6.8%)	11,728,491 (12.5%)	16,480,952 (17.5%)	94,092,033	84.59

*Has sales of other miscellaneous items such as seeds

** Based on [U.S. Census](#) 2024 population estimates

Price-Per-Gram

Of the states with available data (see Table 6 below) for December 2024, Connecticut had the highest price-per-gram price of \$10.62 and Massachusetts had the lowest at \$4.44. Rhode Island and Vermont did not have this information available and New York did not respond to our questions.

Table 6: December 2024 Price-Per-Gram of Flower Product

State	Price-Per-Gram
Connecticut	\$10.62
Maine	7.09
Massachusetts	4.44
New Jersey	9.93

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