HOUSE BILL NO. 1487

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

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

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

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

(a) Except as otherwise provided in this subsection (1), manufacturer's permit, Class 1, distiller's and/or rectifier's

(b) Manufacturer's permit, Class 2, wine manufacturer

(c) Manufacturer's permit, Class 3, native wine manufacturer per 10,000 gallons or part thereof

(d) Native wine retailer's permit

(e) Package retailer's permit, each

(f) On-premises retailer's permit, except for clubs and common carriers, each

$4,500.00

$1,800.00

$10.00

$50.00

$900.00

$450.00
On purchases exceeding $5,000.00 and for each additional
$5,000.00, or fraction thereof......................... $225.00

(g) On-premises retailer's permit for wine of more than
four percent (4%) alcohol by volume, but not more than twenty-one
percent (21%) alcohol by volume (each)................. $225.00
On purchases exceeding $5,000.00 and for each additional
$5,000.00, or fraction thereof......................... $225.00

(h) On-premises retailer's permit for clubs. $225.00
On purchases exceeding $5,000.00 and for each additional
$5,000.00, or fraction thereof......................... $225.00

(i) On-premises retailer's permit for common carriers,
per car, plane, or other vehicle....................... $120.00
(j) Solicitor's permit, regardless of any other
provision of law, solicitor's permits shall be issued only in the
discretion of the commission......................... $100.00

(k) Filing fee for each application except for an
employee identification card........................ $25.00
(l) Temporary permit, Class 1, each................. $10.00
(m) Temporary permit, Class 2, each............. $50.00
On-premises purchases exceeding $5,000.00 and for each
additional $5,000.00, or fraction thereof.............. $225.00

(n) (i) Caterer's permit....................... $600.00
On purchases exceeding $5,000.00 and for each additional
$5,000.00, or fraction thereof......................... $250.00
(ii) Caterer's permit for holders of on-premises
retailer's permit...................................... $150.00
On purchases exceeding $5,000.00 and for each additional
$5,000.00, or fraction thereof......................... $250.00
(o) Research permit................................. $100.00
(p) Filing fee for each application for an employee
identification card........................................ $5.00

If a person approved for a manufacturer's permit, Class 1,
distiller's permit produces a product with at least fifty-one
percent (51%) of the finished product by volume being obtained from alcoholic fermentation of grapes, fruits, berries, honey or vegetables grown and produced in Mississippi, and produces all of such product by using not more than one (1) still having a maximum capacity of one hundred fifty (150) liters, the annual privilege license tax for such a permit shall be Ten Dollars ($10.00) per ten thousand (10,000) gallons or part thereof produced. Bulk, concentrated or fortified ingredients used for blending may be produced outside this state and used in producing such a product.

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

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

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

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

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

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

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

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

SECTION 2. This act shall take effect and be in force from and after July 1, 2003.