MISSISSIPPI LEGISLATURE

REGULAR SESSION 2020

By: Senator(s) Hopson, Blount, Moran To: Finance

SENATE BILL NO. 2552 (As Passed the Senate)

1 AN ACT TO AMEND SECTIONS 67-3-22 AND 67-3-69, MISSISSIPPI 2 CODE OF 1972, TO REMOVE THE PROHIBITIONS AGAINST, AND PENALTIES 3 FOR, BREWPUBS SELLING BEER AND LIGHT WINE AWAY FROM THEIR PREMISES AND PACKAGING BEER AND LIGHT WINE SO THAT THEY MAY BE CARRIED AWAY 4 5 FROM THEIR PREMISES; TO AMEND SECTION 27-71-301, MISSISSIPPI CODE 6 OF 1972, TO REVISE THE DEFINITION OF BREWPUB ACCORDINGLY; TO BRING 7 FORWARD SECTION 27-71-303, MISSISSIPPI CODE OF 1972, FOR THE PURPOSE OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES. 8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: SECTION 1. Section 67-3-22, Mississippi Code of 1972, is 10 amended as follows: 11

12 67-3-22. (1) The production limits for a brewpub shall be 13 based upon production as determined by the Department of Revenue 14 pursuant to Section 27-71-307, Mississippi Code of 1972, and a brewpub shall not manufacture more than seventy-five thousand 15 16 (75,000) gallons of light wine or beer per calendar year. 17 (2) Light wine or beer produced at a brewpub shall not be

sold at a price less than it cost to manufacture such light wine 18 19 or beer.

\* \* \* 20

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21 (\* \*  $\star$ <u>3</u>) A brewpub shall be required to offer for sale 22 light wine or beer that is normally carried on the inventory of 23 wholesalers or distributors of light wine or beer.

24 SECTION <u>2</u>. Section 67-3-69, Mississippi Code of 1972, is 25 amended as follows:

26 67 - 3 - 69. (1) Except as to Sections 67-3-17, 67-3-23, 67-3-27, 67-3-55 and 67-3-57, any violation of any provision of 27 28 this chapter or of any rule or regulation of the commissioner, 29 shall be a misdemeanor and, where the punishment therefor is not elsewhere prescribed in this section, shall be punished by a fine 30 of not more than Five Hundred Dollars (\$500.00) or imprisonment 31 for not more than six (6) months, or both, in the discretion of 32 33 the court. If any person so convicted shall be the holder of any permit or license issued by the commissioner under authority of 34 35 this chapter, the permit or license shall from and after the date 36 of such conviction be void and the holder thereof shall not 37 thereafter, for a period of one (1) year from the date of such conviction, be entitled to any permit or license for any purpose 38 39 authorized by this chapter. Upon conviction of the holder of any 40 permit or license, the appropriate law enforcement officer shall 41 seize the permit or license and transmit it to the commissioner. 42 Any person who shall violate any provision of (2)(a)

43 Section 67-3-17, 67-3-23, 67-3-27 or 67-3-55 shall be guilty of a 44 misdemeanor, and upon conviction thereof shall be punished by a 45 fine of not more than Five Hundred Dollars (\$500.00) or by

S. B. No. 2552 **~ OFFICIAL ~** 20/SS26/R727PS PAGE 2 46 imprisonment in the county jail for not more than six (6) months, 47 or by both such fine and imprisonment, in the discretion of the 48 court.

(b) 49 Any person who shall violate any provision of 50 Section 67-3-57 shall be guilty of a misdemeanor, and upon 51 conviction thereof, shall be punished by a fine of not more than One Thousand Dollars (\$1,000.00) or by imprisonment in the county 52 53 jail for not more than one (1) year, or by both, in the discretion 54 of the court. Any person convicted of violating any provision of 55 the sections referred to in this subsection shall forfeit his 56 permit, and shall not thereafter be permitted to engage in any 57 business taxable under the provisions of Sections 27-71-301 58 through 27-71-347.

59 If the holder of a permit, or the employee of the holder (3) 60 of a permit, shall be convicted of selling any beer or wine to 61 anyone who is visibly intoxicated from the licensed premises or to 62 any person under the age of twenty-one (21) years from the licensed premises in violation of Section 67-3-53(b), then, in 63 64 addition to any other penalty provided for by law, the 65 commissioner may impose the following penalties against the holder 66 of a permit:

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

S. B. No. 2552 **~ OFFICIAL ~** 20/SS26/R727PS PAGE 3 71 (b) For a second offense occurring on the licensed 72 premises within twelve (12) months of the first offense, by a fine 73 of not less than Five Hundred Dollars (\$500.00) nor more than Two 74 Thousand Dollars (\$2,000.00) and/or suspension of the permit for 75 not more than six (6) months.

76 (C) For a third offense occurring on the licensed 77 premises within twelve (12) months of the first, by a fine of not less than Two Thousand Dollars (\$2,000.00) nor more than Five 78 79 Thousand Dollars (\$5,000.00) and/or suspension or revocation of the permit to sell beer or light wine. 80

81 (d) For a fourth or subsequent offense occurring on the licensed premises within twelve (12) months of the first, by a 82 83 fine of not less than Two Thousand Dollars (\$2,000.00) nor more than Five Thousand Dollars (\$5,000.00) and/or suspension or 84 revocation of the permit to sell beer or light wine. 85

86 (4) A person who sells any beer or wine to a person under 87 the age of twenty-one (21) years shall not be quilty of a violation of Section 67-3-53 (b) if the person under the age of 88 89 twenty-one (21) years represents himself to be twenty-one (21) 90 years of age or older by displaying an apparently valid 91 Mississippi driver's license containing a physical description 92 consistent with his appearance or by displaying some other apparently valid identification document containing a picture and 93 94 physical description consistent with his appearance for the purpose of inducing the person to sell beer or wine to him. 95

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97 (\* \* \*5) If a small craft brewery is convicted of violating 98 the provisions of Section 67-3-48, then, in addition to any other 99 provision provided for by law, the small craft brewery shall be 100 punished as follows:

101 (a) For the first offense, the small craft brewery may
102 be fined in an amount not to exceed Five Hundred Dollars
103 (\$500.00).

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

107 (c) For a third or subsequent offense occurring within 108 twelve (12) months of the first offense, the small craft brewery 109 may be fined an amount not to exceed Five Thousand Dollars 110 (\$5,000.00) and the permit to operate as a manufacturer shall be 111 suspended for thirty (30) days.

SECTION <u>3</u>. Section 27-71-301, Mississippi Code of 1972, is amended as follows:

114 27-71-301. When used in this article the words and terms 115 hereafter mentioned shall have the following definitions:

(a) "State Auditor" means the State Auditor of Public
Accounts of the State of Mississippi or any legally appointed
deputy, clerk or agent.

(b) "Person" includes all natural persons orcorporations, a partnership, an association, a joint venture, an

S. B. No. 2552 ~ OFFICIAL ~ 20/SS26/R727PS PAGE 5 ~ 0 121 estate, a trust, or any other group or combination acting as a 122 unit and shall include the plural as well as the singular unless 123 an intention to give another meaning thereto is disclosed in the 124 context.

(c) "Consumer" means a person who comes into the possession of beer or light wine, the sale of which is authorized by Chapter 3 of Title 67, Mississippi Code of 1972, for the purpose of consuming it, giving it away or otherwise disposing of it in any manner except by sale, barter or exchange.

(d) "Retailer" means any person who comes into the possession of such light wines or beer for the purpose of selling it to the consumer, or giving it away, or exposing it where it may be taken or purchased or acquired in any other manner by the consumer; however, the term "retailer" shall not include a person who offers and provides beer on the premises of a brewery for the purpose of tasting or sampling as authorized in Section 67-3-47.

(e) "Wholesaler" means any person who comes into
possession of such light wine or beer for the purpose of selling,
distributing, or giving it away to retailers or other wholesalers
or dealers inside or outside of this state.

141 (f) "Commissioner" means the Commissioner of Revenue of 142 the Department of Revenue or his duly appointed agents or 143 employees.

(g) "Sale" includes the exchange of such light wines orbeer for money, or giving away or distributing any such light

S. B. No. 2552 **~ OFFICIAL ~** 20/SS26/R727PS PAGE 6 146 wines or beer for anything of value; however, the term "sale" 147 shall not include beer offered and provided on the premises of a 148 brewery for the purpose of tasting or sampling as authorized in 149 Section 67-3-47.

(h) "Light wines or beer" means beer and light wines
legalized for sale by the provisions of Chapter 3 of Title 67,
Mississippi Code of 1972.

(i) "Distributor" includes every person who receives
either from within or from without this state, from a brewery, a
winery or any other source, light wines or beer as defined in
Chapter 3 of Title 67, Mississippi Code of 1972, for the purpose
of distributing or otherwise disposing of such light wines or beer
to a wholesaler or retailer of such light wines or beer.

(j) "Brewpub" means the premises of any location in which light wine or beer is manufactured or brewed, for retail sale if the total amount of light wine or beer produced on the premises does not exceed the production limitation imposed in Section 67-3-22, and the light wine or beer is produced for consumption on the premises \* \* \*, although without prohibition on sales for off-premises consumption.

(k) "Hospitality cart" means a mobile cart from which alcoholic beverages and light wine and beer are sold on a golf course and for which a hospitality cart permit has been issued under Section 67-1-51.

S. B. No. 2552 20/SS26/R727PS PAGE 7 (1) "Small craft brewery" shall have the meaningascribed to such term in Section 67-3-3.

172 (m) "Manufacturer" means a person who brews beer at a 173 brewery; however, the term does not include "brewpubs."

SECTION <u>4</u>. Section 27-71-303, Mississippi Code of 1972, is brought forward as follows:

176 27-71-303. Upon each person approved for a permit to engage 177 in the business of selling light wines or beer there is hereby 178 imposed, levied and assessed, to be collected and paid as herein 179 provided, annual privilege taxes in the following amounts:

180 (a) Retailers--for each place of business.....\$ 181 30.00 182 Wholesalers or distributors--for each (b) 183 county.....\$ 100.00 Manufacturers--for each place of 184 (C) 185 business.....\$1,000.00 186 Brewpubs--for each place of (d) 187 business.....\$1,000.00

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

193 Provided, however, the amount of the privilege tax to be paid 194 for a permit issued for a period of less than twelve (12) months

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195 shall be that proportionate amount of the annual privilege tax 196 that the number of months, or part of a month, remaining until its 197 expiration date bears to twelve (12) months, but in no case shall 198 the privilege tax be less than Ten Dollars (\$10.00).

199 SECTION <u>5</u>. This act shall take effect and be in force from 200 and after July 1, 2020.