

By: Representative Banks

To: Ways and Means

HOUSE BILL NO. 1123

1 AN ACT TO AMEND SECTIONS 27-71-5, 27-71-29 AND 27-71-337,  
2 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT TWENTY PERCENT OF THE  
3 FUNDS GENERATED BY TAXES AND FEES ON ALCOHOLIC BEVERAGES SHALL BE  
4 FORWARDED ON A PROPORTIONATE BASIS TO THE COUNTIES FROM WHICH SUCH  
5 FUNDS WERE GENERATED; AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 **SECTION 1.** Section 27-71-5, Mississippi Code of 1972, is  
8 amended as follows:

9 27-71-5. (1) Upon each person approved for a permit under  
10 the provisions of the Alcoholic Beverage Control Law and  
11 amendments thereto, there is levied and imposed for each location  
12 for the privilege of engaging and continuing in this state in the  
13 business authorized by such permit, an annual privilege license  
14 tax in the amount provided in the following schedule:

- 15 (a) Manufacturer's permit, Class 1, distiller's and/or  
16 rectifier's..... \$4,500.00
- 17 (b) Manufacturer's permit, Class 2, wine manufacturer  
18 ..... \$1,800.00
- 19 (c) Manufacturer's permit, Class 3, native wine  
20 manufacturer per 10,000 gallons or part thereof produced... \$10.00
- 21 (d) Native wine retailer's permit..... \$50.00
- 22 (e) Package retailer's permit, each..... \$900.00
- 23 (f) On-premises retailer's permit, except for clubs and  
24 common carriers, each..... \$450.00
- 25 On purchases exceeding \$5,000.00 and for each additional  
26 \$5,000.00, or fraction thereof..... \$225.00



27 (g) On-premises retailer's permit for wine of more than  
28 four percent (4%) alcohol by volume, but not more than twenty-one  
29 percent (21%) alcohol by volume (each)..... \$225.00  
30 On purchases exceeding \$5,000.00 and for each additional  
31 \$5,000.00, or fraction thereof..... \$225.00  
32 (h) On-premises retailer's permit for clubs.... \$225.00  
33 On purchases exceeding \$5,000.00 and for each additional  
34 \$5,000.00, or fraction thereof..... \$225.00  
35 (i) On-premises retailer's permit for common carriers,  
36 per car, plane, or other vehicle..... \$120.00  
37 (j) Solicitor's permit, regardless of any other  
38 provision of law, solicitor's permits shall be issued only in the  
39 discretion of the commission..... \$100.00  
40 (k) Filing fee for each application except for an  
41 employee identification card..... \$25.00  
42 (l) Temporary permit, Class 1, each..... \$10.00  
43 (m) Temporary permit, Class 2, each..... \$50.00  
44 On-premises purchases exceeding \$5,000.00 and for each  
45 additional \$5,000.00, or fraction thereof..... \$225.00  
46 (n) (i) Caterer's permit..... \$600.00  
47 On purchases exceeding \$5,000.00 and for each additional  
48 \$5,000.00, or fraction thereof..... \$250.00  
49 (ii) Caterer's permit for holders of on-premises  
50 retailer's permit..... \$150.00  
51 On purchases exceeding \$5,000.00 and for each additional  
52 \$5,000.00, or fraction thereof..... \$250.00  
53 (o) Research permit..... \$100.00  
54 (p) Filing fee for each application for an employee  
55 identification card..... \$5.00  
56 In addition to the filing fee imposed by item (k) of this  
57 subsection, a fee to be determined by the State Tax Commission may  
58 be charged to defray costs incurred to process applications. Such  
59 additional fees shall be paid into the State Treasury to the



60 credit of a special fund account, which is hereby created, and  
61 expenditures therefrom shall be made only to defray the costs  
62 incurred by the State Tax Commission in processing alcoholic  
63 beverage applications. Eighty percent (80%) of any unencumbered  
64 balance remaining in the special fund account on June 30 of any  
65 fiscal year shall lapse into the State General Fund and the  
66 remaining twenty percent (20%) shall be forwarded on a  
67 proportionate basis to the counties where such fees were  
68 generated.

69 All privilege taxes herein imposed shall be paid in advance  
70 of doing business. The additional privilege tax imposed for an  
71 on-premises retailer's permit based upon purchases shall be due  
72 and payable on demand.

73 Any person who has paid the additional privilege license tax  
74 imposed by item (f), (g), (h), (m) or (n) of this subsection, and  
75 whose permit is renewed, may add any unused fraction of Five  
76 Thousand Dollars (\$5,000.00) purchases to the first Five Thousand  
77 Dollars (\$5,000.00) purchases authorized by the renewal permit,  
78 and no additional license tax will be required until purchases  
79 exceed the sum of the two (2) figures.

80 (2) There is imposed and shall be collected from each  
81 permittee, except a common carrier, solicitor, holder of an  
82 employee identification card or a temporary permittee, by the  
83 commission, an additional license tax equal to the amounts imposed  
84 under subsection (1) of this section for the privilege of doing  
85 business within any municipality or county in which the licensee  
86 is located. If the licensee is located within a municipality, the  
87 commission shall pay the amount of additional license tax to the  
88 municipality, and if outside a municipality the commission shall  
89 pay the additional license tax to the county in which the licensee  
90 is located. Payments by the commission to the respective local  
91 government subdivisions shall be made once each month for any  
92 collections during the preceding month.



93 (3) When an application for any permit, other than for  
94 renewal of a permit, has been rejected by the commission, such  
95 decision shall be final. Appeal may be made in the manner  
96 provided by Section 67-1-39. Another application from an  
97 applicant who has been denied a permit shall not be reconsidered  
98 within a twelve-month period.

99 (4) The number of permits issued by the commission shall not  
100 be restricted or limited on a population basis; however, the  
101 foregoing limitation shall not be construed to preclude the right  
102 of the commission to refuse to issue a permit because of the  
103 undesirability of the proposed location.

104 (5) If any person shall engage or continue in any business  
105 which is taxable hereunder without having paid the tax as provided  
106 herein, such person shall be liable for the full amount of such  
107 tax plus a penalty thereon equal to the amount thereof, and, in  
108 addition, shall be punished by a fine of not more than One  
109 Thousand Dollars (\$1,000.00), or by imprisonment in the county  
110 jail for a term of not more than six (6) months, or by both such  
111 fine and imprisonment, in the discretion of the court.

112 (6) It shall be unlawful for any person to consume alcoholic  
113 beverages on the premises of any hotel restaurant, restaurant,  
114 club or the interior of any public place defined in Chapter 1,  
115 Title 67, Mississippi Code of 1972, when the owner or manager  
116 thereof displays in several conspicuous places inside said  
117 establishment and at the entrances thereto a sign containing the  
118 following language: NO ALCOHOLIC BEVERAGES ALLOWED.

119 **SECTION 2.** Section 27-71-29, Mississippi Code of 1972, is  
120 amended as follows:

121 27-71-29. All taxes levied by this article shall be paid to  
122 the State Tax Commission in cash or by personal check, cashier's  
123 check, bank exchange, post-office money order or express money  
124 order and eighty percent (80%) of such taxes shall be deposited by  
125 the commission in the State Treasury on the same day collected,



126 and the remaining twenty percent (20%) shall be forwarded on a  
127 proportionate basis to the counties where such taxes were  
128 generated. No remittances other than cash shall be a final  
129 discharge of liability for the tax herein imposed and levied  
130 unless and until it has been paid in cash to the State Tax  
131 Commission.

132 \* \* \* The three percent (3%) levied under Section 27-71-7(2)  
133 and received by the commission under this article shall be paid  
134 into the special fund in the State Treasury designated as the  
135 "Alcoholism Treatment and Rehabilitation Fund" as required by law.  
136 Any funds derived from the sale of alcoholic beverages in excess  
137 of inventory requirements shall be paid not less often than  
138 annually into the General Fund.

139 **SECTION 3.** Section 27-71-337, Mississippi Code of 1972, is  
140 amended as follows:

141 27-71-337. All taxes levied by this article and required to  
142 be paid to the commissioner shall be payable to the commissioner  
143 in cash or by personal check, cashier's check, bank exchange,  
144 post-office money order or express money order and eighty percent  
145 (80%) of such taxes shall be deposited by the commissioner into  
146 the State Treasury on the same day collected, and the remaining  
147 twenty percent (20%) shall be forwarded on a proportionate basis  
148 to the counties where such taxes were generated. \* \* \* No  
149 remittances other than cash shall be a final discharge of  
150 liability for the tax herein imposed and levied unless and until  
151 it has been paid in cash to the commissioner.

152 **SECTION 4.** This act shall take effect and be in force from  
153 and after July 1, 2002.

