

By: Representative Zuber

To: Ways and Means

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 171

1 AN ACT TO AMEND SECTION 27-71-5, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE AMOUNT OF THE ANNUAL PRIVILEGE LICENSE TAX IMPOSED ON
3 HOLDERS OF A MANUFACTURER'S PERMIT, CLASS 1, DISTILLER'S AND/OR
4 RECTIFIER'S PERMIT UNDER THE LOCAL OPTION ALCOHOLIC BEVERAGE
5 CONTROL LAW; 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) Except as otherwise provided in this subsection
16 (1), manufacturer's permit, Class 1, distiller's and/or
17 rectifier's..... * * * \$1,800.00

18 (b) Manufacturer's permit, Class 2, wine
19 manufacturer.....\$1,800.00



20	(c) Manufacturer's permit, Class 3, native wine	
21	manufacturer per ten thousand (10,000) gallons or part thereof	
22	produced.....	\$ 10.00
23	(d) Native wine retailer's permit.....	\$ 50.00
24	(e) Package retailer's permit, each.....	\$ 900.00
25	(f) On-premises retailer's permit, except for clubs and	
26	common carriers, each.....	\$ 450.00
27	(g) On-premises retailer's permit for wine of more than	
28	five percent (5%) alcohol by weight, but not more than twenty-one	
29	percent (21%) alcohol by weight, each.....	\$ 225.00
30	(h) On-premises retailer's permit for clubs...	\$ 225.00
31	(i) On-premises retailer's permit for common carriers,	
32	per car, plane, or other vehicle.....	\$ 120.00
33	(j) Solicitor's permit, regardless of any other	
34	provision of law, solicitor's permits shall be issued only in the	
35	discretion of the department.....	\$ 100.00
36	(k) Filing fee for each application except for an	
37	employee identification card.....	\$ 25.00
38	(l) Temporary permit, Class 1, each.....	\$ 10.00
39	(m) Temporary permit, Class 2, each.....	\$ 50.00
40	(n) (i) Caterer's permit.....	\$ 600.00
41	(ii) Caterer's permit for holders of on-premises	
42	retailer's permit.....	\$ 150.00
43	(o) Research permit.....	\$ 100.00
44	(p) Temporary permit, Class 3 (wine only).....	\$ 10.00



45	(q)	Special service permit.....	\$ 225.00
46	(r)	Merchant permit.....	\$ 225.00
47	(s)	Temporary wine charitable auction permit..	\$ 10.00
48	(t)	Event venue retailer's permit.....	\$ 225.00
49	(u)	Temporary theatre permit, each.....	\$ 10.00
50	(v)	Charter ship operator's permit.....	\$ 100.00

51 If a person approved for a manufacturer's permit, Class 1,
52 distiller's permit produces a product with at least fifty-one
53 percent (51%) of the finished product by volume being obtained
54 from alcoholic fermentation of grapes, fruits, berries, honey
55 and/or vegetables grown and produced in Mississippi, and produces
56 all of the product by using not more than one (1) still having a
57 maximum capacity of one hundred fifty (150) liters, the annual
58 privilege license tax for such a permit shall be Ten Dollars
59 (\$10.00) per ten thousand (10,000) gallons or part thereof
60 produced. Bulk, concentrated or fortified ingredients used for
61 blending may be produced outside this state and used in producing
62 such a product.

63 In addition to the filing fee imposed by paragraph (k) of
64 this subsection, a fee to be determined by the Department of
65 Revenue may be charged to defray costs incurred to process
66 applications. The additional fees shall be paid into the State
67 Treasury to the credit of a special fund account, which is hereby
68 created, and expenditures therefrom shall be made only to defray
69 the costs incurred by the Department of Revenue in processing



70 alcoholic beverage applications. Any unencumbered balance
71 remaining in the special fund account on June 30 of any fiscal
72 year shall lapse into the State General Fund.

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

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

83 (b) (i) In addition to the tax imposed in paragraph
84 (a) of this subsection, there is imposed and shall be collected by
85 the department from each permittee described in subsection (1)(f),
86 (g), (h), (m) and (t) of this section, an additional license tax
87 for the privilege of doing business within any municipality or
88 county in which the licensee is located in the amount of Two
89 Hundred Twenty-five Dollars (\$225.00) on purchases exceeding Five
90 Thousand Dollars (\$5,000.00) and Two Hundred Twenty-five Dollars
91 (\$225.00) for each additional purchase of Five Thousand Dollars
92 (\$5,000.00), or fraction thereof.

93 (ii) In addition to the tax imposed in paragraph
94 (a) of this subsection, there is imposed and shall be collected by



95 the department from each permittee described in subsection (1)(n)
96 and (r) of this section, an additional license tax for the
97 privilege of doing business within any municipality or county in
98 which the licensee is located in the amount of Two Hundred Fifty
99 Dollars (\$250.00) on purchases exceeding Five Thousand Dollars
100 (\$5,000.00) and Two Hundred Twenty-five Dollars (\$225.00) for each
101 additional purchase of Five Thousand Dollars (\$5,000.00), or
102 fraction thereof.

103 (iii) Any person who has paid the additional
104 privilege license tax imposed by this paragraph, and whose permit
105 is renewed, may add any unused fraction of Five Thousand Dollars
106 (\$5,000.00) purchases to the first Five Thousand Dollars
107 (\$5,000.00) purchases authorized by the renewal permit, and no
108 additional license tax will be required until purchases exceed the
109 sum of the two (2) figures.

110 (c) If the licensee is located within a municipality,
111 the department shall pay the amount of additional license tax
112 collected under this section to the municipality, and if outside a
113 municipality the department shall pay the additional license tax
114 to the county in which the licensee is located. Payments by the
115 department to the respective local government subdivisions shall
116 be made once each month for any collections during the preceding
117 month.

118 (3) When an application for any permit, other than for
119 renewal of a permit, has been rejected by the department, such



120 decision shall be final. Appeal may be made in the manner
121 provided by Section 67-1-39. Another application from an
122 applicant who has been denied a permit shall not be reconsidered
123 within a twelve-month period.

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

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

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



145 **SECTION 2.** This act shall take effect and be in force from
146 and after July 1, 2018.

