

By: Senator(s) Hopson

To: Finance

SENATE BILL NO. 2552

1 AN ACT TO AMEND SECTION 67-3-48, MISSISSIPPI CODE OF 1972, TO
 2 REMOVE THE LIMIT ON RETAIL SALES BY SMALL CRAFT BREWERIES THAT IS
 3 EQUAL TO THE LESSER OF 10% OR 1,500 BARRELS OF BEER AND LIGHT WINE
 4 PRODUCED ANNUALLY; TO AMEND SECTIONS 67-3-22 AND 67-3-69,
 5 MISSISSIPPI CODE OF 1972, TO REMOVE THE PROHIBITIONS AGAINST, AND
 6 PENALTIES FOR, BREWPUBS SELLING BEER AND LIGHT WINE AWAY FROM
 7 THEIR PREMISES AND PACKAGING BEER AND LIGHT WINE SO THAT THEY MAY
 8 BE CARRIED AWAY FROM THEIR PREMISES; TO BRING FORWARD SECTIONS
 9 67-3-48.1 AND 27-71-303, MISSISSIPPI CODE OF 1972, FOR THE PURPOSE
 10 OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** Section 67-3-48, Mississippi Code of 1972, is
 13 amended as follows:

14 67-3-48. (1) A small craft brewery may sell at retail light
 15 wine or beer produced at its brewery for consumption on the
 16 premises of the brewery and consumption off the premises of the
 17 brewery if the sales are made on the premises of the brewery and
 18 the light wine or beer products offered for sale are also made
 19 available for sale to wholesalers.

20 (2) (a) A small craft brewery * * * must sell the light
 21 wine or beer * * * produced at its brewery at a price



22 approximating retail prices generally charged for identical
23 beverages in the county where the brewery is located.

24 (b) A small craft brewery shall not make retail sales
25 of more than five hundred seventy-six (576) ounces, in the
26 aggregate, of light wine or beer to any one (1) individual for
27 consumption off the premises of the brewery within a
28 twenty-four-hour period.

29 (c) The limits on sales provided for in this subsection
30 shall not apply to beer provided pursuant to Section 67-3-47.

31 (3) A small craft brewery shall take commercially reasonable
32 steps to ensure that light wine or beer products sold for
33 consumption off the premises of the brewery are being sold for
34 personal use and not for resale and are not being sold to anyone
35 holding a retail permit for the purpose of resale in their
36 establishment.

37 (4) A small craft brewery shall not make retail sales of
38 contract-brewed beer.

39 (5) A small craft brewery shall not mail or ship light wine
40 or beer to a consumer.

41 **SECTION 2.** Section 67-3-22, Mississippi Code of 1972, is
42 amended as follows:

43 67-3-22. (1) The production limits for a brewpub shall be
44 based upon production as determined by the Department of Revenue
45 pursuant to Section 27-71-307, Mississippi Code of 1972, and a



46 brewpub shall not manufacture more than seventy-five thousand
47 (75,000) gallons of light wine or beer per calendar year.

48 (2) Light wine or beer produced at a brewpub shall not be
49 sold at a price less than it cost to manufacture such light wine
50 or beer.

51 * * *

52 (* * *3) A brewpub shall be required to offer for sale
53 light wine or beer that is normally carried on the inventory of
54 wholesalers or distributors of light wine or beer.

55 **SECTION 3.** Section 67-3-69, Mississippi Code of 1972, is
56 amended as follows:

57 67-3-69. (1) Except as to Sections 67-3-17, 67-3-23,
58 67-3-27, 67-3-55 and 67-3-57, any violation of any provision of
59 this chapter or of any rule or regulation of the commissioner,
60 shall be a misdemeanor and, where the punishment therefor is not
61 elsewhere prescribed in this section, shall be punished by a fine
62 of not more than Five Hundred Dollars (\$500.00) or imprisonment
63 for not more than six (6) months, or both, in the discretion of
64 the court. If any person so convicted shall be the holder of any
65 permit or license issued by the commissioner under authority of
66 this chapter, the permit or license shall from and after the date
67 of such conviction be void and the holder thereof shall not
68 thereafter, for a period of one (1) year from the date of such
69 conviction, be entitled to any permit or license for any purpose
70 authorized by this chapter. Upon conviction of the holder of any



71 permit or license, the appropriate law enforcement officer shall
72 seize the permit or license and transmit it to the commissioner.

73 (2) (a) Any person who shall violate any provision of
74 Section 67-3-17, 67-3-23, 67-3-27 or 67-3-55 shall be guilty of a
75 misdemeanor, and upon conviction thereof shall be punished by a
76 fine of not more than Five Hundred Dollars (\$500.00) or by
77 imprisonment in the county jail for not more than six (6) months,
78 or by both such fine and imprisonment, in the discretion of the
79 court.

80 (b) Any person who shall violate any provision of
81 Section 67-3-57 shall be guilty of a misdemeanor, and upon
82 conviction thereof, shall be punished by a fine of not more than
83 One Thousand Dollars (\$1,000.00) or by imprisonment in the county
84 jail for not more than one (1) year, or by both, in the discretion
85 of the court. Any person convicted of violating any provision of
86 the sections referred to in this subsection shall forfeit his
87 permit, and shall not thereafter be permitted to engage in any
88 business taxable under the provisions of Sections 27-71-301
89 through 27-71-347.

90 (3) If the holder of a permit, or the employee of the holder
91 of a permit, shall be convicted of selling any beer or wine to
92 anyone who is visibly intoxicated from the licensed premises or to
93 any person under the age of twenty-one (21) years from the
94 licensed premises in violation of Section 67-3-53(b), then, in
95 addition to any other penalty provided for by law, the



96 commissioner may impose the following penalties against the holder
97 of a permit:

98 (a) For the first offense on the licensed premises, by
99 a fine of not less than Five Hundred Dollars (\$500.00) nor more
100 than One Thousand Dollars (\$1,000.00) and/or suspension of the
101 permit for not more than three (3) months.

102 (b) For a second offense occurring on the licensed
103 premises within twelve (12) months of the first offense, by a fine
104 of not less than Five Hundred Dollars (\$500.00) nor more than Two
105 Thousand Dollars (\$2,000.00) and/or suspension of the permit for
106 not more than six (6) months.

107 (c) For a third offense occurring on the licensed
108 premises within twelve (12) months of the first, by a fine of not
109 less than Two Thousand Dollars (\$2,000.00) nor more than Five
110 Thousand Dollars (\$5,000.00) and/or suspension or revocation of
111 the permit to sell beer or light wine.

112 (d) For a fourth or subsequent offense occurring on the
113 licensed premises within twelve (12) months of the first, by a
114 fine of not less than Two Thousand Dollars (\$2,000.00) nor more
115 than Five Thousand Dollars (\$5,000.00) and/or suspension or
116 revocation of the permit to sell beer or light wine.

117 (4) A person who sells any beer or wine to a person under
118 the age of twenty-one (21) years shall not be guilty of a
119 violation of Section 67-3-53(b) if the person under the age of
120 twenty-one (21) years represents himself to be twenty-one (21)



121 years of age or older by displaying an apparently valid
122 Mississippi driver's license containing a physical description
123 consistent with his appearance or by displaying some other
124 apparently valid identification document containing a picture and
125 physical description consistent with his appearance for the
126 purpose of inducing the person to sell beer or wine to him.

127 * * *

128 (* * *5) If a small craft brewery is convicted of violating
129 the provisions of Section 67-3-48, then, in addition to any other
130 provision provided for by law, the small craft brewery shall be
131 punished as follows:

132 (a) For the first offense, the small craft brewery may
133 be fined in an amount not to exceed Five Hundred Dollars
134 (\$500.00).

135 (b) For a second offense occurring within twelve (12)
136 months of the first offense, the small craft brewery may be fined
137 an amount not to exceed One Thousand Dollars (\$1,000.00).

138 (c) For a third or subsequent offense occurring within
139 twelve (12) months of the first offense, the small craft brewery
140 may be fined an amount not to exceed Five Thousand Dollars
141 (\$5,000.00) and the permit to operate as a manufacturer shall be
142 suspended for thirty (30) days.

143 **SECTION 4.** Section 67-3-48.1, Mississippi Code of 1972, is
144 brought forward as follows:



145 67-3-48.1 (1) In the event a small craft brewery is
146 acquired by an entity that manufactures light wine or beer that
147 does not fall within the definition of the term "small craft
148 brewery," the entity that acquired the small craft brewery may
149 continue to operate the brewery as a small craft brewery for as
150 long as the acquired facility meets the definition of the term
151 "small craft brewery"; however, the limit in Section 67-3-3 on the
152 amount of barrels of light wine or beer that a small craft brewery
153 may produce shall not apply to light wine or beer that is not
154 produced by the acquired small craft brewery.

155 (2) In the event a small craft brewery acquires an entity
156 that manufactures light wine or beer that does not fall within the
157 definition of the term "small craft brewery," the small craft
158 brewery that acquired the entity may continue to operate as a
159 small craft brewery for as long as the brewery meets the
160 definition of the term "small craft brewery." The light wine or
161 beer produced by the entity that is acquired by a small craft
162 brewery shall not apply to the limit in Section 67-3-3 on the
163 amount of light wine or beer that the small craft brewery may
164 produce.

165 (3) A small craft brewery described in subsections (1) and
166 (2) of this section may continue to sell at retail brands the
167 small craft brewery produces on its premises at all locations at
168 which it was selling the brands at retail at the time of the
169 acquisition; however, the small craft brewery may not sell at



170 retail brands produced by the entity that acquired it or by the
171 entity it acquires, as the case may be.

172 **SECTION 5.** Section 27-71-303, Mississippi Code of 1972, is
173 brought forward as follows:

174 27-71-303. Upon each person approved for a permit to engage
175 in the business of selling light wines or beer there is hereby
176 imposed, levied and assessed, to be collected and paid as herein
177 provided, annual privilege taxes in the following amounts:

- 178 (a) Retailers--for each place of
179 business.....\$ 30.00
- 180 (b) Wholesalers or distributors--for each
181 county.....\$ 100.00
- 182 (c) Manufacturers--for each place of
183 business.....\$1,000.00
- 184 (d) Brewpubs--for each place of
185 business.....\$1,000.00

186 Upon each person operating an airline, bus, boat or railroad
187 car upon which light wines or beer may be sold there is hereby
188 imposed, levied and assessed, to be collected and paid, annual
189 privilege taxes of Thirty Dollars (\$30.00) for each airplane, bus,
190 boat or railroad car so operated in this state.

191 Provided, however, the amount of the privilege tax to be paid
192 for a permit issued for a period of less than twelve (12) months
193 shall be that proportionate amount of the annual privilege tax
194 that the number of months, or part of a month, remaining until its



195 expiration date bears to twelve (12) months, but in no case shall
196 the privilege tax be less than Ten Dollars (\$10.00).

197 **SECTION 6.** This act shall take effect and be in force from
198 and after July 1, 2020.

