

New Jersey Legalizes Marijuana

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Gov. Phil Murphy signed three bills into law on February 21, 2021 that legalized marijuana in New Jersey (NJ). New Jersey will join Maine, Vermont, and Massachusetts on the East Coast to now legalize marijuana.

Quick Facts

- NJ cited the intent of this law is to eliminate problems caused by the unregulated manufacturing, distribution, and use of illegal marijuana.
- The new legislation decriminalizes marijuana for adults and establishes written warnings for those under age 21 with possession of up to 6 ounces.
- Smoking and use of marijuana remains prohibited in public spaces. However, there is allowance in the new legislation for lounge-type venues that would be similar in structure to bars serving liquor.
- Home growing of marijuana remains prohibited.
- Customers will pay a 7% sales tax and up to 2% municipal tax on all marijuana sales.
- The legislation allows for the purchase and sale of legal marijuana at state-licensed dispensaries.

Questions and Answers

When can one buy legal marijuana in NJ? When will the dispensaries be open for sales?

The estimated timeline for purchasing and dispensing of marijuana is early 2022. This is due in part to the fact that legal dispensaries are unable to be started until the state's Cannabis Regulatory Commission is formally established, licensed, and regulated.

How does this impact or not impact medical marijuana?

There are currently 13 medical marijuana dispensaries in NJ. Medical marijuana dispensaries will only be allowed to sell to the public after certification that they have enough supply to meet the state's documented number of residents with active medical marijuana prescription.

What about edibles?

The sale of certain edible products is permitted with this new legislation. However, the new law bans companies from producing edible-marijuana products that are in the shape of animals, people, characters, or as trademarked commodities that children may mistake as regular candy.

Will the sale of marijuana products be taxed at the state level?

Yes. Customers will pay a 7% sales tax and up to 2% municipal tax on all marijuana sales. Within the new legislature is a sliding tax to be paid by cannabis producers/growers. The sliding tax is likely to be passed onto customers in the form of cost per ounce.

Can out-of-state residents purchase marijuana products in NJ?

Yes, anyone over 21 will be permitted to purchase marijuana from a NJ dispensary. However, marijuana products purchased in NJ cannot be taken across state lines per the new legislation.

Contact Us

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