

By: Representative Zuber

To: Ways and Means

HOUSE BILL NO. 1336

1 AN ACT TO AMEND SECTION 67-1-51, MISSISSIPPI CODE OF 1972, TO
2 AUTHORIZE THE ISSUANCE OF DISTILLER'S PACKAGE RETAILER'S PERMITS;
3 TO PROVIDE THAT A DISTILLER'S PACKAGE RETAILER'S PERMIT SHALL
4 AUTHORIZE THE HOLDER OF A MANUFACTURER'S PERMIT, CLASS 1,
5 DISTILLER'S AND/OR RECTIFIER'S PERMIT, TO OPERATE A PACKAGE STORE
6 ON THE PREMISES OF THE LICENSED DISTILLERY EXCLUSIVELY FOR THE
7 SALE AT RETAIL IN ORIGINAL SEALED AND UNOPENED PACKAGES OF
8 ALCOHOLIC BEVERAGES DISTILLED AT SUCH DISTILLERY; TO PROVIDE THAT
9 THE ALCOHOLIC BEVERAGES SOLD AT SUCH A PACKAGE STORE SHALL NOT BE
10 CONSUMED ON THE PREMISES WHERE SOLD; TO PROVIDE THAT ALCOHOLIC
11 BEVERAGES SHALL NOT BE SOLD IN ANY PACKAGE OR CONTAINER CONTAINING
12 LESS THAN 50 MILLILITERS BY LIQUID MEASURE; TO AUTHORIZE THE
13 ISSUANCE OF A DISTILLER'S ON-PREMISES RETAILERS PERMIT; TO PROVIDE
14 THAT A DISTILLER'S ON-PREMISES RETAILER'S PERMIT SHALL AUTHORIZE
15 THE HOLDER THEREOF WHO IS ALSO THE HOLDER OF A MANUFACTURER'S
16 PERMIT, CLASS 1, DISTILLER'S AND/OR RECTIFIER'S PERMIT, TO SELL AT
17 RETAIL ALCOHOLIC BEVERAGES PRODUCED AT ITS DISTILLERY FOR
18 CONSUMPTION ON THE PREMISES OF THE DISTILLERY; TO MAKE IT CLEAR
19 THAT THE HOLDER OF A MANUFACTURER'S PERMIT, CLASS 1, DISTILLER'S
20 AND/OR RECTIFIER'S, MAY ALSO HOLD A DISTILLER'S PACKAGE RETAILER'S
21 PERMIT; TO AMEND SECTION 67-1-77, MISSISSIPPI CODE OF 1972, IN
22 CONFORMITY THERETO; TO AMEND SECTION 27-71-5, MISSISSIPPI CODE OF
23 1972, TO PROVIDE THE ANNUAL PRIVILEGE LICENSE TAX LEVIED FOR
24 DISTILLER'S PACKAGE RETAILER'S PERMITS AND DISTILLER'S ON-PREMISES
25 RETAILER'S PERMITS; AND FOR RELATED PURPOSES.

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

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



29 67-1-51. (1) Permits which may be issued by the department
30 shall be as follows:

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

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

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

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

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

50 (b) **Package retailer's permit.** Except as otherwise
51 provided in this paragraph and Section 67-1-52, a package
52 retailer's permit shall authorize the holder thereof to operate a
53 store exclusively for the sale at retail in original sealed and



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

71 (c) **On-premises retailer's permit.** Except as otherwise
72 provided in subsection (5) of this section, an on-premises
73 retailer's permit shall authorize the sale of alcoholic beverages,
74 including native wines, for consumption on the licensed premises
75 only; however, a patron of the permit holder may remove one (1)
76 bottle of wine from the licensed premises if: (i) the patron
77 consumed a portion of the bottle of wine in the course of
78 consuming a meal purchased on the licensed premises; (ii) the



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

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



104 such permit otherwise than through a permit issued to a wholesaler
105 or manufacturer in the state.

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

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

119 Temporary retailer's permits shall be of the following
120 classes:

121 Class 1. A temporary one-day permit may be issued to bona
122 fide nonprofit civic or charitable organizations authorizing the
123 sale of alcoholic beverages, including native wine, for
124 consumption on the premises described in the temporary permit
125 only. Class 1 permits may be issued only to applicants
126 demonstrating to the department, by a statement signed under
127 penalty of perjury submitted ten (10) days prior to the proposed
128 date or such other time as the department may determine, that they



129 meet the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2)
130 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59.
131 Class 1 permittees shall obtain all alcoholic beverages from
132 package retailers located in the county in which the temporary
133 permit is issued. Alcoholic beverages remaining in stock upon
134 expiration of the temporary permit may be returned by the
135 permittee to the package retailer for a refund of the purchase
136 price upon consent of the package retailer or may be kept by the
137 permittee exclusively for personal use and consumption, subject to
138 all laws pertaining to the illegal sale and possession of
139 alcoholic beverages. The department, following review of the
140 statement provided by the applicant and the requirements of the
141 applicable statutes and regulations, may issue the permit.

142 Class 2. A temporary permit, not to exceed seventy (70)
143 days, may be issued to prospective permittees seeking to transfer
144 a permit authorized in paragraph (c) of this subsection. A Class
145 2 permit may be issued only to applicants demonstrating to the
146 department, by a statement signed under the penalty of perjury,
147 that they meet the qualifications of Sections 67-1-5(1), (m), (n),
148 (o), (p) or (q), 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 and
149 67-1-59. The department, following a preliminary review of the
150 statement provided by the applicant and the requirements of the
151 applicable statutes and regulations, may issue the permit.

152 Class 2 temporary permittees must purchase their alcoholic
153 beverages directly from the department or, with approval of the



154 department, purchase the remaining stock of the previous
155 permittee. If the proposed applicant of a Class 1 or Class 2
156 temporary permit falsifies information contained in the
157 application or statement, the applicant shall never again be
158 eligible for a retail alcohol beverage permit and shall be subject
159 to prosecution for perjury.

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



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

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



204 caterer's permit shall not authorize the service of alcoholic
205 beverages on a consistent, recurring basis at a separate, fixed
206 location owned or operated by the caterer, on-premises retailer or
207 affiliated entity and an on-premises retailer's permit shall be
208 required for the separate location. All sales of alcoholic
209 beverages by holders of a caterer's permit shall be made at the
210 location being catered by the caterer, and, except as otherwise
211 provided in subsection (5) of this section, such sales may be made
212 only for consumption at the catered location. The location being
213 catered may be anywhere within a county or judicial district that
214 has voted to come out from under the dry laws or in which the
215 sale, distribution and possession of alcoholic beverages is
216 otherwise authorized by law. Such sales shall be made pursuant to
217 any other conditions and restrictions which apply to sales made by
218 on-premises retail permittees. The holder of a caterer's permit
219 or his employees shall remain at the catered location as long as
220 alcoholic beverages are being sold pursuant to the permit issued
221 under this paragraph (g), and the permittee shall have at the
222 location the identification card issued by the Alcoholic Beverage
223 Control Division of the department. No unsold alcoholic beverages
224 may be left at the catered location by the permittee upon the
225 conclusion of his business at that location. Appropriate law
226 enforcement officers and Alcoholic Beverage Control Division
227 personnel may enter a catered location on private property in



228 order to enforce laws governing the sale or serving of alcoholic
229 beverages.

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

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

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



252 (k) **Special service permit.** A special service permit
253 shall authorize the holder to sell commercially sealed alcoholic
254 beverages to the operator of a commercial or private aircraft for
255 en route consumption only by passengers. A special service permit
256 shall be issued only to a fixed-base operator who contracts with
257 an airport facility to provide fueling and other associated
258 services to commercial and private aircraft.

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

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



277 premises of an on-premises retailer's permit holder, then the wine
278 to be auctioned must be stored separately from the wine sold,
279 stored or served on the premises, must be removed from the
280 premises immediately following the auction, and may not be
281 consumed on the premises; (iii) the permit holder may not conduct
282 more than two (2) auctions during a calendar year; (iv) the permit
283 holder may not pay a commission or promotional fee to any person
284 to arrange or conduct the auction.

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



302 construed to cover the cost of alcohol, beer or light wine. This
303 determination shall be made on a per event basis. An event may
304 not last longer than two (2) consecutive days per week.

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

325 (p) **Charter ship operator's permit.** Subject to the
326 provisions of this paragraph (p), a charter ship operator's permit



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

348 (q) **Distiller's package retailer's permit.** A
349 distiller's package retailer's permit shall authorize the holder
350 of a manufacturer's permit, Class 1, distiller's and/or
351 rectifier's permit to operate a package store on the premises of



352 the permittee's distillery exclusively for the sale at retail in
353 original sealed and unopened packages of alcoholic beverages
354 distilled at the distillery. The alcoholic beverages sold at such
355 a package store shall not be consumed on the premises where sold.
356 Alcoholic beverages shall not be sold in any package or container
357 containing less than fifty (50) milliliters by liquid measure.

358 (r) **Distiller's on-premises retailer's permit.** A
359 distiller's on-premises retailer's permit shall authorize the
360 holder thereof who is also the holder of a manufacturer's permit,
361 Class 1, distiller's and/or rectifier's permit, to sell at retail
362 alcoholic beverages produced at its distillery for consumption on
363 the premises of the distillery.

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

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

374 A church or funeral home may waive the distance restrictions
375 imposed in this subsection in favor of allowing issuance by the
376 department of a permit, pursuant to subsection (1) of this



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

384 The distance restrictions imposed in this subsection shall
385 not apply to the sale or storage of alcoholic beverages at a bed
386 and breakfast inn listed in the National Register of Historic
387 Places or to the sale or storage of alcoholic beverages in a
388 historic district that is listed in the National Register of
389 Historic Places, is a qualified resort area and is located in a
390 municipality having a population greater than one hundred thousand
391 (100,000) according to the latest federal decennial census.

392 (4) Except as otherwise provided in subsection (6) of this
393 section, no person, either individually or as a member of a firm,
394 partnership, limited liability company or association, or as a
395 stockholder, officer or director in a corporation, shall own or
396 control any interest in more than one (1) package retailer's
397 permit, nor shall such person's spouse, if living in the same
398 household of such person, any relative of such person, if living
399 in the same household of such person, or any other person living
400 in the same household with such person own any interest in any
401 other package retailer's permit.



402 (5) (a) In addition to any other authority granted under
403 this section, the holder of a permit issued under subsection
404 (1)(c), (e), (f), (g), (l), (n) and/or (o) of this section may
405 sell or otherwise provide alcoholic beverages and/or wine to a
406 patron of the permit holder in the manner authorized in the permit
407 and the patron may remove an open glass, cup or other container of
408 the alcoholic beverage and/or wine from the licensed premises and
409 may possess and consume the alcoholic beverage or wine outside of
410 the licensed premises if: (i) the licensed premises is located
411 within a leisure and recreation district created under Section
412 67-1-101 and (ii) the patron remains within the boundaries of the
413 leisure and recreation district while in possession of the
414 alcoholic beverage or wine.

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

419 (6) The holder of a manufacturer's permit, Class 1,
420 distiller's and/or rectifier's permit, may also hold a distiller's
421 package retailer's permit.

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

424 67-1-77. (1) It shall be unlawful for the holder of a
425 manufacturer's or wholesaler's permit, or anyone connected with
426 the business of such holder, or for any other distiller, wine



427 manufacturer, brewer, rectifier, blender or bottler, to have any
428 financial interest in any premises upon which any alcoholic
429 beverage is sold at retail by any permittee, or in the business
430 conducted by such permittee, except that:

431 (a) The holder of a manufacturer's or wholesaler's
432 permit may contract for the service of a representative in the
433 area of governmental affairs on a part-time basis with a holder of
434 an on-premises permit.

435 (b) A distiller, wine manufacturer, brewer, rectifier,
436 blender or bottler may have a financial interest in a premises
437 upon which alcoholic beverages are sold at retail by a permittee,
438 or in the business conducted by a permittee, if the permittee does
439 not sell or serve any alcoholic beverages that are distilled,
440 manufactured, brewed, rectified, blended or bottled by the
441 distiller, wine manufacturer, brewer, rectifier, blender or
442 bottler having the financial interest in the premises or in the
443 business conducted by a permittee.

444 (c) The holder of a manufacturer's permit, Class 1,
445 distiller's and/or rectifier's permit may have an interest in a
446 distiller's package retailer's permit and a distiller's
447 on-premises retailer's permit.

448 (2) It shall also be unlawful for any such person, or anyone
449 connected with his, its, or their business to lend any money or
450 make any gift or offer any gratuity, to any retail permittee,
451 except as authorized by regulations of the commission, to the



452 holder of any retail permit issued under the provisions of this
453 chapter. Except as above provided, no retail permittee shall
454 accept, receive, or make use of any money or gift furnished by any
455 such person, or become indebted to such person except for the
456 purchase of alcoholic beverages.

457 (3) The commission shall not prohibit the furnishing of
458 advertising specialties, printed materials, or other things having
459 nominal value to a retail permittee. This section shall not be
460 construed to prohibit the possession by any person of advertising
461 specialties, printed materials, or other things having nominal
462 value furnished by a retail permittee.

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

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

470 27-71-5. (1) Upon each person approved for a permit under
471 the provisions of the Alcoholic Beverage Control Law and
472 amendments thereto, there is levied and imposed for each location
473 for the privilege of engaging and continuing in this state in the
474 business authorized by such permit, an annual privilege license
475 tax in the amount provided in the following schedule:



476 (a) Except as otherwise provided in this subsection
477 (1), manufacturer's permit, Class 1, distiller's and/or
478 rectifier's.....\$4,500.00
479 (b) Manufacturer's permit, Class 2, wine
480 manufacturer.....\$1,800.00
481 (c) Manufacturer's permit, Class 3, native wine
482 manufacturer per ten thousand (10,000) gallons or part thereof
483 produced.....\$ 10.00
484 (d) Native wine retailer's permit.....\$ 50.00
485 (e) Package retailer's permit, each.....\$ 900.00
486 (f) On-premises retailer's permit, except for clubs and
487 common carriers, each.....\$ 450.00
488 (g) On-premises retailer's permit for wine of more than
489 five percent (5%) alcohol by weight, but not more than twenty-one
490 percent (21%) alcohol by weight, each.....\$ 225.00
491 (h) On-premises retailer's permit for clubs...\$ 225.00
492 (i) On-premises retailer's permit for common carriers,
493 per car, plane, or other vehicle.....\$ 120.00
494 (j) Solicitor's permit, regardless of any other
495 provision of law, solicitor's permits shall be issued only in the
496 discretion of the department.....\$ 100.00
497 (k) Filing fee for each application except for an
498 employee identification card.....\$ 25.00
499 (l) Temporary permit, Class 1, each.....\$ 10.00
500 (m) Temporary permit, Class 2, each.....\$ 50.00



501	(n) (i) Caterer's permit.....	\$ 600.00
502	(ii) Caterer's permit for holders of on-premises	
503	retailer's permit.....	\$ 150.00
504	(o) Research permit.....	\$ 100.00
505	(p) Temporary permit, Class 3 (wine only).....	\$ 10.00
506	(q) Special service permit.....	\$ 225.00
507	(r) Merchant permit.....	\$ 225.00
508	(s) Temporary wine charitable auction permit..	\$ 10.00
509	(t) Event venue retailer's permit.....	\$ 225.00
510	(u) Temporary theatre permit, each.....	\$ 10.00
511	(v) Charter ship operator's permit.....	\$ 100.00
512	(w) <u>Distiller's package retailer's permit,</u>	
513	<u>each.....</u>	<u>\$ 900.00</u>
514	(x) <u>Distiller's on-premises retailer's</u>	
515	<u>permit.....</u>	<u>\$ 450.00</u>

516 If a person approved for a manufacturer's permit, Class 1,
517 distiller's permit produces a product with at least fifty-one
518 percent (51%) of the finished product by volume being obtained
519 from alcoholic fermentation of grapes, fruits, berries, honey
520 and/or vegetables grown and produced in Mississippi, and produces
521 all of the product by using not more than one (1) still having a
522 maximum capacity of one hundred fifty (150) liters, the annual
523 privilege license tax for such a permit shall be Ten Dollars
524 (\$10.00) per ten thousand (10,000) gallons or part thereof
525 produced. Bulk, concentrated or fortified ingredients used for



526 blending may be produced outside this state and used in producing
527 such a product.

528 In addition to the filing fee imposed by paragraph (k) of
529 this subsection, a fee to be determined by the Department of
530 Revenue may be charged to defray costs incurred to process
531 applications. The additional fees shall be paid into the State
532 Treasury to the credit of a special fund account, which is hereby
533 created, and expenditures therefrom shall be made only to defray
534 the costs incurred by the Department of Revenue in processing
535 alcoholic beverage applications. Any unencumbered balance
536 remaining in the special fund account on June 30 of any fiscal
537 year shall lapse into the State General Fund.

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

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

548 (b) (i) In addition to the tax imposed in paragraph
549 (a) of this subsection, there is imposed and shall be collected by
550 the department from each permittee described in subsection (1)(f),



551 (g), (h), (m) and (t) of this section, an additional license tax
552 for the privilege of doing business within any municipality or
553 county in which the licensee is located in the amount of Two
554 Hundred Twenty-five Dollars (\$225.00) on purchases exceeding Five
555 Thousand Dollars (\$5,000.00) and Two Hundred Twenty-five Dollars
556 (\$225.00) for each additional purchase of Five Thousand Dollars
557 (\$5,000.00), or fraction thereof.

558 (ii) In addition to the tax imposed in paragraph
559 (a) of this subsection, there is imposed and shall be collected by
560 the department from each permittee described in subsection (1)(n)
561 and (r) of this section, an additional license tax for the
562 privilege of doing business within any municipality or county in
563 which the licensee is located in the amount of Two Hundred Fifty
564 Dollars (\$250.00) on purchases exceeding Five Thousand Dollars
565 (\$5,000.00) and Two Hundred Twenty-five Dollars (\$225.00) for each
566 additional purchase of Five Thousand Dollars (\$5,000.00), or
567 fraction thereof.

568 (iii) Any person who has paid the additional
569 privilege license tax imposed by this paragraph, and whose permit
570 is renewed, may add any unused fraction of Five Thousand Dollars
571 (\$5,000.00) purchases to the first Five Thousand Dollars
572 (\$5,000.00) purchases authorized by the renewal permit, and no
573 additional license tax will be required until purchases exceed the
574 sum of the two (2) figures.



575 (c) If the licensee is located within a municipality,
576 the department shall pay the amount of additional license tax
577 collected under this section to the municipality, and if outside a
578 municipality the department shall pay the additional license tax
579 to the county in which the licensee is located. Payments by the
580 department to the respective local government subdivisions shall
581 be made once each month for any collections during the preceding
582 month.

583 (3) When an application for any permit, other than for
584 renewal of a permit, has been rejected by the department, such
585 decision shall be final. Appeal may be made in the manner
586 provided by Section 67-1-39. Another application from an
587 applicant who has been denied a permit shall not be reconsidered
588 within a twelve-month period.

589 (4) The number of permits issued by the department shall not
590 be restricted or limited on a population basis; however, the
591 foregoing limitation shall not be construed to preclude the right
592 of the department to refuse to issue a permit because of the
593 undesirability of the proposed location.

594 (5) If any person shall engage or continue in any business
595 which is taxable under this section without having paid the tax as
596 provided in this section, the person shall be liable for the full
597 amount of the tax plus a penalty thereon equal to the amount
598 thereof, and, in addition, shall be punished by a fine of not more
599 than One Thousand Dollars (\$1,000.00), or by imprisonment in the



600 county jail for a term of not more than six (6) months, or by both
601 such fine and imprisonment, in the discretion of the court.

602 (6) It shall be unlawful for any person to consume alcoholic
603 beverages on the premises of any hotel restaurant, restaurant,
604 club or the interior of any public place defined in Chapter 1,
605 Title 67, Mississippi Code of 1972, when the owner or manager
606 thereof displays in several conspicuous places inside the
607 establishment and at the entrances of establishment a sign
608 containing the following language: NO ALCOHOLIC BEVERAGES
609 ALLOWED.

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

