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## MiCIA Reacts to the Detroit News Bombshell about A Secret State Memo on Taxing Cannabis: ‘The Public Deserves to Know’

*Memo ‘would likely show whether Whitmer’s administration was warned of...a shift of marijuana sales to the illegal market if taxes were hiked,’ according to the story*

**LANSING, Mich.**—(April 26, 2026)—The **Michigan Cannabis Industry Association (MiCIA)** today reacted to [a Detroit News investigation](#) into a cannabis tax memo that the state of Michigan wants to keep out of public view.

“The public deserves to know what issues the government considered before adopting this extraordinarily punitive tax, whether the analysis was shared with the Legislature before they voted on the Comprehensive Road Funding Tax Act (CRFTA), and whether the government even considered the impact it would have on the voters’ clearly expressed desire to remove marijuana from the illicit market,” said **Rose Tantraphol**, MiCIA’s spokesperson.

Here’s how the Detroit News story starts:

*Gov. Gretchen Whitmer’s administration, which is using a new tax on marijuana to fund road projects, has refused to fully release an internal analysis of how additional taxes on pot would impact the cannabis industry and whether they would shift more purchases to the illegal market.*

*In November 2023 — about 14 months before Whitmer publicly proposed a wholesale tax on marijuana — the state’s Cannabis Regulatory Agency provided officials in the governor’s office a four-page memo on the potential repercussions of a similar tax.*

*Amid an ongoing legal fight over the new 24% wholesale tax, The Detroit News learned of the memo and attempted to obtain it under the state’s Freedom of Information Act, which states that the public is “entitled to full and complete information regarding the affairs of government.”*

The Department of Licensing and Regulatory Affairs has only released a heavily redacted version of the memo that shields “all of the information about how the Cannabis Regulatory Agency expected new taxes to affect the marijuana industry.”

The Detroit News appealed and fought for the unredacted memo but was told that the redacted sections were allowed under “frank communications” rules governing disclosure of government documents.

The piece, which led the outlet’s Sunday Politics section, makes clear why this document is so important:

*Yet, that “frank communications” exemption to the Freedom of Information Act is for messages between employees of public bodies. The memo was sent from LARA to the governor’s office. The governor’s office is not subject to FOIA and is not a public body, according to the state’s own official FOIA handbook.*

*The memo is significant because it would likely show whether Whitmer’s administration was warned of job losses or a shift of marijuana sales to the illegal market if taxes were hiked.*

*Likewise, an ongoing lawsuit from marijuana businesses about the new tax focuses on whether it goes against a ballot proposal that voters approved in 2018 to legalize recreational marijuana and set a 10% tax on retail sales.*

Tantraphol said that the MiCIA won’t stop pursuing the truth.

“The Comprehensive Road Funding Tax Act (CRFTA) was rammed through the Legislature with almost no debate or discussion,” Tantraphol said. “We believe the memorandum is evidence that the state was well aware that such a tax would harm Michigan’s cannabis industry and send individual customers back to the illicit market, directly undermining the clearly stated purposes of the Michigan Regulation and Taxation of Marijuana Act (MRTMA), which was to ‘reduce the illicit market.’”

A trial in the Court of Claims had been scheduled to begin this fall — it would have explored whether the 24% tax on cannabis that took effect this year will push consumers to the illicit market. However, on April 22, the Michigan Supreme Court [issued an order](#) that effectively stayed that trial. That Supreme Court’s order requires the Court of Appeals to take up MiCIA’s lawsuit fighting the 24% tax on cannabis, which means the Court of Claims trial is stayed pending the completion of Court of Appeals appeal.

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*The Michigan Cannabis Industry Association (MiCIA) is the state’s leading cannabis trade association. MiCIA advocates for safe, sensible cannabis policy for a thriving, well-regulated industry. For more information, go to <https://micia.org>.*