

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

