



ADVISORY BULLETIN

January 3, 2022

Annual Financial Statement Requirements for Fiscal Year 2022 for Medical Facilities and Adult-Use Establishments

The purpose of this bulletin is to announce the annual financial statement (AFS) requirements for medical facilities and adult-use establishments for fiscal year 2022, pursuant to Section 701 of the Medical Marijuana Facilities Licensing Act (MMFLA) and/or Rule 20 of the Marijuana Licenses rule set – R 420.20.

[Public Act 119 of 2021](#), which took immediate effect on December 7, 2021, amended Section 701 of the MMFLA and now requires that licensees of medical marijuana facilities file a financial statement every three years, or a shorter time-period as determined by the Cannabis Regulatory Agency (CRA). Rule 20 of the Marijuana Licenses rule set – R 420.20 remains unchanged and requires marijuana establishments to file an annual financial statement in the time and manner instructed by the CRA.

Based on this statutory change, the CRA intends to revise the AFS report forms and combine the AFS requirements for medical and adult-use licensees into a consolidated report.

In the interim, requirements for the AFS are as follows:

- An AFS will not be required for fiscal year 2022, unless a licensee is required to file a fiscal year 2022 report as a condition of a final order.
- As previously instructed, licensees must file an AFS for fiscal year 2020 and fiscal year 2021; see the following advisory bulletins for further information regarding those requirements:
 - [AFS for Adult-Use Establishments for FY21](#)
 - [AFS for Medical Facilities for FY21](#)
 - [AFS for Medical Facilities for FY20](#)
- Licensees that failed to file a fiscal year 2020 and/or fiscal year 2021 report as required have been referred for possible disciplinary action.
- Further information regarding the revised requirements for the AFS will be released by bulletin at a future date.

This advisory bulletin does not constitute legal advice and is subject to change. Licensees are encouraged to seek legal counsel to ensure their operations comply with all applicable laws and rules.



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The CRA Financial Compliance Section will continue to review the reports that have been submitted. All licensees (or their designated contact) must respond to deficiency notices and/or inquiries within ten business days of receipt of the notice and/or inquiry to ensure timely processing of the reports. Failure to correct the deficiency or respond to the inquiry may result in disciplinary action. For more information on the AFS review process, see the advisory bulletin on [AFS Review](#).

For questions regarding AFS requirements or to check on the status of a report, the licensee or their designated contact may email CRA-AFS@michigan.gov or contact the CRA by phone at 517-284-8599. For more information about the CRA, please visit www.michigan.gov/CRA.