

By: Representative Bennett

To: Ways and Means

HOUSE BILL NO. 1216

1 AN ACT TO AMEND SECTION 67-1-51, MISSISSIPPI CODE OF 1972, TO
 2 AUTHORIZE THE ISSUANCE OF TOURISM PERMITS TO TOURISM DEVELOPMENTS;
 3 TO PROVIDE THAT A TOURISM PERMIT AUTHORIZES THE HOLDER TO SELL
 4 ALCOHOLIC BEVERAGES BY THE DRINK, TO OFFER OF COMPLEMENTARY
 5 SAMPLES OF ALCOHOLIC BEVERAGE PRODUCTS AND SELL AT RETAIL
 6 ALCOHOLIC BEVERAGE PRODUCTS IN ORIGINAL SEALED AND UNOPENED
 7 PACKAGES CONTAINING NOT LESS THAN 50 MILLILITERS BY LIQUID
 8 MEASURE; TO PROVIDE THAT SALES OF ALCOHOLIC BEVERAGES AND THE
 9 OFFERING OF COMPLEMENTARY SAMPLES MAY OCCUR AT ANY LOCATION ON THE
 10 PREMISES OF THE TOURISM DEVELOPMENT SO LONG AS COMMON OWNERSHIP OF
 11 THE PREMISES EXISTS; TO PROVIDE THAT A THE TERM "TOURISM
 12 DEVELOPMENT" MEANS A PREMISES CONTAINING NOT LESS THAN 300 HOTEL
 13 ROOMS OR SUITES, RETAIL SHOPS, THEATER, LOUNGE OR OTHER
 14 ENTERTAINMENT VENUES AND NOT LESS THAN TWO RESTAURANTS; TO PROVIDE
 15 THAT A TOURISM DEVELOPMENT MAY INCLUDE, BUT NOT BE LIMITED TO,
 16 AMENITIES SUCH AS A SPA, GOLF COURSE, CASINO, BEAUTY SALON, COFFEE
 17 SHOP, MARINA, POOL, SNACK BAR AND BEACH AREA; TO AMEND SECTION
 18 67-1-71, MISSISSIPPI CODE OF 1972, TO PROVIDE PENALTIES FOR
 19 NONCOMPLIANCE WITH THE REQUIREMENTS OF A TOURISM PERMIT; TO AMEND
 20 SECTION 27-71-5, MISSISSIPPI CODE OF 1972, TO PROVIDE THE FEE FOR
 21 A TOURISM PERMIT; AND FOR RELATED PURPOSES.

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

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

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



27 (a) **Manufacturer's permit.** A manufacturer's permit
28 shall permit the manufacture, importation in bulk, bottling and
29 storage of alcoholic liquor and its distribution and sale to
30 manufacturers holding permits under this chapter in this state and
31 to persons outside the state who are authorized by law to purchase
32 the same, and to sell exclusively to the department.

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

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

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

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

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



52 beverages shall not be sold by any retailer in any package or
53 container containing less than fifty (50) milliliters by liquid
54 measure. A package retailer's permit, with prior approval from
55 the department, shall authorize the holder thereof to sample new
56 product furnished by a manufacturer's representative or his
57 employees at the permitted place of business so long as the
58 sampling otherwise complies with this chapter and applicable
59 department regulations. Such samples may not be provided to
60 customers at the permitted place of business. In addition to the
61 sale at retail of packages of alcoholic beverages, the holder of a
62 package retailer's permit is authorized to sell at retail
63 corkscrews, wine glasses, soft drinks, ice, juices, mixers and
64 other beverages commonly used to mix with alcoholic beverages.
65 Nonalcoholic beverages sold by the holder of a package retailer's
66 permit shall not be consumed on the premises where sold.

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



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

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



102 (e) **Native wine retailer's permit.** Except as otherwise
103 provided in subsection (5) of this section, a native wine
104 retailer's permit shall be issued only to a holder of a Class 3
105 manufacturer's permit, and shall authorize the holder thereof to
106 make retail sales of native wines to consumers for on-premises
107 consumption or to consumers in originally sealed and unopened
108 containers at an establishment located on the premises of or in
109 the immediate vicinity of a native winery.

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

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

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



127 Class 1 permittees shall obtain all alcoholic beverages from
128 package retailers located in the county in which the temporary
129 permit is issued. Alcoholic beverages remaining in stock upon
130 expiration of the temporary permit may be returned by the
131 permittee to the package retailer for a refund of the purchase
132 price upon consent of the package retailer or may be kept by the
133 permittee exclusively for personal use and consumption, subject to
134 all laws pertaining to the illegal sale and possession of
135 alcoholic beverages. The department, following review of the
136 statement provided by the applicant and the requirements of the
137 applicable statutes and regulations, may issue the permit.

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

148 Class 2 temporary permittees must purchase their alcoholic
149 beverages directly from the department or, with approval of the
150 department, purchase the remaining stock of the previous
151 permittee. If the proposed applicant of a Class 1 or Class 2



152 temporary permit falsifies information contained in the
153 application or statement, the applicant shall never again be
154 eligible for a retail alcohol beverage permit and shall be subject
155 to prosecution for perjury.

156 Class 3. A temporary one-day permit may be issued to a
157 retail establishment authorizing the complimentary distribution of
158 wine, including native wine, to patrons of the retail
159 establishment at an open house or promotional event, for
160 consumption only on the premises described in the temporary
161 permit. A Class 3 permit may be issued only to an applicant
162 demonstrating to the department, by a statement signed under
163 penalty of perjury submitted ten (10) days before the proposed
164 date or such other time as the department may determine, that it
165 meets the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2)
166 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59.
167 A Class 3 permit holder shall obtain all alcoholic beverages from
168 the holder(s) of a package retailer's permit located in the county
169 in which the temporary permit is issued. Wine remaining in stock
170 upon expiration of the temporary permit may be returned by the
171 Class 3 temporary permit holder to the package retailer for a
172 refund of the purchase price, with consent of the package
173 retailer, or may be kept by the Class 3 temporary permit holder
174 exclusively for personal use and consumption, subject to all laws
175 pertaining to the illegal sale and possession of alcoholic
176 beverages. The department, following review of the statement



177 provided by the applicant and the requirements of the applicable
178 statutes and regulations, may issue the permit. No retailer may
179 receive more than twelve (12) Class 3 temporary permits in a
180 calendar year. A Class 3 temporary permit shall not be issued to
181 a retail establishment that either holds a merchant permit issued
182 under paragraph (1) of this subsection, or holds a permit issued
183 under Chapter 3, Title 67, Mississippi Code of 1972, authorizing
184 the holder to engage in the business of a retailer of light wine
185 or beer.

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



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



226 (h) **Research permit.** A research permit shall authorize
227 the holder thereof to operate a research facility for the
228 professional research of alcoholic beverages. Such permit shall
229 authorize the holder of the permit to import and purchase limited
230 amounts of alcoholic beverages from the department or from
231 importers, wineries and distillers of alcoholic beverages for
232 professional research.

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

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

248 (k) **Special service permit.** A special service permit
249 shall authorize the holder to sell commercially sealed alcoholic
250 beverages to the operator of a commercial or private aircraft for



251 en route consumption only by passengers. A special service permit
252 shall be issued only to a fixed-base operator who contracts with
253 an airport facility to provide fueling and other associated
254 services to commercial and private aircraft.

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

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



276 premises immediately following the auction, and may not be
277 consumed on the premises; (iii) the permit holder may not conduct
278 more than two (2) auctions during a calendar year; (iv) the permit
279 holder may not pay a commission or promotional fee to any person
280 to arrange or conduct the auction.

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



301 (o) **Temporary theatre permit.** A temporary theatre
302 permit, not to exceed five (5) days, may be issued to a charitable
303 nonprofit organization that is exempt from taxation under Section
304 501(c) (3) or (4) of the Internal Revenue Code and owns or operates
305 a theatre facility that features plays and other theatrical
306 performances and productions. Except as otherwise provided in
307 subsection (5) of this section, the permit shall authorize the
308 holder to sell alcoholic beverages, including native wines, to
309 patrons of the theatre during performances and productions at the
310 theatre facility for consumption during such performances and
311 productions on the premises of the facility described in the
312 permit. A temporary theatre permit holder shall obtain all
313 alcoholic beverages from package retailers located in the county
314 in which the permit is issued. Alcoholic beverages remaining in
315 stock upon expiration of the temporary theatre permit may be
316 returned by the permittee to the package retailer for a refund of
317 the purchase price upon consent of the package retailer or may be
318 kept by the permittee exclusively for personal use and
319 consumption, subject to all laws pertaining to the illegal sale
320 and possession of alcoholic beverages.

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



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

344 (q) **Tourism permit.** A tourism permit may be issued to
345 a tourism development and shall authorize the holder thereof to
346 sell alcoholic beverages by the drink, to offer of samples of
347 complimentary alcoholic beverage products and sell at retail
348 alcoholic beverage products in original sealed and unopened
349 packages containing not less than fifty (50) milliliters by liquid
350 measure. Sales of alcoholic beverages and the offering of



351 complementary samples may occur at any location on the premises of
352 the tourism development so long as common ownership of the
353 premises exists and the locations where the sales and offering of
354 samples occur are determined by the department to be a part of the
355 tourism development. For purposes of this paragraph, a tourism
356 development means a premises containing not less than three
357 hundred (300) hotel rooms or suites, retail shops, theater, lounge
358 or other entertainment venues and not less than two (2)
359 restaurants. A tourism development may include, but not be
360 limited to, amenities such as a spa, golf course, casino, beauty
361 salon, coffee shop, marina, pool, snack bar and beach area.

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

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

372 A church or funeral home may waive the distance restrictions
373 imposed in this subsection in favor of allowing issuance by the
374 department of a permit, pursuant to subsection (1) of this
375 section, to authorize activity relating to the manufacturing, sale



376 or storage of alcoholic beverages which would otherwise be
377 prohibited under the minimum distance criterion. Such waiver
378 shall be in written form from the owner, the governing body, or
379 the appropriate officer of the church or funeral home having the
380 authority to execute such a waiver, and the waiver shall be filed
381 with and verified by the department before becoming effective.

382 The distance restrictions imposed in this subsection shall
383 not apply to the sale or storage of alcoholic beverages at a bed
384 and breakfast inn listed in the National Register of Historic
385 Places or to the sale or storage of alcoholic beverages in a
386 historic district that is listed in the National Register of
387 Historic Places, is a qualified resort area and is located in a
388 municipality having a population greater than one hundred thousand
389 (100,000) according to the latest federal decennial census.

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

399 (5) (a) In addition to any other authority granted under
400 this section, the holder of a permit issued under subsection



401 (1) (c), (e), (f), (g), (l), (n) and/or (o) of this section may
402 sell or otherwise provide alcoholic beverages and/or wine to a
403 patron of the permit holder in the manner authorized in the permit
404 and the patron may remove an open glass, cup or other container of
405 the alcoholic beverage and/or wine from the licensed premises and
406 may possess and consume the alcoholic beverage or wine outside of
407 the licensed premises if: (i) the licensed premises is located
408 within a leisure and recreation district created under Section
409 67-1-101 and (ii) the patron remains within the boundaries of the
410 leisure and recreation district while in possession of the
411 alcoholic beverage or wine.

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

416 **SECTION 2.** Section 67-1-71, Mississippi Code of 1972, is
417 amended as follows:

418 67-1-71. (1) Except as otherwise provided in subsection (2)
419 of this section, the department may revoke or suspend any permit
420 issued by it for a violation by the permittee of any of the
421 provisions of this chapter or of the regulations promulgated under
422 it by the department.

423 (2) Except as otherwise provided in subsection (1) of this
424 section, permits must be revoked or suspended for the following
425 causes:



426 (a) Conviction of the permittee for the violation of
427 any of the provisions of this chapter;

428 (b) Willful failure or refusal by any permittee to
429 comply with any of the provisions of this chapter or of any rule
430 or regulation adopted pursuant thereto;

431 (c) The making of any materially false statement in any
432 application for a permit;

433 (d) Conviction of one or more of the clerks, agents or
434 employees of the permittee, of any violation of this chapter upon
435 the premises covered by such permit within a period of time as
436 designated by the rules or regulations of the department;

437 (e) The possession on the premises of any retail
438 permittee of any alcoholic beverages upon which the tax has not
439 been paid;

440 (f) The willful failure of any permittee to keep the
441 records or make the reports required by this chapter, or to allow
442 an inspection of such records by any duly authorized person;

443 (g) The suspension or revocation of a permit issued to
444 the permittee by the federal government, or conviction of
445 violating any federal law relating to alcoholic beverages;

446 (h) The failure to furnish any bond required by Section
447 27-71-21 within fifteen (15) days after notice from the
448 department; and

449 (i) The conducting of any form of illegal gambling on
450 the premises of any permittee or on any premises connected



451 therewith or the presence on any such premises of any gambling
452 device with the knowledge of the permittee.

453 The provisions of paragraph (i) of this * * * subsection
454 shall not apply to gambling or the presence of any gambling
455 devices, with knowledge of the permittee, on board a cruise vessel
456 in the waters within the State of Mississippi, which lie adjacent
457 to the State of Mississippi south of the three (3) most southern
458 counties in the State of Mississippi, or on any vessel as defined
459 in Section 27-109-1 whenever such vessel is on the Mississippi
460 River or navigable waters within any county bordering on the
461 Mississippi River. The department may, in its discretion, issue
462 on-premises retailer's permits to a common carrier of the nature
463 described in this paragraph.

464 (3) The holder of a tourism development permit found to be
465 in violation of or noncompliance with the requirements of the
466 tourism development permit and applicable regulations promulgated
467 by the department shall be subject to a fine in the amount of
468 Three Thousand Dollars (\$3,000.00) and shall be placed on
469 probation for a period of sixty (60) days for a first offense, and
470 a fine in the amount of Five Thousand Dollars (\$5,000.00) and a
471 probationary period of ninety (90) days for second offense and
472 subsequent offenses. During a probationary period, the holder of
473 the tourism development license shall not be allowed to sell full
474 bottles of alcoholic beverages, and all violations or
475 noncompliance must be corrected fully. If the violation or



476 noncompliance is not corrected fully within the probationary
477 period following the second offense, then the tourism development
478 permit may be revoked.

479 (4) No permit shall be suspended or revoked until after the
480 permittee has been provided reasonable notice of the charges
481 against him for which suspension or revocation is sought and the
482 opportunity to a hearing before the Board of Tax Appeals to
483 contest such charges and the suspension or revocation proposed.
484 Opportunity to a hearing is provided without an actual hearing if
485 the permittee, after receiving reasonable notice, including notice
486 of his right to a hearing, fails to timely request a hearing. The
487 permittee may also at any time waive his rights to reasonable
488 notice and/or to the opportunity to a hearing by agreeing to a
489 suspension or revocation offered by the department.

490 Notwithstanding the requirement above that a permit may not be
491 suspended without notice and opportunity to a hearing, sales of
492 alcoholic beverages by a permittee under a permit for which the
493 bond under Section 27-71-21 has been cancelled shall be suspended
494 from and after issuance of the notice provided in subsection (h)
495 above and shall continue to be suspended until the bond is
496 reinstated, a new bond is posted or sufficient cash or securities
497 as provided under Section 27-71-21 are deposited with the State
498 Treasurer for this permit.

499 (5) In addition to the causes specified in this section and
500 other provisions of this chapter, the department shall be



501 authorized to suspend the permit of any permit holder for being
502 out of compliance with an order for support, as defined in Section
503 93-11-153. The procedure for suspension of a permit for being out
504 of compliance with an order for support, and the procedure for the
505 reissuance or reinstatement of a permit suspended for that
506 purpose, and the payment of any fees for the reissuance or
507 reinstatement of a permit suspended for that purpose, shall be
508 governed by Section 93-11-157 or 93-11-163, as the case may be.
509 If there is any conflict between any provision of Section
510 93-11-157 or 93-11-163 and any provision of this chapter, the
511 provisions of Section 93-11-157 or 93-11-163, as the case may be,
512 shall control.

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

515 27-71-5. (1) Upon each person approved for a permit under
516 the provisions of the Alcoholic Beverage Control Law and
517 amendments thereto, there is levied and imposed for each location
518 for the privilege of engaging and continuing in this state in the
519 business authorized by such permit, an annual privilege license
520 tax in the amount provided in the following schedule:

- 521 (a) Except as otherwise provided in this subsection
522 (1), manufacturer's permit, Class 1, distiller's and/or
523 rectifier's.....\$4,500.00
524 (b) Manufacturer's permit, Class 2, wine
525 manufacturer.....\$1,800.00



526	(c) Manufacturer's permit, Class 3, native wine	
527	manufacturer per ten thousand (10,000) gallons or part thereof	
528	produced.....	\$ 10.00
529	(d) Native wine retailer's permit.....	\$ 50.00
530	(e) Package retailer's permit, each.....	\$ 900.00
531	(f) On-premises retailer's permit, except for clubs and	
532	common carriers, each.....	\$ 450.00
533	(g) On-premises retailer's permit for wine of more than	
534	five percent (5%) alcohol by weight, but not more than twenty-one	
535	percent (21%) alcohol by weight, each.....	\$ 225.00
536	(h) On-premises retailer's permit for clubs...	\$ 225.00
537	(i) On-premises retailer's permit for common carriers,	
538	per car, plane, or other vehicle.....	\$ 120.00
539	(j) Solicitor's permit, regardless of any other	
540	provision of law, solicitor's permits shall be issued only in the	
541	discretion of the department.....	\$ 100.00
542	(k) Filing fee for each application except for an	
543	employee identification card.....	\$ 25.00
544	(l) Temporary permit, Class 1, each.....	\$ 10.00
545	(m) Temporary permit, Class 2, each.....	\$ 50.00
546	(n) (i) Caterer's permit.....	\$ 600.00
547	(ii) Caterer's permit for holders of on-premises	
548	retailer's permit.....	\$ 150.00
549	(o) Research permit.....	\$ 100.00
550	(p) Temporary permit, Class 3 (wine only).....	\$ 10.00



551	(q) Special service permit.....	\$ 225.00
552	(r) Merchant permit.....	\$ 225.00
553	(s) Temporary wine charitable auction permit..	\$ 10.00
554	(t) Event venue retailer's permit.....	\$ 225.00
555	(u) Temporary theatre permit, each.....	\$ 10.00
556	(v) Charter ship operator's permit.....	\$ 100.00

557 If a person approved for a manufacturer's permit, Class 1,
558 distiller's permit produces a product with at least fifty-one
559 percent (51%) of the finished product by volume being obtained
560 from alcoholic fermentation of grapes, fruits, berries, honey
561 and/or vegetables grown and produced in Mississippi, and produces
562 all of the product by using not more than one (1) still having a
563 maximum capacity of one hundred fifty (150) liters, the annual
564 privilege license tax for such a permit shall be Ten Dollars
565 (\$10.00) per ten thousand (10,000) gallons or part thereof
566 produced. Bulk, concentrated or fortified ingredients used for
567 blending may be produced outside this state and used in producing
568 such a product.

569 In addition to the filing fee imposed by paragraph (k) of
570 this subsection, a fee to be determined by the Department of
571 Revenue may be charged to defray costs incurred to process
572 applications. The additional fees shall be paid into the State
573 Treasury to the credit of a special fund account, which is hereby
574 created, and expenditures therefrom shall be made only to defray
575 the costs incurred by the Department of Revenue in processing



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

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

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

589 (b) (i) In addition to the tax imposed in paragraph
590 (a) of this subsection, there is imposed and shall be collected by
591 the department from each permittee described in subsection (1)(f),
592 (g), (h), (m) and (t) of this section, an additional license tax
593 for the privilege of doing business within any municipality or
594 county in which the licensee is located in the amount of Two
595 Hundred Twenty-five Dollars (\$225.00) on purchases exceeding Five
596 Thousand Dollars (\$5,000.00) and Two Hundred Twenty-five Dollars
597 (\$225.00) for each additional purchase of Five Thousand Dollars
598 (\$5,000.00), or fraction thereof.

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



601 the department from each permittee described in subsection (1)(n)
602 and (r) of this section, an additional license tax for the
603 privilege of doing business within any municipality or county in
604 which the licensee is located in the amount of Two Hundred Fifty
605 Dollars (\$250.00) on purchases exceeding Five Thousand Dollars
606 (\$5,000.00) and Two Hundred Twenty-five Dollars (\$225.00) for each
607 additional purchase of Five Thousand Dollars (\$5,000.00), or
608 fraction thereof.

609 (iii) Any person who has paid the additional
610 privilege license tax imposed by this paragraph, and whose permit
611 is renewed, may add any unused fraction of Five Thousand Dollars
612 (\$5,000.00) purchases to the first Five Thousand Dollars
613 (\$5,000.00) purchases authorized by the renewal permit, and no
614 additional license tax will be required until purchases exceed the
615 sum of the two (2) figures.

616 (c) If the licensee is located within a municipality,
617 the department shall pay the amount of additional license tax
618 collected under this section to the municipality, and if outside a
619 municipality the department shall pay the additional license tax
620 to the county in which the licensee is located. Payments by the
621 department to the respective local government subdivisions shall
622 be made once each month for any collections during the preceding
623 month.

624 (3) The initial fee to obtain a tourism development permit
625 shall be Fifteen Thousand Dollars (\$15,000.00) and shall be



626 renewable every three (3) years thereafter for a renewal fee of
627 Five Thousand Dollars (\$5,000.00). Renewal fees shall be remitted
628 not less than thirty (30) days prior to the expiration of the
629 three-year period.

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

636 (* * *5) The number of permits issued by the department
637 shall not be restricted or limited on a population basis; however,
638 the foregoing limitation shall not be construed to preclude the
639 right of the department to refuse to issue a permit because of the
640 undesirability of the proposed location.

641 (* * *6) If any person shall engage or continue in any
642 business which is taxable under this section without having paid
643 the tax as provided in this section, the person shall be liable
644 for the full amount of the tax plus a penalty thereon equal to the
645 amount thereof, and, in addition, shall be punished by a fine of
646 not more than One Thousand Dollars (\$1,000.00), or by imprisonment
647 in the county jail for a term of not more than six (6) months, or
648 by both such fine and imprisonment, in the discretion of the
649 court.



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

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

