

Good essay about the position marijuana taxation

[Literature](#), [Russian Literature](#)



Abstract

Marijuana is one of the controversial drugs in the world today. Before marijuana is taxed, it should be legalized like any other legal drugs in the world. There are many states and nations that have legalized marijuana and implemented taxation policies, while others have made it an illegal drug. Other people assert that the economic and financial impact of marijuana taxation is not relevant to the economy. . Economically, if marijuana is not taxed then it means that the free market price of legalized marijuana will be too low. Therefore, when the price is low, it means that everyone is in a position to afford the drug. The states that have legalized marijuana have proved the economic value of marijuana taxation. The economists wrote and signed a letter to the governors, the congress, State legislature and the president on the legalization of marijuana. The economic position held by various scholars on the issue of marijuana taxation is true. Based on the analysis and the prominent positions taken by presidents, governors, scholars, and legislators I agree with the positions. Other scholars assert that marijuana taxation does not add any value to the economy. This is because the revenue collected from marijuana is used to solve the problems caused by the drug.

Marijuana is one of the controversial drugs in the world today. It is worth noting that taxation of marijuana is in one way or another related to taxation of marijuana. Before marijuana is taxed, it should be legalized like any other legal drugs in the world. There are many states and nations that have legalized marijuana and implemented taxation policies, while others have

made it an illegal drug. Other people assert that the taxation of marijuana will lead to more harmful effects in the society, but other scholars assert that marijuana taxation is a crucial move towards social and economic empowerment. Those in support of marijuana taxation have raised a lot of issues to support the move, these issues include political, economic, social, and medicinal. On the other hand, those against the marijuana taxation focus on addiction, morality, insecurity, as well as other social risks. It is worth nothing that marijuana legalization forms a platform for marijuana taxation. It is only after marijuana has been legalized that the government can clearly implement taxation policies. Marijuana taxation affects various stakeholders, which include cultivators, local government, consumers, as well as retail stores. One of the issues that are focused on taxation of marijuana is the economic impact. Many issues are been raised regarding the economic and financial impact of marijuana in the nation. Other people assert that the economic and financial impact of marijuana taxation is not relevant to the economy. This is based on the fact that the revenue collected from marijuana is used to implement legalization and taxation policies (Earleywine 21). This mostly is developed from those individuals who focus on the social adverse effects of marijuana. Other scholars assert that the economic benefit of marijuana makes no sense if the society is driven towards marijuana addiction.

Marijuana taxation is crucial since it offers the advantage over decriminalization since it facilitates the distribution. Economically, if marijuana is not taxed then it means that the free market price of legalized marijuana will be too low. Therefore, when the price is low, it means that

everyone is in a position to afford the drug. Hence, it ensures that the drug does not land in the hands of underage people in society. Studies show that untaxed marijuana in a free market could be one of the cheapest intoxicants in society (Peters 34). Evidently, it is a fact that marijuana has negative impacts, which economists accept; hence, if the drug is untaxed it implies its negative impacts will escalate and cause more harm to society. Consumers of marijuana will not be economically productive due to the effects of marijuana.

Marijuana will still be present in society without its legalization and taxation. Many people in society still work hard to get access to the untaxed and illegal product meaning the government should realize the fact and tax the product. Taxation of marijuana will ensure that the society receives a lot of income to facilitate economic growth and development. Other products are taxed and earn revenue to the country, and legal marijuana is not so special to remain untaxed. Many law enforcement agencies worry about the use of a drug that has minimal effects to society. It makes no sense to use taxpayer's money to empower the law enforcement agencies on marijuana use and abuse.

The states that have legalized marijuana have proved the economic value of marijuana taxation. It is worth noting that marijuana earns the nation a lot of revenues. For example, Colorado expects approximately \$184 million on tax revenue since it was legalized. This is an indication that marijuana is beneficial to society. The essences of aggressive taxation system continue to earn revenue to the state during production, distribution and purchase. The revenue collected is used in making the society a good place to live. The

basic thing to understand is that, without legalization and taxation of marijuana, people will still consume the drug and its effects will be felt in society (Morgan 23). When the drug is taxed, the revenue is allocated to prevention of marijuana consumption, law enforcement on public safety, public health, environmental conservation, treatment of substance abuse, as well as regulatory oversight. Apart from the uses, billions of money is still channeled to economic development.

The prominent position held is mostly focused on the aspects of revenue earned from marijuana taxation. Children in society are the human resource for the next generation; hence, they should be protected against drugs. Studies show that children can easily get access to illegal drugs than legal drugs. This means that legalization and taxation of the drug will probably reduce children from consuming it. As a matter of fact, retailers and merchants who deal with tobacco and alcohol are not allowed to sell to children. In this perspective, the society will be protecting its human resource from drug abuse.

Evidently, illegal marijuana is one of the main funding sources of crime and terrorism in the world. It is worth noting that illegal selling of marijuana enriches and economically empowers criminal gangs on the world.

Therefore, legalization and taxation of the marijuana will basically put the criminal gangs in danger (Earleywine 35). The revenue that was earned by criminal through illegal business will automatically flow into the government coffers as revenue. Studies show that every year, selling and consumption of illegal marijuana makes criminal millionaires. This is empowering them to commit a crime in society.

Taxation of marijuana is essential for economic development and growth. This is because, through taxation process; many indirect and direct employment opportunities are created. Economic experts believe that the creation of employment will increase per capita income and improve the standard of living (Peters 13). Many people in society will have income to spend on their needs. On the same note, increase of employment opportunities will lead to increase of output in the economy. The taxation of marijuana creates various channels that should be foreseen by many responsible stakeholders.

Tax revenue collected from marijuana is used for economic development. It is evident that states that have legalized and taxed marijuana use the benefits to empower the community. The tax revenue is used to construct schools and equip them with required facilities. The states that tax marijuana have proved this perspective.

The law enforcement agencies use billions of money to stop destructive and illegal drugs. Therefore, taxation and legalization of marijuana will ensure that less government spending will be allocated to law enforcement agency of drugs department. On the same note, the police and other responsible stakeholder will focus on other harmful drugs such as heroin and cocaine. In fact, this move will help those states that are financially strapped (Morgan 45). Study reveals that if states legalize marijuana the enforcement costs will reduce and the tax revenue will increase. The increase in tax revenue will be spent in other development issues.

Legalization and taxation of marijuana will probably drive towards consuming it and avoiding alcohol consumption. Many production companies have lost

many employees to alcohol due o its harmful effects. This has economically hindered the states from growing. But, legalization and taxation of marijuana means people will have a better option, leading to increase in production output.

Tax revenue from legalized marijuana profits the government. The government runs at a deficit in the economy. The revenue from taxation of marijuana could pay for debts and bring the economy to a stable position. Economists believe that the revenue from marijuana is a major boost to government budget (Clements 11). The government for many years has struggled to find new sources of revenue to pay for various social objectives such as education and health. The issue of marijuana taxation is a major opportunity to subsidize spending and to enable the government to meet its social objectives.

The economists wrote and signed a letter to the governors, the congress, State legislature and the president on the legalization of marijuana. The letter was basically based on the fact that marijuana has various economic benefits. One of the known people that was part of the five hundred economists was Friedman and Nobel Laureate George Akerlof. The economists asserted that taxation of marijuana like tobacco and alcohol could probably generate \$6. 2 billion every year. Prohibition of marijuana has benefits but in the long run it may cause substantial harm to the government and society. Based on the argument it is evident that marijuana taxation is a major benefit to government. In addition, the President of US recently said that marijuana was no more dangerous than alcohol.

Many people are in prison for using and selling marijuana. This means that

billions of money is spent on maintaining such prisoners. Therefore, it makes no sense to use taxpayer's money to maintain prisons and prisoners Peters 56). Taxation and legalization of marijuana will reduce the population in prisons, saving the taxpayers billions of money. Housing prisoners is very expensive, and it is through legalization and taxation of marijuana that a lot of money will be saved.

Medicinal use of marijuana is also linked to marijuana legalization and taxation. This is because the drug serves a medicine to many people.

Marijuana is readily available and can easily be accessed by the sick people leading to financial savings. According to medical practitioners, marijuana has a variety of medicinal benefits, which include treatment of cancer, AIDS, as well as glaucoma (Beau 36). Hence, it does not make any sense to illegalize marijuana yet in the real sense it helps on health related issues. The government needs to cut on the social costs incurred in treating such disease. The aspect of taxation arises based on that fact that marijuana is used for medicinal purposes.

Taxation system replaces the prohibition system of marijuana in society. Critical economic analysis shows that the replacement is economically important. The government uses a lot of money in enforcing and maintains prohibition laws in the streets and neighborhoods. This spending should be channeled to economic growth (Clements 17). On the same note, the legal taxation system will ensure that the money collected from marijuana land in the right hands. Untaxed marijuana and illegalization of the drug only burdens the taxpayer and drains the government revenue. Hence, marijuana taxation reduced the burden of the taxpayers and strengthens the

economical budget.

The economic position held by various scholars on the issue of marijuana taxation is true. Based on the analysis and the prominent positions taken by presidents, governors, scholars, and legislators I agree with the positions. This is because marijuana is less harmful compared to other drugs such as tobacco and cocaine. The economic impacts of marijuana taxation are tremendous and should not be taken for granted. The revenue received from marijuana taxation is channeled for economic development. States and nations always struggle to settle their debts and budget deficit, and it is my belief that marijuana taxation is the main solution (Morgan 67). On the same note, I agree with prominent positions because marijuana revenue is used in solving various social needs. The revenue is used for educational and health purposes. It is essential to note that increasing the burden of taxpayers reduces their standard of living. Taxation of marijuana is in one way of another reducing the burden of the taxpayer and profiting the government. The taxation system will be run by the tax revenue collected from marijuana.

On the other hand, there are various opposing views on the economic benefit of marijuana. Other scholars assert that marijuana taxation does not add any value to the economy. This is because the revenue collected from marijuana is used to solve the problems caused by the drug. For example, legalization and taxation of marijuana contributes to crime, social disintegration, health issues, as well as violence. The revenue collected will be use to control the negative effects of marijuana. In addition, the taxation of marijuana may sound simple, but in the real world it is very complex. This is because it leads

to increase of black market. The variation in decisions made by states will affect the marijuana markets (Earleywine 35). This is because other states have legalized the drug, while others have not. People will probably buy in the black market to avoid paying tax; hence, to others people taxation of marijuana does not boost the economy. In every economy, rational decisions are very important. Marijuana taxation will lead to increased consumption level due to its availability and legal nature. In fact, marijuana is an addictive drug, meaning it takes away the freedom of people to make informed decisions. Therefore, it is not economically viable to tax and legalize marijuana since it puts people in a position of irrational thinking and poor decisions. In the long run, the economic position of the state will decrease. One of the issues left out is the human experience in relation to marijuana taxation. In life, there are various factors that cannot be compensated by money factor or materials. For example, some of the addiction effects caused by marijuana are beyond the free will of an individual. It is only the victim of marijuana addiction that understands the real meaning of it. The psychological and emotional damages cannot be measured yet it affects individuals.

In the general perspective, taxation of marijuana has tremendous economic benefits. This is based on various economic impacts of marijuana. Revenue collected from marijuana taxation is channeled to economic developments and growth. States that have legalized marijuana have actually experienced the economic benefits of marijuana. Hence, marijuana should be taxed due its economic benefits.

Works cited

Beau, Max. Medicinal Marijuana. London: Wadsworth, 2010

Clements, Kenneth W, and Xueyan Zhao. Economics and Marijuana: Consumption, Pricing and Legalisation. Cambridge, UK: Cambridge University Press, 2009. Print.

Earleywine, Mitchell. Pot Politics: Marijuana and the Costs of Prohibition.

Oxford: Oxford University Press, 2007. Internet resource

Morgan, Kayla. Legalizing Marijuana. Edina, MN: ABDO Pub. Co, 2011. Print.

Peters, Jeremy. A Look at Taxing Marijuana. The New York Times, 2012