

By: Representatives Smith, Sykes

To: Ways and Means

HOUSE BILL NO. 995

1 AN ACT TO AMEND SECTION 67-1-51, MISSISSIPPI CODE OF 1972, TO
 2 AUTHORIZE THE ISSUANCE OF DISTILLERY RETAILER'S PERMITS UNDER THE
 3 LOCAL OPTION ALCOHOLIC BEVERAGE CONTROL LAW; TO PROVIDE THAT A
 4 DISTILLERY RETAILER'S PERMIT MAY BE ISSUED TO THE HOLDER OF A
 5 CLASS 1 MANUFACTURER'S PERMIT; TO PROVIDE THAT SUCH A PERMIT SHALL
 6 AUTHORIZE THE HOLDER TO SELL AT RETAIL ALCOHOLIC BEVERAGES BY THE
 7 BOTTLE FROM A RETAIL LOCATION AT THE DISTILLERY FOR OFF-PREMISES
 8 CONSUMPTION; TO PROVIDE THAT THE HOURS OF SALE SHALL BE THE SAME
 9 AS THOSE HOURS FOR PACKAGE RETAILERS UNDER THE LOCAL OPTION
 10 ALCOHOLIC BEVERAGE CONTROL LAW; TO PROVIDE THAT THE HOLDER OF A
 11 DISTILLERY RETAILER'S PERMIT ALSO MAY SELL PROMOTIONAL PRODUCTS
 12 FROM THE SAME RETAIL LOCATION, INCLUDING SHIRTS, HATS, GLASSES,
 13 AND OTHER PROMOTIONAL PRODUCTS CUSTOMARILY SOLD BY ALCOHOLIC
 14 BEVERAGE MANUFACTURERS; TO AMEND SECTION 67-1-77, MISSISSIPPI CODE
 15 OF 1972, TO PROVIDE THAT A DISTILLER, WINE MANUFACTURER,
 16 RECTIFIER, BLENDER OR BOTTLER MAY HAVE A FINANCIAL INTEREST IN AND
 17 POSSESS A DISTILLERY RETAILER'S PERMIT; TO AMEND SECTION 27-71-5,
 18 MISSISSIPPI CODE OF 1972, TO PROVIDE THE PRIVILEGE TAX REQUIRED
 19 FOR THE ISSUANCE OF A DISTILLERY RETAILER'S PERMIT; AND FOR
 20 RELATED PURPOSES.

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

22 **SECTION 1.** Section 67-1-51, Mississippi Code of 1972, is
 23 amended as follows:

24 67-1-51. (1) Permits which may be issued by the department
 25 shall be as follows:

26 (a) **Manufacturer's permit.** A manufacturer's permit
 27 shall permit the manufacture, importation in bulk, bottling and



28 storage of alcoholic liquor and its distribution and sale to
29 manufacturers holding permits under this chapter in this state and
30 to persons outside the state who are authorized by law to purchase
31 the same, and to sell exclusively to the department.

32 Manufacturer's permits shall be of the following classes:

33 Class 1. Distiller's and/or rectifier's permit, which shall
34 authorize the holder thereof to operate a distillery for the
35 production of distilled spirits by distillation or redistillation
36 and/or to operate a rectifying plant for the purifying, refining,
37 mixing, blending, flavoring or reducing in proof of distilled
38 spirits and alcohol.

39 Class 2. Wine manufacturer's permit, which shall authorize
40 the holder thereof to manufacture, import in bulk, bottle and
41 store wine or vinous liquor.

42 Class 3. Native wine producer's permit, which shall
43 authorize the holder thereof to produce, bottle, store and sell
44 native wines.

45 (b) **Package retailer's permit.** Except as otherwise
46 provided in this paragraph and Section 67-1-52, a package
47 retailer's permit shall authorize the holder thereof to operate a
48 store exclusively for the sale at retail in original sealed and
49 unopened packages of alcoholic beverages, including native wines,
50 not to be consumed on the premises where sold. Alcoholic
51 beverages shall not be sold by any retailer in any package or
52 container containing less than fifty (50) milliliters by liquid



53 measure. A package retailer's permit, with prior approval from
54 the department, shall authorize the holder thereof to sample new
55 product furnished by a manufacturer's representative or his
56 employees at the permitted place of business so long as the
57 sampling otherwise complies with this chapter and applicable
58 department regulations. Such samples may not be provided to
59 customers at the permitted place of business. In addition to the
60 sale at retail of packages of alcoholic beverages, the holder of a
61 package retailer's permit is authorized to sell at retail
62 corkscrews, wine glasses, soft drinks, ice, juices, mixers and
63 other beverages commonly used to mix with alcoholic beverages.
64 Nonalcoholic beverages sold by the holder of a package retailer's
65 permit shall not be consumed on the premises where sold.

66 (c) **On-premises retailer's permit.** Except as otherwise
67 provided in subsection (5) of this section, an on-premises
68 retailer's permit shall authorize the sale of alcoholic beverages,
69 including native wines, for consumption on the licensed premises
70 only; however, a patron of the permit holder may remove one (1)
71 bottle of wine from the licensed premises if: (i) the patron
72 consumed a portion of the bottle of wine in the course of
73 consuming a meal purchased on the licensed premises; (ii) the
74 permit holder securely reseals the bottle; (iii) the bottle is
75 placed in a bag that is secured in a manner so that it will be
76 visibly apparent if the bag is opened; and (iv) a dated receipt
77 for the wine and the meal is available. Such a permit shall be



78 issued only to qualified hotels, restaurants and clubs, and to
79 common carriers with adequate facilities for serving passengers.
80 In resort areas, whether inside or outside of a municipality, the
81 department, in its discretion, may issue on-premises retailer's
82 permits to such establishments as it deems proper. An on-premises
83 retailer's permit when issued to a common carrier shall authorize
84 the sale and serving of alcoholic beverages aboard any licensed
85 vehicle while moving through any county of the state; however, the
86 sale of such alcoholic beverages shall not be permitted while such
87 vehicle is stopped in a county that has not legalized such sales.

88 (d) **Solicitor's permit.** A solicitor's permit shall
89 authorize the holder thereof to act as salesman for a manufacturer
90 or wholesaler holding a proper permit, to solicit on behalf of his
91 employer orders for alcoholic beverages, and to otherwise promote
92 his employer's products in a legitimate manner. Such a permit
93 shall authorize the representation of and employment by one (1)
94 principal only. However, the permittee may also, in the
95 discretion of the department, be issued additional permits to
96 represent other principals. No such permittee shall buy or sell
97 alcoholic beverages for his own account, and no such beverage
98 shall be brought into this state in pursuance of the exercise of
99 such permit otherwise than through a permit issued to a wholesaler
100 or manufacturer in the state.

101 (e) **Native wine retailer's permit.** Except as otherwise
102 provided in subsection (5) of this section, a native wine



103 retailer's permit shall be issued only to a holder of a Class 3
104 manufacturer's permit, and shall authorize the holder thereof to
105 make retail sales of native wines to consumers for on-premises
106 consumption or to consumers in originally sealed and unopened
107 containers at an establishment located on the premises of or in
108 the immediate vicinity of a native winery.

109 (f) **Temporary retailer's permit.** Except as otherwise
110 provided in subsection (5) of this section, a temporary retailer's
111 permit shall permit the purchase and resale of alcoholic
112 beverages, including native wines, during legal hours on the
113 premises described in the temporary permit only.

114 Temporary retailer's permits shall be of the following
115 classes:

116 Class 1. A temporary one-day permit may be issued to bona
117 fide nonprofit civic or charitable organizations authorizing the
118 sale of alcoholic beverages, including native wine, for
119 consumption on the premises described in the temporary permit
120 only. Class 1 permits may be issued only to applicants
121 demonstrating to the department, by a statement signed under
122 penalty of perjury submitted ten (10) days prior to the proposed
123 date or such other time as the department may determine, that they
124 meet the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2)
125 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59.
126 Class 1 permittees shall obtain all alcoholic beverages from
127 package retailers located in the county in which the temporary



128 permit is issued. Alcoholic beverages remaining in stock upon
129 expiration of the temporary permit may be returned by the
130 permittee to the package retailer for a refund of the purchase
131 price upon consent of the package retailer or may be kept by the
132 permittee exclusively for personal use and consumption, subject to
133 all laws pertaining to the illegal sale and possession of
134 alcoholic beverages. The department, following review of the
135 statement provided by the applicant and the requirements of the
136 applicable statutes and regulations, may issue the permit.

137 Class 2. A temporary permit, not to exceed seventy (70)
138 days, may be issued to prospective permittees seeking to transfer
139 a permit authorized in paragraph (c) of this subsection. A Class
140 2 permit may be issued only to applicants demonstrating to the
141 department, by a statement signed under the penalty of perjury,
142 that they meet the qualifications of Sections 67-1-5(1), (m), (n),
143 (o), (p) or (q), 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 and
144 67-1-59. The department, following a preliminary review of the
145 statement provided by the applicant and the requirements of the
146 applicable statutes and regulations, may issue the permit.

147 Class 2 temporary permittees must purchase their alcoholic
148 beverages directly from the department or, with approval of the
149 department, purchase the remaining stock of the previous
150 permittee. If the proposed applicant of a Class 1 or Class 2
151 temporary permit falsifies information contained in the
152 application or statement, the applicant shall never again be



153 eligible for a retail alcohol beverage permit and shall be subject
154 to prosecution for perjury.

155 Class 3. A temporary one-day permit may be issued to a
156 retail establishment authorizing the complimentary distribution of
157 wine, including native wine, to patrons of the retail
158 establishment at an open house or promotional event, for
159 consumption only on the premises described in the temporary
160 permit. A Class 3 permit may be issued only to an applicant
161 demonstrating to the department, by a statement signed under
162 penalty of perjury submitted ten (10) days before the proposed
163 date or such other time as the department may determine, that it
164 meets the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2)
165 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59.
166 A Class 3 permit holder shall obtain all alcoholic beverages from
167 the holder(s) of a package retailer's permit located in the county
168 in which the temporary permit is issued. Wine remaining in stock
169 upon expiration of the temporary permit may be returned by the
170 Class 3 temporary permit holder to the package retailer for a
171 refund of the purchase price, with consent of the package
172 retailer, or may be kept by the Class 3 temporary permit holder
173 exclusively for personal use and consumption, subject to all laws
174 pertaining to the illegal sale and possession of alcoholic
175 beverages. The department, following review of the statement
176 provided by the applicant and the requirements of the applicable
177 statutes and regulations, may issue the permit. No retailer may



178 receive more than twelve (12) Class 3 temporary permits in a
179 calendar year. A Class 3 temporary permit shall not be issued to
180 a retail establishment that either holds a merchant permit issued
181 under paragraph (1) of this subsection, or holds a permit issued
182 under Chapter 3, Title 67, Mississippi Code of 1972, authorizing
183 the holder to engage in the business of a retailer of light wine
184 or beer.

185 (g) **Caterer's permit.** A caterer's permit shall permit
186 the purchase of alcoholic beverages by a person engaging in
187 business as a caterer and the resale of alcoholic beverages by
188 such person in conjunction with such catering business. No person
189 shall qualify as a caterer unless forty percent (40%) or more of
190 the revenue derived from such catering business shall be from the
191 serving of prepared food and not from the sale of alcoholic
192 beverages and unless such person has obtained a permit for such
193 business from the Department of Health. A caterer's permit shall
194 not authorize the sale of alcoholic beverages on the premises of
195 the person engaging in business as a caterer; however, the holder
196 of an on-premises retailer's permit may hold a caterer's permit.
197 When the holder of an on-premises retailer's permit or an
198 affiliated entity of the holder also holds a caterer's permit, the
199 caterer's permit shall not authorize the service of alcoholic
200 beverages on a consistent, recurring basis at a separate, fixed
201 location owned or operated by the caterer, on-premises retailer or
202 affiliated entity and an on-premises retailer's permit shall be



203 required for the separate location. All sales of alcoholic
204 beverages by holders of a caterer's permit shall be made at the
205 location being catered by the caterer, and, except as otherwise
206 provided in subsection (5) of this section, such sales may be made
207 only for consumption at the catered location. The location being
208 catered may be anywhere within a county or judicial district that
209 has voted to come out from under the dry laws or in which the
210 sale, distribution and possession of alcoholic beverages is
211 otherwise authorized by law. Such sales shall be made pursuant to
212 any other conditions and restrictions which apply to sales made by
213 on-premises retail permittees. The holder of a caterer's permit
214 or his employees shall remain at the catered location as long as
215 alcoholic beverages are being sold pursuant to the permit issued
216 under this paragraph (g), and the permittee shall have at the
217 location the identification card issued by the Alcoholic Beverage
218 Control Division of the department. No unsold alcoholic beverages
219 may be left at the catered location by the permittee upon the
220 conclusion of his business at that location. Appropriate law
221 enforcement officers and Alcoholic Beverage Control Division
222 personnel may enter a catered location on private property in
223 order to enforce laws governing the sale or serving of alcoholic
224 beverages.

225 (h) **Research permit.** A research permit shall authorize
226 the holder thereof to operate a research facility for the
227 professional research of alcoholic beverages. Such permit shall



228 authorize the holder of the permit to import and purchase limited
229 amounts of alcoholic beverages from the department or from
230 importers, wineries and distillers of alcoholic beverages for
231 professional research.

232 (i) **Alcohol processing permit.** An alcohol processing
233 permit shall authorize the holder thereof to purchase, transport
234 and possess alcoholic beverages for the exclusive use in cooking,
235 processing or manufacturing products which contain alcoholic
236 beverages as an integral ingredient. An alcohol processing permit
237 shall not authorize the sale of alcoholic beverages on the
238 premises of the person engaging in the business of cooking,
239 processing or manufacturing products which contain alcoholic
240 beverages. The amounts of alcoholic beverages allowed under an
241 alcohol processing permit shall be set by the department.

242 (j) **Hospitality cart permit.** A hospitality cart permit
243 shall authorize the sale of alcoholic beverages from a mobile cart
244 on a golf course that is the holder of an on-premises retailer's
245 permit. The alcoholic beverages sold from the cart must be
246 consumed within the boundaries of the golf course.

247 (k) **Special service permit.** A special service permit
248 shall authorize the holder to sell commercially sealed alcoholic
249 beverages to the operator of a commercial or private aircraft for
250 en route consumption only by passengers. A special service permit
251 shall be issued only to a fixed-base operator who contracts with



252 an airport facility to provide fueling and other associated
253 services to commercial and private aircraft.

254 (1) **Merchant permit.** Except as otherwise provided in
255 subsection (5) of this section, a merchant permit shall be issued
256 only to the owner of a spa facility, an art studio or gallery, or
257 a cooking school, and shall authorize the holder to serve
258 complimentary by the glass wine only, including native wine, at
259 the holder's spa facility, art studio or gallery, or cooking
260 school. A merchant permit holder shall obtain all wine from the
261 holder of a package retailer's permit.

262 (m) **Temporary wine charitable auction permit.** A
263 temporary permit, not to exceed five (5) days, may be issued to a
264 qualifying charitable nonprofit organization that is exempt from
265 taxation under Section 501(c)(3) or (4) of the Internal Revenue
266 Code of 1986. The permit shall authorize the holder to sell wine
267 for the limited purpose of raising funds for the organization
268 during a live or silent auction that is conducted by the
269 organization and that meets the following requirements: (i) the
270 auction is conducted in an area of the state where the sale of
271 wine is authorized; (ii) if the auction is conducted on the
272 premises of an on-premises retailer's permit holder, then the wine
273 to be auctioned must be stored separately from the wine sold,
274 stored or served on the premises, must be removed from the
275 premises immediately following the auction, and may not be
276 consumed on the premises; (iii) the permit holder may not conduct



277 more than two (2) auctions during a calendar year; (iv) the permit
278 holder may not pay a commission or promotional fee to any person
279 to arrange or conduct the auction.

280 (n) **Event venue retailer's permit.** An event venue
281 retailer's permit shall authorize the holder thereof to purchase
282 and resell alcoholic beverages, including native wines, for
283 consumption on the premises during legal hours during events held
284 on the licensed premises if food is being served at the event by a
285 caterer who is not affiliated with or related to the permittee.
286 The caterer must serve at least three (3) entrees. The permit may
287 only be issued for venues that can accommodate two hundred (200)
288 persons or more. The number of persons a venue may accommodate
289 shall be determined by the local fire department and such
290 determination shall be provided in writing and submitted along
291 with all other documents required to be provided for an
292 on-premises retailer's permit. The permittee must derive the
293 majority of its revenue from event-related fees, including, but
294 not limited to, admission fees or ticket sales for live
295 entertainment in the building. "Event-related fees" do not
296 include alcohol, beer or light wine sales or any fee which may be
297 construed to cover the cost of alcohol, beer or light wine. This
298 determination shall be made on a per event basis. An event may
299 not last longer than two (2) consecutive days per week.

300 (o) **Temporary theatre permit.** A temporary theatre
301 permit, not to exceed five (5) days, may be issued to a charitable



302 nonprofit organization that is exempt from taxation under Section
303 501(c)(3) or (4) of the Internal Revenue Code and owns or operates
304 a theatre facility that features plays and other theatrical
305 performances and productions. Except as otherwise provided in
306 subsection (5) of this section, the permit shall authorize the
307 holder to sell alcoholic beverages, including native wines, to
308 patrons of the theatre during performances and productions at the
309 theatre facility for consumption during such performances and
310 productions on the premises of the facility described in the
311 permit. A temporary theatre permit holder shall obtain all
312 alcoholic beverages from package retailers located in the county
313 in which the permit is issued. Alcoholic beverages remaining in
314 stock upon expiration of the temporary theatre permit may be
315 returned by the permittee to the package retailer for a refund of
316 the purchase price upon consent of the package retailer or may be
317 kept by the permittee exclusively for personal use and
318 consumption, subject to all laws pertaining to the illegal sale
319 and possession of alcoholic beverages.

320 (p) **Charter ship operator's permit.** Subject to the
321 provisions of this paragraph (p), a charter ship operator's permit
322 shall authorize the holder thereof and its employees to serve,
323 monitor, store and otherwise control the serving and availability
324 of alcoholic beverages to customers of the permit holder during
325 private charters under contract provided by the permit holder. A
326 charter ship operator's permit shall authorize such action by the



327 permit holder and its employees only as to alcoholic beverages
328 brought onto the permit holder's ship by customers of the permit
329 holder as part of such a private charter. All such alcoholic
330 beverages must be removed from the charter ship at the conclusion
331 of each private charter. A charter ship operator's permit shall
332 not authorize the permit holder to sell, charge for or otherwise
333 supply alcoholic beverages to customers, except as authorized in
334 this paragraph (p). For the purposes of this paragraph (p),
335 "charter ship operator" means a common carrier that (i) is
336 certified to carry at least one hundred fifty (150) passengers
337 and/or provide overnight accommodations for at least fifty (50)
338 passengers, (ii) operates only in the waters within the State of
339 Mississippi, which lie adjacent to the State of Mississippi south
340 of the three (3) most southern counties in the State of
341 Mississippi, and (iii) provides charters under contract for tours
342 and trips in such waters.

343 (q) **Distillery Retailer's Permit.** The holder of a
344 Class 1 manufacturer's permit may obtain a distillery retailer's
345 permit. A distillery retailer's permit shall authorize the holder
346 thereof to sell at retail alcoholic beverages by the sealed and
347 unopened bottle from a retail location at the distillery for
348 off-premises consumption. The holder may only sell product
349 manufactured by the manufacturer at the distillery described in
350 the permit. The hours of sale shall be the same as those hours
351 for package retailers under this chapter. A distillery retailer's



352 permit does not authorize the holder to sell alcoholic beverages
353 not purchased from the department's liquor distribution center.
354 In addition to alcoholic beverages, the holder of a distillery
355 retailer's permit may sell at retail promotional products from the
356 same retail location, including shirts, hats, glasses, and other
357 promotional products customarily sold by alcoholic beverage
358 manufacturers.

359 (2) Except as otherwise provided in subsection (4) of this
360 section, retail permittees may hold more than one (1) retail
361 permit, at the discretion of the department.

362 (3) Except as otherwise provided in this subsection, no
363 authority shall be granted to any person to manufacture, sell or
364 store for sale any intoxicating liquor as specified in this
365 chapter within four hundred (400) feet of any church, school,
366 kindergarten or funeral home. However, within an area zoned
367 commercial or business, such minimum distance shall be not less
368 than one hundred (100) feet.

369 A church or funeral home may waive the distance restrictions
370 imposed in this subsection in favor of allowing issuance by the
371 department of a permit, pursuant to subsection (1) of this
372 section, to authorize activity relating to the manufacturing, sale
373 or storage of alcoholic beverages which would otherwise be
374 prohibited under the minimum distance criterion. Such waiver
375 shall be in written form from the owner, the governing body, or
376 the appropriate officer of the church or funeral home having the



377 authority to execute such a waiver, and the waiver shall be filed
378 with and verified by the department before becoming effective.

379 The distance restrictions imposed in this subsection shall
380 not apply to the sale or storage of alcoholic beverages at a bed
381 and breakfast inn listed in the National Register of Historic
382 Places or to the sale or storage of alcoholic beverages in a
383 historic district that is listed in the National Register of
384 Historic Places, is a qualified resort area and is located in a
385 municipality having a population greater than one hundred thousand
386 (100,000) according to the latest federal decennial census.

387 (4) No person, either individually or as a member of a firm,
388 partnership, limited liability company or association, or as a
389 stockholder, officer or director in a corporation, shall own or
390 control any interest in more than one (1) package retailer's
391 permit, nor shall such person's spouse, if living in the same
392 household of such person, any relative of such person, if living
393 in the same household of such person, or any other person living
394 in the same household with such person own any interest in any
395 other package retailer's permit.

396 (5) (a) In addition to any other authority granted under
397 this section, the holder of a permit issued under subsection
398 (1)(c), (e), (f), (g), (l), (n) and/or (o) of this section may
399 sell or otherwise provide alcoholic beverages and/or wine to a
400 patron of the permit holder in the manner authorized in the permit
401 and the patron may remove an open glass, cup or other container of



402 the alcoholic beverage and/or wine from the licensed premises and
403 may possess and consume the alcoholic beverage or wine outside of
404 the licensed premises if: (i) the licensed premises is located
405 within a leisure and recreation district created under Section
406 67-1-101 and (ii) the patron remains within the boundaries of the
407 leisure and recreation district while in possession of the
408 alcoholic beverage or wine.

409 (b) Nothing in this subsection shall be construed to
410 allow a person to bring any alcoholic beverages into a permitted
411 premises except to the extent otherwise authorized by this
412 chapter.

413 **SECTION 2.** Section 67-1-77, Mississippi Code of 1972, is
414 amended as follows:

415 67-1-77. (1) It shall be unlawful for the holder of a
416 manufacturer's or wholesaler's permit, or anyone connected with
417 the business of such holder, or for any other distiller, wine
418 manufacturer, * * * ~~brewer~~, rectifier, blender or bottler, to have
419 any financial interest in any premises upon which any alcoholic
420 beverage is sold at retail by any permittee, or in the business
421 conducted by such permittee, except that:

422 (a) The holder of a manufacturer's or wholesaler's
423 permit may contract for the service of a representative in the
424 area of governmental affairs on a part-time basis with a holder of
425 an on-premises permit.



426 (b) A distiller, wine manufacturer, * * *~~brewer,~~
427 rectifier, blender or bottler may have a financial interest in a
428 premises upon which alcoholic beverages are sold at retail by a
429 permittee, or in the business conducted by a permittee, if the
430 permittee does not sell or serve any alcoholic beverages that are
431 distilled, manufactured, * * *~~brewed,~~ rectified, blended or
432 bottled by the distiller, wine manufacturer, * * *~~brewer,~~
433 rectifier, blender or bottler having the financial interest in the
434 premises or in the business conducted by a permittee.

435 (c) A distiller, wine manufacturer, rectifier, blender
436 or bottler may have a financial interest in and possess a
437 distillery retailer's permit.

438 (2) It shall also be unlawful for any such person, or anyone
439 connected with his, its, or their business to lend any money or
440 make any gift or offer any gratuity, to any retail permittee,
441 except as authorized by regulations of the commission, to the
442 holder of any retail permit issued under the provisions of this
443 chapter. Except as above provided, no retail permittee shall
444 accept, receive, or make use of any money or gift furnished by any
445 such person, or become indebted to such person except for the
446 purchase of alcoholic beverages.

447 (3) The commission shall not prohibit the furnishing of
448 advertising specialties, printed materials, or other things having
449 nominal value to a retail permittee. This section shall not be
450 construed to prohibit the possession by any person of advertising



451 specialties, printed materials, or other things having nominal
452 value furnished by a retail permittee.

453 (4) Any person violating the provisions of this section
454 shall, upon conviction, be punished by a fine of not more than
455 Five Thousand Dollars (\$5,000.00) or by imprisonment for not more
456 than two (2) years, or by both such fine and imprisonment, in the
457 discretion of the court.

458 **SECTION 3.** Section 27-71-5, Mississippi Code of 1972, is
459 amended as follows:

460 27-71-5. (1) Upon each person approved for a permit under
461 the provisions of the Alcoholic Beverage Control Law and
462 amendments thereto, there is levied and imposed for each location
463 for the privilege of engaging and continuing in this state in the
464 business authorized by such permit, an annual privilege license
465 tax in the amount provided in the following schedule:

- 466 (a) Except as otherwise provided in this subsection
467 (1), manufacturer's permit, Class 1, distiller's and/or
468 rectifier's.....\$4,500.00
- 469 (b) Manufacturer's permit, Class 2, wine
470 manufacturer.....\$1,800.00
- 471 (c) Manufacturer's permit, Class 3, native wine
472 manufacturer per ten thousand (10,000) gallons or part thereof
473 produced.....\$ 10.00
- 474 (d) Native wine retailer's permit.....\$ 50.00
- 475 (e) Package retailer's permit, each.....\$ 900.00



476 (f) On-premises retailer's permit, except for clubs and
477 common carriers, each.....\$ 450.00

478 (g) On-premises retailer's permit for wine of more than
479 five percent (5%) alcohol by weight, but not more than twenty-one
480 percent (21%) alcohol by weight, each.....\$ 225.00

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

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

484 (j) Solicitor's permit, regardless of any other
485 provision of law, solicitor's permits shall be issued only in the
486 discretion of the department.....\$ 100.00

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

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

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

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

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

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

495 (p) Temporary permit, Class 3 (wine only).....\$ 10.00

496 (q) Special service permit.....\$ 225.00

497 (r) Merchant permit.....\$ 225.00

498 (s) Temporary wine charitable auction permit..\$ 10.00

499 (t) Event venue retailer's permit.....\$ 225.00

500 (u) Temporary theatre permit, each.....\$ 10.00



501 (v) Charter ship operator's permit.....\$ 100.00

502 (w) Distillery retailer's permit.....\$ 450.00

503 If a person approved for a manufacturer's permit, Class 1,
504 distiller's permit produces a product with at least fifty-one
505 percent (51%) of the finished product by volume being obtained
506 from alcoholic fermentation of grapes, fruits, berries, honey
507 and/or vegetables grown and produced in Mississippi, and produces
508 all of the product by using not more than one (1) still having a
509 maximum capacity of one hundred fifty (150) liters, the annual
510 privilege license tax for such a permit shall be Ten Dollars
511 (\$10.00) per ten thousand (10,000) gallons or part thereof
512 produced. Bulk, concentrated or fortified ingredients used for
513 blending may be produced outside this state and used in producing
514 such a product.

515 In addition to the filing fee imposed by paragraph (k) of
516 this subsection, a fee to be determined by the Department of
517 Revenue may be charged to defray costs incurred to process
518 applications. The additional fees shall be paid into the State
519 Treasury to the credit of a special fund account, which is hereby
520 created, and expenditures therefrom shall be made only to defray
521 the costs incurred by the Department of Revenue in processing
522 alcoholic beverage applications. Any unencumbered balance
523 remaining in the special fund account on June 30 of any fiscal
524 year shall lapse into the State General Fund.



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

529 (2) (a) There is imposed and shall be collected from each
530 permittee, except a common carrier, solicitor or a temporary
531 permittee, by the department, an additional license tax equal to
532 the amounts imposed under subsection (1) of this section for the
533 privilege of doing business within any municipality or county in
534 which the licensee is located.

535 (b) (i) In addition to the tax imposed in paragraph
536 (a) of this subsection, there is imposed and shall be collected by
537 the department from each permittee described in subsection (1)(f),
538 (g), (h), (m) and (t) of this section, an additional license tax
539 for the privilege of doing business within any municipality or
540 county in which the licensee is located in the amount of Two
541 Hundred Twenty-five Dollars (\$225.00) on purchases exceeding Five
542 Thousand Dollars (\$5,000.00) and Two Hundred Twenty-five Dollars
543 (\$225.00) for each additional purchase of Five Thousand Dollars
544 (\$5,000.00), or fraction thereof.

545 (ii) In addition to the tax imposed in paragraph
546 (a) of this subsection, there is imposed and shall be collected by
547 the department from each permittee described in subsection (1)(n)
548 and (r) of this section, an additional license tax for the
549 privilege of doing business within any municipality or county in



550 which the licensee is located in the amount of Two Hundred Fifty
551 Dollars (\$250.00) on purchases exceeding Five Thousand Dollars
552 (\$5,000.00) and Two Hundred Twenty-five Dollars (\$225.00) for each
553 additional purchase of Five Thousand Dollars (\$5,000.00), or
554 fraction thereof.

555 (iii) Any person who has paid the additional
556 privilege license tax imposed by this paragraph, and whose permit
557 is renewed, may add any unused fraction of Five Thousand Dollars
558 (\$5,000.00) purchases to the first Five Thousand Dollars
559 (\$5,000.00) purchases authorized by the renewal permit, and no
560 additional license tax will be required until purchases exceed the
561 sum of the two (2) figures.

562 (c) If the licensee is located within a municipality,
563 the department shall pay the amount of additional license tax
564 collected under this section to the municipality, and if outside a
565 municipality the department shall pay the additional license tax
566 to the county in which the licensee is located. Payments by the
567 department to the respective local government subdivisions shall
568 be made once each month for any collections during the preceding
569 month.

570 (3) When an application for any permit, other than for
571 renewal of a permit, has been rejected by the department, such
572 decision shall be final. Appeal may be made in the manner
573 provided by Section 67-1-39. Another application from an



574 applicant who has been denied a permit shall not be reconsidered
575 within a twelve-month period.

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

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

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

597 **SECTION 4.** This act shall take effect and be in force from
598 and after July 1, 2018.

