

By: Representative Holland

To: Ways and Means

HOUSE BILL NO. 1486

1 AN ACT TO AMEND SECTION 27-71-5, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE PRIVILEGE LICENSE TAX REQUIRED FOR A MANUFACTURER'S
3 PERMIT, CLASS 1, DISTILLER'S PERMIT FOR A PERSON WHO PRODUCES A
4 PRODUCT WITH AT LEAST FIFTY-ONE PERCENT OF THE FINISHED PRODUCT BY
5 VOLUME BEING OBTAINED FROM ALCOHOLIC FERMENTATION OF GRAPES,
6 FRUITS, BERRIES, HONEY OR VEGETABLES GROWN AND PRODUCED IN
7 MISSISSIPPI, AND WHO PRODUCES ALL OF SUCH PRODUCT BY USING NOT
8 MORE THAN ONE STILL HAVING A MAXIMUM CAPACITY OF ONE HUNDRED FIFTY
9 LITERS; AND FOR RELATED PURPOSES.

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

11 SECTION 1. Section 27-71-5, Mississippi Code of 1972, is
12 amended as follows:

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

- 19 (a) Except as otherwise provided in this subsection
20 (1), manufacturer's permit, Class 1, distiller's and/or
21 rectifier's..... \$4,500.00
22 (b) Manufacturer's permit, Class 2, wine manufacturer
23 \$1,800.00
24 (c) Manufacturer's permit, Class 3, native wine
25 manufacturer per 10,000 gallons or part thereof
26 produced..... \$10.00
27 (d) Native wine retailer's permit..... \$50.00
28 (e) Package retailer's permit, each..... \$900.00
29 (f) On-premises retailer's permit, except for clubs and
30 common carriers, each..... \$450.00



31 On purchases exceeding \$5,000.00 and for each additional
32 \$5,000.00, or fraction thereof..... \$225.00

33 (g) On-premises retailer's permit for wine of more than
34 four percent (4%) alcohol by volume, but not more than twenty-one
35 percent (21%) alcohol by volume (each)..... \$225.00

36 On purchases exceeding \$5,000.00 and for each additional
37 \$5,000.00, or fraction thereof..... \$225.00

38 (h) On-premises retailer's permit for clubs. \$225.00

39 On purchases exceeding \$5,000.00 and for each additional
40 \$5,000.00, or fraction thereof..... \$225.00

41 (i) On-premises retailer's permit for common carriers,
42 per car, plane, or other vehicle..... \$120.00

43 (j) Solicitor's permit, regardless of any other
44 provision of law, solicitor's permits shall be issued only in the
45 discretion of the commission..... \$100.00

46 (k) Filing fee for each application except for an
47 employee identification card..... \$25.00

48 (l) Temporary permit, Class 1, each..... \$10.00

49 (m) Temporary permit, Class 2, each..... \$50.00

50 On-premises purchases exceeding \$5,000.00 and for each
51 additional \$5,000.00, or fraction thereof..... \$225.00

52 (n) (i) Caterer's permit..... \$600.00

53 On purchases exceeding \$5,000.00 and for each additional
54 \$5,000.00, or fraction thereof..... \$250.00

55 (ii) Caterer's permit for holders of on-premises
56 retailer's permit..... \$150.00

57 On purchases exceeding \$5,000.00 and for each additional
58 \$5,000.00, or fraction thereof..... \$250.00

59 (o) Research permit..... \$100.00

60 (p) Filing fee for each application for an employee
61 identification card.....\$5.00

62 If a person approved for a manufacturer's permit, Class 1,
63 distiller's permit produces a product with at least fifty-one



64 percent (51%) of the finished product by volume being obtained
65 from alcoholic fermentation of grapes, fruits, berries, honey or
66 vegetables grown and produced in Mississippi, and produces all of
67 such product by using not more than one (1) still having a maximum
68 capacity of one hundred fifty (150) liters, the annual privilege
69 license tax for such a permit shall be Ten Dollars (\$10.00) per
70 ten thousand (10,000) gallons or part thereof produced. Bulk,
71 concentrated or fortified ingredients used for blending may be
72 produced outside this state and used in producing such a product.

73 In addition to the filing fee imposed by item (k) of this
74 subsection, a fee to be determined by the State Tax Commission may
75 be charged to defray costs incurred to process applications. Such
76 additional fees shall be paid into the State Treasury to the
77 credit of a special fund account, which is hereby created, and
78 expenditures therefrom shall be made only to defray the costs
79 incurred by the State Tax Commission in processing alcoholic
80 beverage applications. Any unencumbered balance remaining in the
81 special fund account on June 30 of any fiscal year shall lapse
82 into the State General Fund.

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

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

94 (2) There is imposed and shall be collected from each
95 permittee, except a common carrier, solicitor, holder of an
96 employee identification card or a temporary permittee, by the



97 commission, an additional license tax equal to the amounts imposed
98 under subsection (1) of this section for the privilege of doing
99 business within any municipality or county in which the licensee
100 is located. If the licensee is located within a municipality, the
101 commission shall pay the amount of additional license tax to the
102 municipality, and if outside a municipality the commission shall
103 pay the additional license tax to the county in which the licensee
104 is located. Payments by the commission to the respective local
105 government subdivisions shall be made once each month for any
106 collections during the preceding month.

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

113 (4) The number of permits issued by the commission shall not
114 be restricted or limited on a population basis; however, the
115 foregoing limitation shall not be construed to preclude the right
116 of the commission to refuse to issue a permit because of the
117 undesirability of the proposed location.

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

126 (6) It shall be unlawful for any person to consume alcoholic
127 beverages on the premises of any hotel restaurant, restaurant,
128 club or the interior of any public place defined in Chapter 1,
129 Title 67, Mississippi Code of 1972, when the owner or manager



130 thereof displays in several conspicuous places inside said
131 establishment and at the entrances thereto a sign containing the
132 following language: NO ALCOHOLIC BEVERAGES ALLOWED.

133 **SECTION 2.** This act shall take effect and be in force from
134 and after July 1, 2002.

