

119TH CONGRESS
1ST SESSION

H. R. 1447

To amend the Internal Revenue Code of 1986 to maintain the prohibition on allowing any deduction or credit associated with a trade or business involved in trafficking marijuana.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 21, 2025

Mr. ARRINGTON (for himself, Mr. EDWARDS, Mr. MURPHY, Mr. BUCHANAN, Mr. MOORE of Utah, Mr. PALMER, and Mr. SESSIONS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to maintain the prohibition on allowing any deduction or credit associated with a trade or business involved in trafficking marijuana.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “No Deductions for
5 Marijuana Businesses Act”.

1 **SEC. 2. EXPENDITURES IN CONNECTION WITH THE SALE**
2 **OF MARIJUANA.**

3 (a) IN GENERAL.—Section 280E of the Internal Rev-
4 enue Code of 1986 is amended to read as follows:

5 **“SEC. 280E. EXPENDITURES IN CONNECTION WITH THE IL-**
6 **LEGAL SALE OF DRUGS.**

7 “No deduction or credit shall be allowed for any
8 amount paid or incurred during the taxable year in car-
9 rying on any trade or business if such trade or business
10 (or the activities which comprise such trade or business)
11 consists of trafficking in—

12 “(1) marijuana (as defined in section 102(16)
13 of the Controlled Substances Act (21 U.S.C.
14 802(16))), or

15 “(2) controlled substances (within the meaning
16 of schedule I and II of the Controlled Substances
17 Act),

18 which is prohibited by Federal law or the law of any State
19 in which such trade or business is conducted.”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 this section shall apply to amounts paid or incurred after
22 the date of the enactment of this Act in taxable years end-
23 ing after such date.

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