

By: Representatives Willis, DeLano, Wilson,
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To: Ways and Means

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1322

1 AN ACT TO CREATE NEW SECTION 67-3-48, MISSISSIPPI CODE OF
2 1972, TO AUTHORIZE SMALL CRAFT BREWERIES LOCATED IN MISSISSIPPI
3 THAT PRODUCE NOT MORE THAN 60,000 BARRELS OF LIGHT WINE OR BEER
4 ANNUALLY TO SELL ON THE PREMISES OF THE BREWERY LIGHT WINE OR BEER
5 PRODUCED AT SUCH BREWERY FOR CONSUMPTION ON OR OFF THE PREMISES OF
6 THE BREWERY; TO AMEND SECTION 67-3-22, MISSISSIPPI CODE OF 1972,
7 TO REVISE THE BEER PRODUCTION LIMITS THAT APPLY TO BREWPUBS AND TO
8 AUTHORIZE BREWPUBS TO SELL LIGHT WINE OR BEER PRODUCED AT THE
9 BREWPUB FOR CONSUMPTION OFF THE PREMISES OF THE BREWPUB IN CERTAIN
10 CONTAINERS; TO AMEND SECTIONS 67-3-3, 67-3-53, 67-3-55 AND
11 67-3-69, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO AMEND
12 SECTIONS 27-71-301, 27-71-307, 27-71-311 AND 27-71-331,
13 MISSISSIPPI CODE OF 1972, TO IMPOSE AN EXCISE OR PRIVILEGE TAX ON
14 LIGHT WINE OR BEER PROVIDED BY SMALL CRAFT BREWERIES FOR RETAIL
15 SALE BY SUCH BREWERIES AND UPON BEER PROVIDED FOR TASTING OR
16 SAMPLING; AND FOR RELATED PURPOSES.

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

18 **SECTION 1.** The following shall be codified as Section
19 67-3-48, Mississippi Code of 1972:

20 67-3-48. (1) A small craft brewery may sell at retail light
21 wine or beer produced at its brewery for consumption on the
22 premises of the brewery and consumption off the premises of the
23 brewery if the sales are made on the premises of the brewery and
24 the light wine or beer products offered for sale are also made
25 available for sale to wholesalers.



26 (2) (a) A small craft brewery shall not sell at retail more
27 than ten percent (10%) of the light wine or beer produced annually
28 at its brewery or more than one thousand five hundred (1,500)
29 barrels of light wine or beer produced at the brewery annually,
30 whichever is the lesser amount. For purposes of this subsection,
31 contract brewed beer shall not be included in the amount of beer
32 produced annually at the brewery. The light wine or beer must be
33 sold at a price approximating retail prices generally charged for
34 identical beverages in the county where the brewery is located.

35 (b) A small craft brewery shall not make retail sales
36 of more than five hundred seventy-six (576) ounces, in the
37 aggregate, of light wine or beer to any one (1) individual for
38 consumption off the premises of the brewery within a
39 twenty-four-hour period.

40 (c) The limits on sales provided for in this subsection
41 shall not apply to beer provided pursuant to Section 67-3-47.

42 (3) A small craft brewery shall ensure that light wine or
43 beer products sold for consumption off the premises of the brewery
44 are being sold for personal use and not for resale and are not
45 being sold to anyone holding a retail permit for the purpose of
46 resale in their establishment.

47 (4) A small craft brewery shall take commercially reasonable
48 steps to not make retail sales of contract brewed beer.

49 (5) A small craft brewery shall not mail or ship light wine
50 or beer to a consumer.



51 **SECTION 2.** Section 67-3-22, Mississippi Code of 1972, is
52 amended as follows:

53 67-3-22. (1) The production limits for a brewpub shall be
54 based upon production as determined by the * * * Department of
55 Revenue pursuant to Section 27-71-307, Mississippi Code of 1972,
56 and * * * a brewpub shall not manufacture more than * * *
57 seventy-five thousand (75,000) gallons of light wine or beer per
58 calendar year.

59 * * *

60 (2) Light wine or beer produced at a brewpub shall not be
61 sold at a price less than it cost to manufacture such light wine
62 or beer.

63 (3) Except as otherwise provided in this subsection, light
64 wine or beer manufactured by a brewpub shall not be sold away from
65 the premises of such brewpub (as defined in Section 27-71-301,
66 Mississippi Code of 1972) and shall not be packaged in any form
67 that it may be carried away from the premises; * * *
68 however, * * * the final one hundred (100) gallons of beer within
69 a fermenting tank may be placed in kegs for sale on the premises
70 to facilitate transition from one fermenting tank to another. A
71 brewpub may sell light wine or beer manufactured by it for
72 consumption off the premises of the brewpub if the light wine or
73 beer so sold is contained in a growler.



74 (4) A brewpub shall be required to offer for sale light wine
75 or beer that is normally carried on the inventory of wholesalers
76 or distributors of light wine or beer.

77 * * *

78 **SECTION 3.** Section 67-3-3, Mississippi Code of 1972, is
79 amended as follows:

80 67-3-3. When used in this chapter, unless the context
81 indicates otherwise:

82 (a) "Commissioner" means the Commissioner of Revenue of
83 the Department of Revenue of the State of Mississippi, and his
84 authorized agents and employees * * *.

85 (b) "Person" means one or more persons, a company, a
86 corporation, a partnership, a syndicate or an association * * *.

87 (c) * * * "Brewpub" shall have the meaning ascribed to
88 such term in Section 27-71-301.

89 (d) "Beer" means a malt beverage as defined in the
90 Federal Alcohol Administration Act and any rules and regulations
91 adopted pursuant to such act of an alcoholic content of not more
92 than eight percent (8%) by weight * * *.

93 (e) "Light wine" means wine of an alcoholic content of
94 not more than five percent (5%) by weight.

95 (f) "Small craft brewery" means a person having a
96 permit under this chapter to manufacture or brew light wine or
97 beer in this state and who manufactures or brews not more than
98 sixty thousand (60,000) barrels of light wine or beer at all



99 breweries that such person or its affiliates, subsidiary or parent
100 company owns or controls or with whom such person contracts with
101 for the manufacture of light wine or beer. For purposes of this
102 paragraph, contract brewed beer manufactured by a person having a
103 permit under this chapter to manufacture or brew light wine or
104 beer shall be included in the sixty thousand (60,000) barrel
105 limitation. However, notwithstanding the preceding sentence, in
106 the event that a small craft brewery is acquired by a person that
107 is not a small craft brewery, the small craft brewery may continue
108 to sell at retail products produced in Mississippi at all
109 locations existing at the time of such acquisition as set forth in
110 Section 67-3-48.

111 (g) "Growler" means a sealed container that holds not
112 more than one hundred twenty-eight (128) ounces of light wine or
113 beer. A growler must have a label on it stating what it contains.

114 (h) "Manufacturer" shall have the meaning ascribed to
115 such term in Section 27-71-301.

116 (i) "Contract brewed beer" means beer brewed by a
117 manufacturer who:

118 (i) Makes the beer pursuant to a written contract
119 with another beer manufacturer, and neither entity has a
120 controlling interest in the other entity;

121 (ii) Makes the beer in accordance with a recipe
122 that is a trade secret of the beer manufacturer having its beer
123 made under contract; and



124 (iii) Has no right to sell the beer to any other
125 beer manufacturer, importer or wholesaler other than the beer
126 manufacturer who contracted for the beer.

127 **SECTION 4.** Section 67-3-53, Mississippi Code of 1972, is
128 amended as follows:

129 67-3-53. In addition to any act declared to be unlawful by
130 this chapter, or by Sections 27-71-301 through 27-71-347, and
131 Sections 67-3-17, 67-3-27, 67-3-29 and 67-3-57, it shall be
132 unlawful for the holder of a permit authorizing the sale of beer
133 or light wine at retail or a small craft brewery selling light
134 wine or beer at retail pursuant to Section 67-3-48 or for the
135 employee of the holder of such a permit or the employee of such a
136 brewery:

137 (a) To sell or give to be consumed in or upon any
138 licensed premises or in or upon the premises of a small craft
139 brewery any beer or light wine between the hours of midnight and
140 seven o'clock the following morning or during any time the
141 licensed premises may be required to be closed by municipal
142 ordinance or order of the board of supervisors; however, in areas
143 where the sale of alcoholic beverages is legal under the
144 provisions of the Local Option Alcoholic Beverage Control Law and
145 the hours for selling those alcoholic beverages have been extended
146 beyond midnight for on-premises permittees under Section 67-1-37,
147 the hours for selling beer or light wines are likewise extended in



148 areas where the sale of beer and light wines is legal in
149 accordance with the provisions of this chapter.

150 (b) To sell, give or furnish any beer or light wine to
151 any person visibly or noticeably intoxicated, or to any habitual
152 drunkard, or to any person under the age of twenty-one (21) years.

153 (c) To permit in the premises any lewd, immoral or
154 improper entertainment, conduct or practices.

155 (d) To permit loud, boisterous or disorderly conduct of
156 any kind upon the premises or to permit the use of loud musical
157 instruments if either or any of the same may disturb the peace and
158 quietude of the community in which the business is located.

159 (e) To permit persons of ill repute, known criminals,
160 prostitutes or minors to frequent the licensed premises or the
161 premises of the small craft brewery, except minors accompanied by
162 parents or guardians, or under proper supervision.

163 (f) To permit or suffer illegal gambling or the
164 operation of illegal games of chance upon the licensed premises or
165 the premises of the small craft brewery.

166 (g) To receive, possess or sell on the licensed
167 premises or, except as otherwise authorized by this chapter, on
168 the premises of the small craft brewery any beverage of any kind
169 or character containing more than five percent (5%) of alcohol by
170 weight except any beer containing not more than eight percent (8%)
171 of alcohol by weight, unless the licensee also possesses an



172 on-premises or manufacturer's permit under the Local Option
173 Alcoholic Beverage Control Law.

174 (h) To accept as full or partial payment for any
175 product any coupons that are redeemed directly or indirectly from
176 a manufacturer, wholesaler or distributor of light wine or beer.

177 **SECTION 5.** Section 67-3-55, Mississippi Code of 1972, is
178 amended as follows:

179 67-3-55. (1) It shall be unlawful for any retailer to
180 possess for purpose of sale, to sell, or to offer to sell any
181 light wine or beer which was not purchased from a wholesaler in
182 this state who has a permit to sell such light wine or beer,
183 except for beer or light wine that was brewed on the premises of
184 the retailer who holds a permit as a brewpub pursuant to Article
185 3, Chapter 71, Title 27, Mississippi Code of 1972.

186 (2) It shall be unlawful for any wholesaler to possess for
187 purpose of sale, to sell, or to offer to sell any light wine or
188 beer which was not purchased from a manufacturer or importer of a
189 foreign manufacturer authorized to sell such light wine or beer in
190 this state.

191 (3) This section shall not apply to:

192 (a) Beer offered and provided on the premises of a
193 brewery for the purpose of tasting or sampling as authorized in
194 Section 67-3-47 * * *; or

195 (b) Light wine or beer sold on the premises of a small
196 craft brewery as authorized in Section 67-3-48.



197 **SECTION 6.** Section 67-3-69, Mississippi Code of 1972, is
198 amended as follows:

199 67-3-69. (1) Except as to Sections 67-3-17, 67-3-23,
200 67-3-27, 67-3-55 and 67-3-57, any violation of any provision of
201 this chapter or of any rule or regulation of the commissioner,
202 shall be a misdemeanor and, where the punishment therefor is not
203 elsewhere prescribed in this section, shall be punished by a fine
204 of not more than Five Hundred Dollars (\$500.00) or imprisonment
205 for not more than six (6) months, or both, in the discretion of
206 the court. If any person so convicted shall be the holder of any
207 permit or license issued by the commissioner under authority of
208 this chapter, the permit or license shall from and after the date
209 of such conviction be void and the holder thereof shall not
210 thereafter, for a period of one (1) year from the date of such
211 conviction, be entitled to any permit or license for any purpose
212 authorized by this chapter. Upon conviction of the holder of any
213 permit or license, the appropriate law enforcement officer shall
214 seize the permit or license and transmit it to the commissioner.

215 (2) (a) Any person who shall violate any provision of
216 Section 67-3-17, 67-3-23, 67-3-27 or 67-3-55 shall be guilty of a
217 misdemeanor, and upon conviction thereof shall be punished by a
218 fine of not more than Five Hundred Dollars (\$500.00) or by
219 imprisonment in the county jail for not more than six (6) months,
220 or by both such fine and imprisonment, in the discretion of the
221 court.



222 (b) Any person who shall violate any provision of
223 Section 67-3-57 shall be guilty of a misdemeanor, and upon
224 conviction thereof, shall be punished by a fine of not more than
225 One Thousand Dollars (\$1,000.00) or by imprisonment in the county
226 jail for not more than one (1) year, or by both, in the discretion
227 of the court. Any person convicted of violating any provision of
228 the sections referred to in this subsection shall forfeit his
229 permit, and shall not thereafter be permitted to engage in any
230 business taxable under the provisions of Sections 27-71-301
231 through 27-71-347.

232 (3) If the holder of a permit, or the employee of the holder
233 of a permit, shall be convicted of selling any beer or wine to
234 anyone who is visibly intoxicated from the licensed premises or to
235 any person under the age of twenty-one (21) years from the
236 licensed premises in violation of Section 67-3-53(b), then, in
237 addition to any other penalty provided for by law, the
238 commissioner may impose the following penalties against the holder
239 of a permit:

240 (a) For the first offense on the licensed premises, by
241 a fine of not less than Five Hundred Dollars (\$500.00) nor more
242 than One Thousand Dollars (\$1,000.00) and/or suspension of the
243 permit for not more than three (3) months.

244 (b) For a second offense occurring on the licensed
245 premises within twelve (12) months of the first offense, by a fine
246 of not less than Five Hundred Dollars (\$500.00) nor more than Two



247 Thousand Dollars (\$2,000.00) and/or suspension of the permit for
248 not more than six (6) months.

249 (c) For a third offense occurring on the licensed
250 premises within twelve (12) months of the first, by a fine of not
251 less than Two Thousand Dollars (\$2,000.00) nor more than Five
252 Thousand Dollars (\$5,000.00) and/or suspension or revocation of
253 the permit to sell beer or light wine.

254 (d) For a fourth or subsequent offense occurring on the
255 licensed premises within twelve (12) months of the first, by a
256 fine of not less than Two Thousand Dollars (\$2,000.00) nor more
257 than Five Thousand Dollars (\$5,000.00) and/or suspension or
258 revocation of the permit to sell beer or light wine.

259 (4) A person who sells any beer or wine to a person under
260 the age of twenty-one (21) years shall not be guilty of a
261 violation of Section 67-3-53(b) if the person under the age of
262 twenty-one (21) years represents himself to be twenty-one (21)
263 years of age or older by displaying an apparently valid
264 Mississippi driver's license containing a physical description
265 consistent with his appearance or by displaying some other
266 apparently valid identification document containing a picture and
267 physical description consistent with his appearance for the
268 purpose of inducing the person to sell beer or wine to him.

269 (5) If the holder of a permit to operate a brewpub is
270 convicted of violating the provisions of Section 67-3-22(3), then,



271 in addition to any other provision provided for by law, the holder
272 of the permit shall be punished as follows:

273 (a) For the first offense, the holder of a permit to
274 operate a brewpub may be fined in an amount not to exceed Five
275 Hundred Dollars (\$500.00).

276 (b) For a second offense occurring within twelve (12)
277 months of the first offense, the holder of a permit to operate a
278 brewpub may be fined an amount not to exceed One Thousand Dollars
279 (\$1,000.00).

280 (c) For a third or subsequent offense occurring within
281 twelve (12) months of the first offense, the holder of a permit to
282 operate a brewpub may be fined an amount not to exceed Five
283 Thousand Dollars (\$5,000.00) and the permit to operate a brewpub
284 shall be suspended for thirty (30) days.

285 (6) If a small craft brewery is convicted of violating the
286 provisions of Section 67-3-48, then, in addition to any other
287 provision provided for by law, the small craft brewery shall be
288 punished as follows:

289 (a) For the first offense, the small craft brewery may
290 be fined in an amount not to exceed Five Hundred Dollars
291 (\$500.00).

292 (b) For a second offense occurring within twelve (12)
293 months of the first offense, the small craft brewery may be fined
294 an amount not to exceed One Thousand Dollars (\$1,000.00).



295 (c) For a third or subsequent offense occurring within
296 twelve (12) months of the first offense, the small craft brewery
297 may be fined an amount not to exceed Five Thousand Dollars
298 (\$5,000.00) and the permit to operate as a manufacturer shall be
299 suspended for thirty (30) days.

300 **SECTION 7.** Section 27-71-301, Mississippi Code of 1972, is
301 amended as follows:

302 27-71-301. When used in this article the words and terms
303 hereafter mentioned shall have the following definitions:

304 (a) "State Auditor" means the State Auditor of Public
305 Accounts of the State of Mississippi or any legally appointed
306 deputy, clerk or agent.

307 (b) "Person" includes all natural persons or
308 corporations, a partnership, an association, a joint venture, an
309 estate, a trust, or any other group or combination acting as a
310 unit and shall include the plural as well as the singular unless
311 an intention to give another meaning thereto is disclosed in the
312 context.

313 (c) "Consumer" means a person who comes into the
314 possession of beer or light wine, the sale of which is authorized
315 by Chapter 3 of Title 67, Mississippi Code of 1972, for the
316 purpose of consuming it, giving it away or otherwise disposing of
317 it in any manner except by sale, barter or exchange.

318 (d) "Retailer" means any person who comes into the
319 possession of such light wines or beer for the purpose of selling



320 it to the consumer, or giving it away, or exposing it where it may
321 be taken or purchased or acquired in any other manner by the
322 consumer; however, the term "retailer" shall not include a person
323 who offers and provides beer on the premises of a brewery for the
324 purpose of tasting or sampling as authorized in Section 67-3-47.

325 (e) "Wholesaler" means any person who comes into
326 possession of such light wine or beer for the purpose of selling,
327 distributing, or giving it away to retailers or other wholesalers
328 or dealers inside or outside of this state.

329 (f) "Commissioner" means the Commissioner of Revenue of
330 the Department of Revenue or his duly appointed agents or
331 employees.

332 (g) "Sale" includes the exchange of such light wines or
333 beer for money, or giving away or distributing any such light
334 wines or beer for anything of value; however, the term "sale"
335 shall not include beer offered and provided on the premises of a
336 brewery for the purpose of tasting or sampling as authorized in
337 Section 67-3-47.

338 (h) "Light wines or beer" means beer and light wines
339 legalized for sale by the provisions of Chapter 3 of Title 67,
340 Mississippi Code of 1972.

341 (i) "Distributor" includes every person who receives
342 either from within or from without this state, from a brewery, a
343 winery or any other source, light wines or beer as defined in
344 Chapter 3 of Title 67, Mississippi Code of 1972, for the purpose



345 of distributing or otherwise disposing of such light wines or beer
346 to a wholesaler or retailer of such light wines or beer.

347 (j) "Brewpub" means the premises of any * * * location
348 in which light wine or beer is manufactured or brewed, * * * for
349 retail sale if the total amount of light wine or beer produced on
350 the premises does not exceed the production limitation imposed in
351 Section 67-3-22, and the light wine or beer is produced for
352 consumption * * * on the premises * * * or off the premises as
353 authorized in Section 67-3-22(3).

354 (k) "Hospitality cart" means a mobile cart from which
355 alcoholic beverages and light wine and beer are sold on a golf
356 course and for which a hospitality cart permit has been issued
357 under Section 67-1-51.

358 (l) "Small craft brewery" shall have the meaning
359 ascribed to such term in Section 67-3-3.

360 (m) "Manufacturer" means a person who brews beer at a
361 brewery; however, the term does not include "brewpubs".

362 **SECTION 8.** Section 27-71-307, Mississippi Code of 1972, is
363 amended as follows:

364 27-71-307. (1) (a) In addition to the specific tax imposed
365 in Section 27-71-303, there is hereby imposed, levied, assessed
366 and shall be collected, as hereinafter provided, an excise or
367 privilege tax upon each person engaged or continuing in the
368 business of wholesaler or distributor of light wines or beer
369 equivalent to Forty-two and Sixty-eight One-hundredths Cents



370 (42.68¢) per gallon upon all light wines and beer acquired for
371 sale or distribution in this state. * * * The excise or privilege
372 tax is also imposed at the same rate upon each gallon of light
373 wine or beer manufactured by brewpubs, each of which shall
374 accurately and reliably measure the quantity of light wine and
375 beer produced by using a measuring device such as a meter or gauge
376 glass or any other suitable method approved by the commissioner.
377 The excise or privilege tax is also imposed at the same rate upon
378 each gallon of light wine or beer provided by a small craft
379 brewery for sale as authorized under Section 67-3-48 and upon each
380 gallon of light wine or beer provided for tasting or sampling
381 under Section 67-3-47. * * * The tax is hereby imposed as an
382 additional tax for the privilege of engaging or continuing in
383 business.

384 (b) The excise tax imposed in this section shall be
385 paid to the * * * Department of Revenue monthly on or before the
386 fifteenth day of the month following the month in which the beer
387 or light wine was manufactured or received in this state. Monthly
388 report forms shall be furnished by the commissioner to the
389 wholesalers, distributors * * *, brewpubs and small craft
390 breweries.

391 (c) Provided that persons operating a railroad dining
392 car, club car or other car in interstate commerce upon which light
393 wines or beer may be sold and who are licensed under the
394 provisions of Section 67-3-27 and any other law relating to the



395 sale of such beverages shall keep such records of the sales of
396 such light wines and beer in this state as the commissioner shall
397 prescribe and shall submit monthly reports of such sales to the
398 commissioner within fifteen (15) days after the end of each month
399 on a form prescribed therefor by the commissioner, and shall pay
400 the tax due under the provisions of this section at the time such
401 reports are filed.

402 No official crowns, lids, labels or stamps with the word
403 "MISSISSIPPI" or "MS" imprinted thereon or any other evidence of
404 tax payment is required by this section, or may be required under
405 rule or regulation promulgated by the commissioner, to be affixed
406 on or to any part of a beer, light wine or malt cooler bottle, can
407 or other light wine or malt cooler container. For purposes of
408 this section, malt cooler products shall be defined as a flavored
409 malt beverage made from a base of malt beverage and flavored with
410 fruit juices, aromatics and essences of other flavoring in
411 quantities and proportions such that the resulting product
412 possesses a character and flavor distinctive from the base malt
413 beverage and distinguishable from other malt beverages.

414 (2) A licensed wholesaler or distributor of beer or light
415 wine may not import beer or light wine from any source other than
416 a brewer or importer authorized by the commissioner to sell such
417 beer or light wine in Mississippi. Any person who violates the
418 provisions of this subsection, upon conviction thereof, shall be
419 punished by a fine of not more than One Thousand Dollars



420 (\$1,000.00) or by imprisonment in the county jail for not more
421 than six (6) months, or by both such fine and imprisonment, in the
422 discretion of the court and shall be subject to license forfeiture
423 following an appropriate hearing before the * * * Department of
424 Revenue.

425 (3) The wholesaler * * *, distributor or small craft brewery
426 shall be allowed credit for tax paid on beer or light wine which
427 is no longer marketable and which is destroyed by same when such
428 destruction is witnessed by an agent of the commissioner and when
429 the amount of the excise tax exceeds One Hundred Dollars
430 (\$100.00). No other loss will be allowed.

431 A brewpub shall be allowed credit for light wine or beer
432 which has passed through the meter, gauge glass or other approved
433 measuring device and which has been soured or damaged. The
434 brewpub shall record the removal of sour or damaged light wine or
435 beer and may take credit after the destruction is witnessed by an
436 agent of the commissioner and when the amount of excise tax
437 exceeds Twenty-five Dollars (\$25.00). No other loss shall be
438 allowed.

439 (4) All manufacturers, brewers and importers of beer or
440 light wine shall file monthly reports as prescribed by the
441 commissioner listing sales to each wholesaler or distributor by
442 date, invoice number, quantity and container size, and any other
443 information deemed necessary.



444 (5) All small craft breweries shall file monthly reports as
445 prescribed by the commissioner regarding the sale of light wine or
446 beer authorized under Section 67-3-48.

447 (6) Manufacturers who offer and provide limited amounts of
448 beer for tasting or sampling under Section 67-3-47 shall file
449 monthly reports as prescribed by the commissioner regarding the
450 beer provided for such tasting or sampling.

451 (* * *7) All administrative provisions of the Mississippi
452 Sales Tax Law, including those which fix damages, penalties and
453 interest for nonpayment of taxes and for noncompliance with the
454 provisions of such chapter, and all other requirements and duties
455 imposed upon taxpayers, shall apply to all persons liable for
456 taxes under the provisions of this chapter, and the commissioner
457 shall exercise all the power and authority and perform all the
458 duties with respect to taxpayers under this chapter as are
459 provided in the sales tax law except where there is conflict, then
460 the provisions of this chapter shall control.

461 **SECTION 9.** Section 27-71-311, Mississippi Code of 1972, is
462 amended as follows:

463 27-71-311. Before any person shall engage in the business of
464 manufacturing light wines or beer, in the business of wholesaler
465 or distributor of light wines or beer, or in the business of a
466 brewpub, he shall be required to enter into a good and sufficient
467 bond. The bond shall be made payable to the State of Mississippi,
468 in a sum of not less than Five Thousand Dollars (\$5,000.00) nor



469 more than Two Hundred Thousand Dollars (\$200,000.00), the amount
470 to be determined by the commission. The bond of a wholesaler,
471 distributor or brewpub shall not exceed the amount of excise tax
472 estimated to be owed by such wholesaler, distributor or brewpub
473 for any sixty-day period. If a manufacturer is operating a small
474 craft brewery and is distributing light wine or beer for sale as
475 authorized under Section 67-3-48, the manufacturer, in addition to
476 any other required bond, shall enter into a bond not to exceed the
477 amount of excise tax estimated to be owed by such manufacturer for
478 any sixty-day period. The bond shall be conditioned that he will
479 conduct his business strictly in accordance with the laws of the
480 State of Mississippi, and that he will comply with the rules and
481 regulations prescribed by the commissioner, and pay the taxes
482 imposed under the provisions of this article for the privilege of
483 engaging or continuing in such business. Such bond shall be made
484 in a surety company authorized to do business in the State of
485 Mississippi, and shall be approved by the commissioner. The
486 commissioner shall be authorized to institute suit in the proper
487 court on said bond for any violation of the conditions of said
488 bond.

489 **SECTION 10.** Section 27-71-331, Mississippi Code of 1972, is
490 amended as follows:

491 27-71-331. If any manufacturer, wholesaler,
492 distributor * * *, brewpub or small craft brewery, subject to the
493 provisions of this article, shall fail to pay any tax due under



494 the provisions of this article, within the time, and in the
495 manner, herein provided, the commissioner is authorized to assess,
496 and collect, such tax, together with interest thereon from the
497 date such tax became due at the rate of one percent (1%) per
498 month, and in addition to the amount of the tax due and the
499 interest accrued thereon, the commissioner may, in his discretion,
500 assess and collect, from such delinquent taxpayer, a penalty equal
501 to the amount of the tax found to be due.

502 **SECTION 11.** This act shall take effect and be in force from
503 and after July 1, 2017.

