

By: Representatives Lamar, Barnett, Brown
(20th)

To: Ways and Means

HOUSE BILL NO. 997
(As Passed the House)

1 AN ACT TO AMEND SECTION 67-1-41, MISSISSIPPI CODE OF 1972, TO
2 REMOVE THE DEPARTMENT OF REVENUE FROM BEING A WHOLESALE
3 DISTRIBUTOR OF ALCOHOLIC BEVERAGES WITHIN THIS STATE; TO CREATE A
4 NEW SECTION TO BE CODIFIED AS 67-1-42, MISSISSIPPI CODE OF 1972,
5 TO AUTHORIZE A HOLDER OF A WHOLESALER'S PERMIT TO DISTRIBUTE
6 ALCOHOLIC BEVERAGES THROUGHOUT THIS STATE TO PROPERLY PERMITTED
7 RETAILERS FOR RESALE SUBJECT TO THE PROVISIONS OF THE LOCAL OPTION
8 ALCOHOLIC BEVERAGE CONTROL LAW; TO PROVIDE FOR THE ISSUANCE OF A
9 WHOLESALER'S PERMIT; TO REQUIRE THE HOLDER OF A WHOLESALER'S
10 PERMIT TO FILE REPORTS WITH THE DEPARTMENT OF REVENUE COVERING
11 SALES OF ALCOHOLIC BEVERAGES AND KEEP CERTAIN RECORDS; TO PROVIDE
12 FOR THE ANNUAL RENEWAL OF A WHOLESALER'S PERMIT; TO AMEND SECTIONS
13 67-1-37, 67-1-43, 67-1-45, 67-1-47, 67-1-49 AND 67-1-51,
14 MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PROVISIONS OF THIS
15 ACT; TO AMEND SECTION 27-71-5, MISSISSIPPI CODE OF 1972, TO LEVY A
16 PRIVILEGE TAX ON HOLDERS OF WHOLESALER'S PERMITS; TO AMEND SECTION
17 27-71-7, MISSISSIPPI CODE OF 1972, TO LEVY A TAX UPON THE SALE OF
18 ALCOHOLIC BEVERAGES BY A WHOLESALER; TO AMEND SECTIONS 27-71-9,
19 27-71-11, 27-71-13, 27-71-15, 27-71-17, 27-71-21, 27-71-25,
20 27-71-29 AND 67-5-13, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE
21 PROVISIONS OF THIS ACT; AND FOR RELATED PURPOSES.

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

23 **SECTION 1.** Section 67-1-41, Mississippi Code of 1972, is
24 amended as follows:

25 67-1-41. (1) * * * No person who is granted the right to
26 sell, distribute or receive alcoholic beverages at retail shall
27 purchase any alcoholic beverages from any source other than * * *



28 an authorized wholesaler except as authorized in subsections (4),
29 (9) and (12) of this section. * * * An authorized wholesaler may
30 sell * * * alcoholic beverages to authorized permittees within the
31 state * * * and to retail distributors operating within any
32 military post * * *, keeping a correct and accurate record of all
33 such transactions * * *.

34 (2) No person for the purpose of sale shall manufacture,
35 distill, brew, sell, possess, export, transport, distribute,
36 warehouse, store, solicit, take orders for, bottle, rectify,
37 blend, treat, mix or process any alcoholic beverage except in
38 accordance with authority granted under this chapter, or as
39 otherwise provided by law for native wines.

40 (3) No alcoholic beverage intended for sale or resale shall
41 be imported, shipped or brought into this state for delivery to
42 any person other than for delivery to a licensed wholesaler or as
43 otherwise provided in this chapter, or as otherwise provided by
44 law for native wines.

45 (4) The department may promulgate rules and regulations
46 which authorize on-premises retailers to purchase limited amounts
47 of alcoholic beverages from package retailers and for package
48 retailers to purchase limited amounts of alcoholic beverages from
49 other package retailers. The department shall develop and provide
50 forms to be completed by the on-premises retailers and the package
51 retailers verifying the transaction. The completed forms shall be



forwarded to the department within a period of time prescribed by the department.

(5) The department may promulgate rules which authorize the holder of a package retailer's permit to permit individual retail purchasers of packages of alcoholic beverages to return, for exchange, credit or refund, limited amounts of original sealed and unopened packages of alcoholic beverages purchased by the individual from the package retailer.

(6) The department shall maintain all forms to be completed by applicants necessary for licensure by the department at all district offices of the department.

(7) The department may promulgate rules which authorize the manufacturer of an alcoholic beverage or wine to import, transport and furnish or give a sample of alcoholic beverages or wines to the holders of package retailer's permits, on-premises retailer's permits, native wine retailer's permits and temporary retailer's permits who have not previously purchased the brand of that manufacturer from the department. For each holder of the designated permits, the manufacturer may furnish not more than five hundred (500) milliliters of any brand of alcoholic beverage and not more than three (3) liters of any brand of wine.

(8) The department may promulgate rules disallowing open product sampling of alcoholic beverages or wines by the holders of package retailer's permits and permitting open product sampling of alcoholic beverages by the holders of on-premises retailer's



permits. Permitted sample products shall be plainly identified "sample" and the actual sampling must occur in the presence of the manufacturer's representatives during the legal operating hours of on-premises retailers.

(9) The department may promulgate rules and regulations that authorize the holder of a research permit to import and purchase limited amounts of alcoholic beverages from importers, wineries, * * * distillers of alcoholic beverages * * * and from * * * authorized wholesalers. The department shall develop and provide forms to be completed by the research permittee verifying each transaction. The completed forms shall be forwarded to the department within a period of time prescribed by the department. The records and inventory of alcoholic beverages shall be open to inspection at any time by the Director of the Alcoholic Beverage Control Division or any duly authorized agent.

(10) The department may promulgate rules facilitating a retailer's on-site pickup of native wines sold by the department, so that those wines may be delivered to the retailer at the native winery instead of via shipment from the department's warehouse.

(11) **[Through June 30, 2023]** This section shall not apply to alcoholic beverages authorized to be sold by the holder of a distillery retailer's permit or a festival wine permit.

(11) **[From and after July 1, 2023]** This section shall not apply to alcoholic beverages authorized to be sold by the holder of a distillery retailer's permit.



102 (12) (a) An individual resident of this state who is at
103 least twenty-one (21) years of age may purchase wine from a winery
104 and have the purchase shipped into this state so long as it is
105 shipped to a package retailer permittee in Mississippi; however,
106 the permittee shall pay to the department all taxes, fees and
107 surcharges on the wine that are imposed upon the sale of wine
108 shipped by the department. No credit shall be provided to the
109 permittee for any taxes paid to another state as a result of the
110 transaction. Package retailers may charge a service fee for
111 receiving and handling shipments from wineries on behalf of the
112 purchasers. The department shall develop and provide forms to be
113 completed by the package retailer permittees verifying the
114 transaction. The completed forms shall be forwarded to the
115 department within a period of time prescribed by the department.

116 (b) The purchaser of wine that is to be shipped to a
117 package retailer's store shall be required to get the prior
118 approval of the package retailer before any wine is shipped to the
119 package retailer. A purchaser is limited to no more than ten (10)
120 cases of wine per year to be shipped to a package retailer. A
121 package retailer shall notify a purchaser of wine within two (2)
122 days after receiving the shipment of wine. If the purchaser of
123 the wine does not pick up or take the wine from the package
124 retailer within thirty (30) days after being notified by the
125 package retailer, the package retailer may sell the wine as part
126 of his inventory.



127 (c) Shipments of wine into this state under this
128 section shall be made by a duly licensed carrier. It shall be the
129 duty of every common or contract carrier, and of every firm or
130 corporation that shall bring, carry or transport wine from outside
131 the state for delivery inside the state to package retailer
132 permittees on behalf of consumers, to prepare and file with the
133 department, on a schedule as determined by the department, of
134 known wine shipments containing the name of the common or contract
135 carrier, firm or corporation making the report, the period of time
136 covered by said report, the name and permit number of the winery,
137 the name and permit number of the package retailer permittee
138 receiving such wine, the weight of the package delivered to each
139 package retailer permittee, a unique tracking number, and the date
140 of delivery. Reports received by the department shall be made
141 available by the department to the public via the Mississippi
142 Public Records Act process in the same manner as other state
143 alcohol filings.

144 Upon the department's request, any records supporting the
145 report shall be made available to the department within a
146 reasonable time after the department makes a written request for
147 such records. Any records containing information relating to such
148 reports shall be kept and preserved for a period of two (2) years,
149 unless their destruction sooner is authorized, in writing, by the
150 department, and shall be open and available to inspection by the
151 department upon the department's written request. Reports shall



also be made available to any law enforcement or regulatory body in the state in which the railroad company, express company, common or contract carrier making the report resides or does business.

Any common or contract carrier that willfully fails to make reports, as provided by this section or any of the rules and regulations of the department for the administration and enforcement of this section, is subject to a notification of violation. In the case of a continuing failure to make reports, the common or contract carrier is subject to possible license suspension and revocation at the department's discretion.

(d) A winery that ships wine under this section shall be deemed to have consented to the jurisdiction of the courts of this state, of the department, of any other state agency regarding the enforcement of this section, and of any related law, rules or regulations.

(e) Any person who makes, participates in, transports, imports or receives a shipment in violation of this section is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of One Thousand Dollars (\$1,000.00) or imprisonment in the county jail for not more than six (6) months, or both. Each shipment shall constitute a separate offense.

(13) If any provision of this chapter, or its application to any person or circumstance, is determined by a court to be invalid or unconstitutional, the remaining provisions shall be construed



in accordance with the intent of the Legislature to further limit rather than expand commerce in alcoholic beverages to protect the health, safety, and welfare of the state's residents, and to enhance strict regulatory control over taxation, distribution and sale of alcoholic beverages through the three-tier regulatory system imposed by this chapter upon all alcoholic beverages to curb relationships and practices calculated to stimulate sales and impair the state's policy favoring trade stability and the promotion of temperance.

SECTION 2. The following shall be codified as Section 67-1-42, Mississippi Code of 1972:

67-1-42. (1) A retailer shall purchase all alcoholic beverages from an authorized wholesaler. Except as otherwise authorized, it shall be unlawful for any retailer to possess for purpose of sale, to sell, or to offer to sell any alcoholic beverages which were not purchased from a wholesaler in this state who has a permit to sell and/or distribute such alcoholic beverages.

(2) It shall be unlawful for any wholesaler to possess for purpose of sale, to sell or to offer to sell any alcoholic beverages which were not purchased from a manufacturer authorized to sell alcoholic beverages in this state.

(3) Except as otherwise authorized, sales by wholesalers or manufacturers to persons who do not hold a permit are unlawful; and any wholesaler or manufacturer making such sales, or who sells



any alcoholic beverages on which the tax provided by law has not been paid, shall, in addition to any other fines, penalties and forfeitures, be subject to a penalty of One Hundred Dollars (\$100.00) for each sale.

(4) It shall be the duty of every wholesaler of alcoholic beverages permitted under this chapter to file with the department, on or before the fifteenth day of each month, a report covering all sales of such alcoholic beverages during the preceding month. Such report shall show the names and post-office addresses for all persons to whom such alcoholic beverages have been sold or delivered and the quantities and invoice prices of the alcoholic beverages sold or delivered.

It shall be the duty of each retail dealer in such alcoholic beverages to procure from the wholesaler from whom such alcoholic beverages are purchased or acquired, invoices showing the quantity purchased or acquired, and the date of each delivery thereof. Such invoices shall be preserved by the retailer and shall be open for inspection by the department for a period of three (3) years.

(5) The wholesaler shall be allowed credit for tax paid on alcoholic beverages which are no longer marketable and which are destroyed by same when such destruction is witnessed by an agent of the department and when the amount of the excise tax exceeds One Hundred Dollars (\$100.00). No other loss will be allowed.

(6) If any person shall willfully evade the payment of any tax levied or imposed under this article, he shall be guilty of a



felony, and, upon conviction, shall be punished by a fine of not more than One Thousand Dollars (\$1,000.00) or by imprisonment in the State Penitentiary for not less than one (1) year, nor more than ten (10) years, or by both such fine and imprisonment.

(7) It shall be unlawful for any person to transport from any point outside of this state to any point within this state, any alcoholic beverages except for delivery to a licensed wholesaler in this state; and except by common carrier. The commissioner may, however, upon application of a licensed wholesaler in this state, and under rules and regulations duly promulgated by him, issue a permit for the transportation by a licensed wholesaler of alcoholic beverages in trucks owned by such licensee, from without the state to the place of business of such licensee within the state, for distribution by said licensee. Such permit shall be granted for a specified period, not to exceed one (1) year.

(8) A wholesaler shall sell and deliver alcoholic beverages at uniform prices throughout the state; however, a wholesaler may provide volume or bulk price discounts provided that such discounts are made available to and provided to all retailers.

(9) No alcoholic beverages shall be delivered to a retailer other than alcoholic beverages that have been stored or warehoused for no less than forty-eight (48) hours at a premise in this state owned, rented or leased by a wholesaler.



251 (10) (a) No wholesaler may sell and no retailer may
252 purchase alcoholic beverages except for cash or on terms requiring
253 payment by the retailer in accordance with paragraph (b) of this
254 subsection (10). A wholesaler who accepts a check or draft as
255 payment from a retailer for the purchase of alcoholic beverages
256 must deposit the check or draft in the bank for payment or present
257 the check or draft for payment within five (5) business days after
258 it is received.

259 (b) On purchases made from the first through the
260 fifteenth day of a month, payment must be made on or before the
261 twenty-fifth day of that month. On purchases made on the
262 sixteenth day through the last day of a month, payment must be
263 made on or before the tenth day of the following month. An
264 account is not delinquent if payment is received by the wholesaler
265 not later than the fourth business day after the date payment is
266 due under this paragraph (b).

267 (c) Each delivery of alcoholic beverages shall be
268 accompanied by an invoice giving the date of purchase. If a
269 retailer becomes delinquent in the payment of an account for
270 alcoholic beverages, the wholesaler immediately shall report that
271 fact in writing, including by electronic mail or facsimile
272 transmission, to the commission. A wholesaler may not sell any
273 alcoholic beverages to a retailer who is delinquent until the
274 delinquent account is paid in full and cleared from the records of
275 the commission, provided that sales to delinquent retailers can be



276 made on a cash on delivery basis. An account becomes delinquent
277 if it is not paid when it is required to be paid under paragraph
278 (b) of this subsection (10).

279 (d) The commission may not accept the voluntary
280 cancellation or suspension of a permit or allow a permit to be
281 renewed or transferred if the permit holder is delinquent in the
282 payment of an account for alcoholic beverages under this
283 subsection (10). A person whose permit is canceled by the
284 commission or whose permit has expired is not eligible to hold any
285 other permit or license under this chapter until the person has
286 cured any delinquency of the person under this section.

287 (e) It shall be unlawful for a wholesaler to accept a
288 postdated check, a note or memorandum, or participate in a manner
289 to assist a retailer in the violation of this subsection (10).

290 (f) Nothing in this subsection (10) shall require a
291 wholesaler to make sales to a retailer on a credit basis. A
292 wholesaler may at any time require that sales be made on a cash on
293 delivery basis.

294 **SECTION 3.** Section 67-1-37, Mississippi Code of 1972, is
295 amended as follows:

296 67-1-37. The Department of Revenue, under its duties and
297 powers with respect to the Alcoholic Beverage Control Division
298 therein, shall have the following powers, functions and duties:

299 (a) To issue or refuse to issue any permit provided for
300 by this chapter, or to extend the permit or remit in whole or any



part of the permit monies when the permit cannot be used due to a natural disaster or act of God.

(b) To revoke, suspend or cancel, for violation of or noncompliance with the provisions of this chapter, or the law governing the production and sale of native wines, or any lawful rules and regulations of the department issued hereunder, or for other sufficient cause, any permit issued by it under the provisions of this chapter. The department shall also be authorized to suspend the permit of any permit holder for being out of compliance with an order for support, as defined in Section 93-11-153. The procedure for suspension of a permit for being out of compliance with an order for support, and the procedure for the reissuance or reinstatement of a permit suspended for that purpose, and the payment of any fees for the reissuance or reinstatement of a permit suspended for that purpose, shall be governed by Section 93-11-157 or Section 93-11-163, as the case may be. If there is any conflict between any provision of Section 93-11-157 or Section 93-11-163 and any provision of this chapter, the provisions of Section 93-11-157 or Section 93-11-163, as the case may be, shall control.

(c) To prescribe forms of permits and applications for permits and of all reports which it deems necessary in administering this chapter.

(d) To fix standards, not in conflict with those prescribed by any law of this state or of the United States, to



326 secure the use of proper ingredients and methods of manufacture of
327 alcoholic beverages.

328 (e) To issue rules regulating the advertising of
329 alcoholic beverages in the state in any class of media and
330 permitting advertising of the retail price of alcoholic beverages.

331 (f) To issue reasonable rules and regulations, not
332 inconsistent with the federal laws or regulations, requiring
333 informative labeling of all alcoholic beverages offered for sale
334 within this state and providing for the standards of fill and
335 shapes of retail containers of alcoholic beverages; however, such
336 containers shall not contain less than fifty (50) milliliters by
337 liquid measure.

338 (g) Subject to the provisions of subsection (3) of
339 Section 67-1-51, to issue rules and regulations governing the
340 issuance of retail permits for premises located near or around
341 schools, colleges, universities, churches and other public
342 institutions, and specifying the distances therefrom within which
343 no such permit shall be issued. The Alcoholic Beverage Control
344 Division shall not issue a package retailer's or on-premises
345 retailer's permit for the sale or consumption of alcoholic
346 beverages in or on the campus of any public school, community or
347 junior college, college or university.

348 (h) To adopt and promulgate, repeal and amend, such
349 rules, regulations, standards, requirements and orders, not
350 inconsistent with this chapter or any law of this state or of the



United States, as it deems necessary to control the manufacture, importation, transportation, distribution and sale of alcoholic liquor, whether intended for beverage or nonbeverage use in a manner not inconsistent with the provisions of this chapter or any other statute, including the native wine laws.

(i) To call upon other administrative departments of the state, county and municipal governments, county and city police departments and upon prosecuting officers for such information and assistance as it may deem necessary in the performance of its duties.

(j) To prepare and submit to the Governor during the month of January of each year a detailed report of its official acts during the preceding fiscal year ending June 30, including such recommendations as it may see fit to make, and to transmit a like report to each member of the Legislature of this state upon the convening thereof at its next regular session.

(k) To inspect, or cause to be inspected, any premises where alcoholic liquors intended for sale are manufactured, stored, distributed or sold, and to examine or cause to be examined all books and records pertaining to the business conducted therein.

(l) To investigate the administration of laws in relation to alcoholic liquors in this and other states and any foreign countries, and to recommend from time to time to the



Governor and through him to the Legislature of this state such amendments to this chapter, if any, as it may think desirable.

(m) To designate hours and days when alcoholic beverages may be sold in different localities in the state which permit such sale.

(n) To assign employees to posts of duty at locations where they will be most beneficial for the control of alcoholic beverages and to take any other action concerning persons employed under this chapter as authorized by law and taken in accordance with the rules, regulations and procedures of the State Personnel Board.

(o) To enforce the provisions made unlawful by Chapter 3, Title 67 and Section 97-5-49.

(p) To delegate its authority under this chapter to the Alcoholic Beverage Control Division, its director or any other officer or employee of the department that it deems appropriate.

(q) To prescribe and charge a fee to defray the costs of shipping alcoholic beverages, provided that such fee is determined in a manner provided by the department by rules and/or regulations adopted in accordance with the Mississippi Administrative Procedures Law. This paragraph (q) shall stand repealed on January 1, 2022.

SECTION 4. Section 67-1-43, Mississippi Code of 1972, is amended as follows:



67-1-43. Any authorized retail * * * permittee who shall purchase or receive intoxicating liquor from any source except from * * * an authorized wholesaler, unless authorized by rules and regulations of the department promulgated under Section 67-1-41, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than Five Hundred Dollars (\$500.00), nor more than Two Thousand Dollars (\$2,000.00), to which may be added imprisonment in the county jail for not more than six (6) months. Any authorization of such person to sell intoxicating beverages may be revoked as provided by law.

SECTION 5. Section 67-1-45, Mississippi Code of 1972, is amended as follows:

67-1-45. No manufacturer, rectifier or distiller of alcoholic beverages shall sell or attempt to sell any such alcoholic beverages, except malt liquor, within the State of Mississippi, except to * * * an authorized wholesaler, or as provided in Section 67-1-41, or pursuant to Section 67-1-51. A producer of native wine may sell native wines to * * * an authorized wholesaler or to consumers at the location of the native winery or its immediate vicinity. For the purposes of this section, "authorized wholesaler" does not include package retail permittees who resell alcoholic beverages at wholesale to other permittees. Such package retail permittees may only purchase alcoholic beverages as otherwise authorized by this chapter.



423 Any violation of this section by any manufacturer, rectifier
424 or distiller shall be punished by a fine of not less than Five
425 Hundred Dollars (\$500.00), and not more than Two Thousand Dollars
426 (\$2,000.00), to which may be added imprisonment in the county jail
427 not to exceed six (6) months.

428 **SECTION 6.** Section 67-1-47, Mississippi Code of 1972, is
429 amended as follows:

430 67-1-47. All distillers or distributors having contracts
431 with * * * any authorized wholesaler for the sale of alcoholic
432 beverages * * * throughout the state, before making delivery of
433 any merchandise to the * * * wholesaler, shall register with the
434 Secretary of State giving their name, address, name of all local
435 agents and any other pertinent information which may be required
436 by the Secretary of State and appointing an agent for the service
437 of process within the State of Mississippi.

438 **SECTION 7.** Section 67-1-49, Mississippi Code of 1972, is
439 amended as follows:

440 67-1-49. All distillers or distributors having contracts
441 with * * * any authorized wholesaler for the sale of alcoholic
442 beverages * * * throughout the state, shall, on or before February
443 1st of each year, file a statement, under oath, with the * * *
444 Department of Revenue and with the Secretary of State, listing the
445 names and addresses of each person, firm or corporation in
446 Mississippi to whom or which said distiller or distributor shall
447 have paid or agreed to pay any fee, retainer, salary, or



remuneration, during the preceding year, together with a statement of the purpose for such payment. Failure to file such statement shall constitute grounds for the commission to suspend the right of the distiller or distributor to sell to said commission until such time as said statement shall be filed.

SECTION 8. Section 67-1-51, Mississippi Code of 1972, is amended as follows:

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

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

Manufacturer's permits shall be of the following classes:

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

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



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

476 (b) **Package retailer's permit.** Except as otherwise
477 provided in this paragraph and Section 67-1-52, a package
478 retailer's permit shall authorize the holder thereof to operate a
479 store exclusively for the sale at retail in original sealed and
480 unopened packages of alcoholic beverages, including native wines,
481 not to be consumed on the premises where sold. Alcoholic
482 beverages shall not be sold by any retailer in any package or
483 container containing less than fifty (50) milliliters by liquid
484 measure. A package retailer's permit, with prior approval from
485 the department, shall authorize the holder thereof to sample new
486 product furnished by a manufacturer's representative or his
487 employees at the permitted place of business so long as the
488 sampling otherwise complies with this chapter and applicable
489 department regulations. Such samples may not be provided to
490 customers at the permitted place of business. In addition to the
491 sale at retail of packages of alcoholic beverages, the holder of a
492 package retailer's permit is authorized to sell at retail
493 corkscrews, wine glasses, soft drinks, ice, juices, mixers and
494 other beverages commonly used to mix with alcoholic beverages.
495 Nonalcoholic beverages sold by the holder of a package retailer's
496 permit shall not be consumed on the premises where sold.



497 (c) **On-premises retailer's permit.** Except as otherwise
498 provided in subsection (5) of this section, an on-premises
499 retailer's permit shall authorize the sale of alcoholic beverages,
500 including native wines, for consumption on the licensed premises
501 only; however, a patron of the permit holder may remove one (1)
502 bottle of wine from the licensed premises if: (i) the patron
503 consumed a portion of the bottle of wine in the course of
504 consuming a meal purchased on the licensed premises; (ii) the
505 permit holder securely reseals the bottle; (iii) the bottle is
506 placed in a bag that is secured in a manner so that it will be
507 visibly apparent if the bag is opened; and (iv) a dated receipt
508 for the wine and the meal is available. Additionally, as part of
509 a carryout order, a permit holder may sell one (1) bottle of wine
510 to be removed from the licensed premises for every two (2) entrees
511 ordered. Such a permit shall be issued only to qualified hotels,
512 restaurants and clubs, and to common carriers with adequate
513 facilities for serving passengers. In resort areas, whether
514 inside or outside of a municipality, the department, in its
515 discretion, may issue on-premises retailer's permits to such
516 establishments as it deems proper. An on-premises retailer's
517 permit when issued to a common carrier shall authorize the sale
518 and serving of alcoholic beverages aboard any licensed vehicle
519 while moving through any county of the state; however, the sale of
520 such alcoholic beverages shall not be permitted while such vehicle
521 is stopped in a county that has not legalized such sales. If an



on-premises retailer's permit is applied for by a common carrier operating solely in the water, such common carrier must, along with all other qualifications for a permit, (i) be certified to carry at least one hundred fifty (150) passengers and/or provide overnight accommodations for at least fifty (50) passengers and (ii) operate primarily in the waters within the State of Mississippi which lie adjacent to the State of Mississippi south of the three (3) most southern counties in the State of Mississippi and/or on the Mississippi River or navigable waters within any county bordering on the Mississippi River.

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

(e) **Native wine retailer's permit.** Except as otherwise provided in subsection (5) of this section, a native wine



retailer's permit shall be issued only to a holder of a Class 3 manufacturer's permit, and shall authorize the holder thereof to make retail sales of native wines to consumers for on-premises consumption or to consumers in originally sealed and unopened containers at an establishment located on the premises of or in the immediate vicinity of a native winery. When selling to consumers for on-premises consumption, a holder of a native wine retailer's permit may add to the native wine alcoholic beverages not produced on the premises, so long as the total volume of foreign beverage components does not exceed twenty percent (20%) of the mixed beverage. Hours of sale shall be the same as those authorized for on-premises permittees in the city or county in which the native wine retailer is located.

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

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

Class 1. A temporary one-day permit may be issued to bona fide nonprofit civic or charitable organizations authorizing the sale of alcoholic beverages, including native wine, for consumption on the premises described in the temporary permit only. Class 1 permits may be issued only to applicants



demonstrating to the department, by a statement signed under penalty of perjury submitted ten (10) days prior to the proposed date or such other time as the department may determine, that they meet the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59. Class 1 permittees shall obtain all alcoholic beverages from package retailers located in the county in which the temporary permit is issued. Alcoholic beverages remaining in stock upon expiration of the temporary permit may be returned by the permittee to the package retailer for a refund of the purchase price upon consent of the package retailer or may be kept by the permittee exclusively for personal use and consumption, subject to all laws pertaining to the illegal sale and possession of alcoholic beverages. The department, following review of the statement provided by the applicant and the requirements of the applicable statutes and regulations, may issue the permit.

Class 2. A temporary permit, not to exceed seventy (70) days, may be issued to prospective permittees seeking to transfer a permit authorized in paragraph (c) of this subsection. A Class 2 permit may be issued only to applicants demonstrating to the department, by a statement signed under the penalty of perjury, that they meet the qualifications of Sections 67-1-5(1), (m), (n), (o), (p) or (q), 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 and 67-1-59. The department, following a preliminary review of the



statement provided by the applicant and the requirements of the applicable statutes and regulations, may issue the permit.

Class 2 temporary permittees must purchase their alcoholic beverages directly from * * * an authorized wholesaler or, with approval of the department, purchase the remaining stock of the previous permittee. If the proposed applicant of a Class 1 or Class 2 temporary permit falsifies information contained in the application or statement, the applicant shall never again be eligible for a retail alcohol beverage permit and shall be subject to prosecution for perjury.

Class 3. A temporary one-day permit may be issued to a retail establishment authorizing the complimentary distribution of wine, including native wine, to patrons of the retail establishment at an open house or promotional event, for consumption only on the premises described in the temporary permit. A Class 3 permit may be issued only to an applicant demonstrating to the department, by a statement signed under penalty of perjury submitted ten (10) days before the proposed date or such other time as the department may determine, that it meets the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59. A Class 3 permit holder shall obtain all alcoholic beverages from the holder(s) of a package retailer's permit located in the county in which the temporary permit is issued. Wine remaining in stock upon expiration of the temporary permit may be returned by the



621 Class 3 temporary permit holder to the package retailer for a
622 refund of the purchase price, with consent of the package
623 retailer, or may be kept by the Class 3 temporary permit holder
624 exclusively for personal use and consumption, subject to all laws
625 pertaining to the illegal sale and possession of alcoholic
626 beverages. The department, following review of the statement
627 provided by the applicant and the requirements of the applicable
628 statutes and regulations, may issue the permit. No retailer may
629 receive more than twelve (12) Class 3 temporary permits in a
630 calendar year. A Class 3 temporary permit shall not be issued to
631 a retail establishment that either holds a merchant permit issued
632 under paragraph (1) of this subsection, or holds a permit issued
633 under Chapter 3, Title 67, Mississippi Code of 1972, authorizing
634 the holder to engage in the business of a retailer of light wine
635 or beer.

636 (g) **Caterer's permit.** A caterer's permit shall permit
637 the purchase of alcoholic beverages by a person engaging in
638 business as a caterer and the resale of alcoholic beverages by
639 such person in conjunction with such catering business. No person
640 shall qualify as a caterer unless forty percent (40%) or more of
641 the revenue derived from such catering business shall be from the
642 serving of prepared food and not from the sale of alcoholic
643 beverages and unless such person has obtained a permit for such
644 business from the Department of Health. A caterer's permit shall
645 not authorize the sale of alcoholic beverages on the premises of



646 the person engaging in business as a caterer; however, the holder
647 of an on-premises retailer's permit may hold a caterer's permit.
648 When the holder of an on-premises retailer's permit or an
649 affiliated entity of the holder also holds a caterer's permit, the
650 caterer's permit shall not authorize the service of alcoholic
651 beverages on a consistent, recurring basis at a separate, fixed
652 location owned or operated by the caterer, on-premises retailer or
653 affiliated entity and an on-premises retailer's permit shall be
654 required for the separate location. All sales of alcoholic
655 beverages by holders of a caterer's permit shall be made at the
656 location being catered by the caterer, and, except as otherwise
657 provided in subsection (5) of this section, such sales may be made
658 only for consumption at the catered location. The location being
659 catered may be anywhere within a county or judicial district that
660 has voted to come out from under the dry laws or in which the sale
661 and distribution of alcoholic beverages is otherwise authorized by
662 law. Such sales shall be made pursuant to any other conditions
663 and restrictions which apply to sales made by on-premises retail
664 permittees. The holder of a caterer's permit or his employees
665 shall remain at the catered location as long as alcoholic
666 beverages are being sold pursuant to the permit issued under this
667 paragraph (g), and the permittee shall have at the location the
668 identification card issued by the Alcoholic Beverage Control
669 Division of the department. No unsold alcoholic beverages may be
670 left at the catered location by the permittee upon the conclusion



671 of his business at that location. Appropriate law enforcement
672 officers and Alcoholic Beverage Control Division personnel may
673 enter a catered location on private property in order to enforce
674 laws governing the sale or serving of alcoholic beverages.

675 (h) **Research permit.** A research permit shall authorize
676 the holder thereof to operate a research facility for the
677 professional research of alcoholic beverages. Such permit shall
678 authorize the holder of the permit to import and purchase limited
679 amounts of alcoholic beverages from * * * authorized wholesalers,
680 importers, wineries and distillers of alcoholic beverages for
681 professional research.

682 (i) **Alcohol processing permit.** An alcohol processing
683 permit shall authorize the holder thereof to purchase, transport
684 and possess alcoholic beverages for the exclusive use in cooking,
685 processing or manufacturing products which contain alcoholic
686 beverages as an integral ingredient. An alcohol processing permit
687 shall not authorize the sale of alcoholic beverages on the
688 premises of the person engaging in the business of cooking,
689 processing or manufacturing products which contain alcoholic
690 beverages. The amounts of alcoholic beverages allowed under an
691 alcohol processing permit shall be set by the department.

692 (j) **Hospitality cart permit.** A hospitality cart permit
693 shall authorize the sale of alcoholic beverages from a mobile cart
694 on a golf course that is the holder of an on-premises retailer's



695 permit. The alcoholic beverages sold from the cart must be
696 consumed within the boundaries of the golf course.

697 (k) **Special service permit.** A special service permit
698 shall authorize the holder to sell commercially sealed alcoholic
699 beverages to the operator of a commercial or private aircraft for
700 en route consumption only by passengers. A special service permit
701 shall be issued only to a fixed-base operator who contracts with
702 an airport facility to provide fueling and other associated
703 services to commercial and private aircraft.

704 (l) **Merchant permit.** Except as otherwise provided in
705 subsection (5) of this section, a merchant permit shall be issued
706 only to the owner of a spa facility, an art studio or gallery, or
707 a cooking school, and shall authorize the holder to serve
708 complimentary by the glass wine only, including native wine, at
709 the holder's spa facility, art studio or gallery, or cooking
710 school. A merchant permit holder shall obtain all wine from the
711 holder of a package retailer's permit.

712 (m) **Temporary alcoholic beverages charitable auction**
713 **permit.** A temporary permit, not to exceed five (5) days, may be
714 issued to a qualifying charitable nonprofit organization that is
715 exempt from taxation under Section 501(c)(3) or (4) of the
716 Internal Revenue Code of 1986. The permit shall authorize the
717 holder to sell alcoholic beverages for the limited purpose of
718 raising funds for the organization during a live or silent auction
719 that is conducted by the organization and that meets the following



requirements: (i) the auction is conducted in an area of the state where the sale of alcoholic beverages is authorized; (ii) if the auction is conducted on the premises of an on-premises retailer's permit holder, then the alcoholic beverages to be auctioned must be stored separately from the alcoholic beverages sold, stored or served on the premises, must be removed from the premises immediately following the auction, and may not be consumed on the premises; (iii) the permit holder may not conduct more than two (2) auctions during a calendar year; (iv) the permit holder may not pay a commission or promotional fee to any person to arrange or conduct the auction.

(n) **Event venue retailer's permit.** An event venue retailer's permit shall authorize the holder thereof to purchase and resell alcoholic beverages, including native wines, for consumption on the premises during legal hours during events held on the licensed premises if food is being served at the event by a caterer who is not affiliated with or related to the permittee. The caterer must serve at least three (3) entrees. The permit may only be issued for venues that can accommodate two hundred (200) persons or more. The number of persons a venue may accommodate shall be determined by the local fire department and such determination shall be provided in writing and submitted along with all other documents required to be provided for an on-premises retailer's permit. The permittee must derive the majority of its revenue from event-related fees, including, but



not limited to, admission fees or ticket sales for live entertainment in the building. "Event-related fees" do not include alcohol, beer or light wine sales or any fee which may be construed to cover the cost of alcohol, beer or light wine. This determination shall be made on a per event basis. An event may not last longer than two (2) consecutive days per week.

(o) **Temporary theatre permit.** A temporary theatre permit, not to exceed five (5) days, may be issued to a charitable nonprofit organization that is exempt from taxation under Section 501(c)(3) or (4) of the Internal Revenue Code and owns or operates a theatre facility that features plays and other theatrical performances and productions. Except as otherwise provided in subsection (5) of this section, the permit shall authorize the holder to sell alcoholic beverages, including native wines, to patrons of the theatre during performances and productions at the theatre facility for consumption during such performances and productions on the premises of the facility described in the permit. A temporary theatre permit holder shall obtain all alcoholic beverages from package retailers located in the county in which the permit is issued. Alcoholic beverages remaining in stock upon expiration of the temporary theatre permit may be returned by the permittee to the package retailer for a refund of the purchase price upon consent of the package retailer or may be kept by the permittee exclusively for personal use and



consumption, subject to all laws pertaining to the illegal sale and possession of alcoholic beverages.

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



794 (q) **Distillery retailer's permit.** The holder of a
795 Class 1 manufacturer's permit may obtain a distillery retailer's
796 permit. A distillery retailer's permit shall authorize the holder
797 thereof to sell at retail alcoholic beverages by the sealed and
798 unopened bottle from a retail location at the distillery for
799 off-premises consumption. The holder may only sell product
800 manufactured by the manufacturer at the distillery described in
801 the permit. The holder shall not sell at retail more than ten
802 percent (10%) of the alcoholic beverages produced annually at its
803 distillery. The holder shall not make retail sales of more than
804 two and twenty-five one-hundredths (2.25) liters, in the
805 aggregate, of the alcoholic beverages produced at its distillery
806 to any one (1) individual for consumption off the premises of the
807 distillery within a twenty-four-hour period. The hours of sale
808 shall be the same as those hours for package retailers under this
809 chapter. The holder of a distillery retailer's permit is not
810 required to purchase the alcoholic beverages authorized to be sold
811 by this paragraph from * * * an authorized wholesaler; however, if
812 the holder does not purchase the alcoholic beverages from * * * an
813 authorized wholesaler, the holder shall pay to the department all
814 taxes, fees and surcharges on the alcoholic beverages that are
815 imposed upon the sale of alcoholic beverages shipped by * * * an
816 authorized wholesaler. In addition to alcoholic beverages, the
817 holder of a distillery retailer's permit may sell at retail
818 promotional products from the same retail location, including



819 shirts, hats, glasses, and other promotional products customarily
820 sold by alcoholic beverage manufacturers.

821 (r) **Festival Wine Permit.** Any wine manufacturer or
822 native wine producer permitted by Mississippi or any other state
823 is eligible to obtain a Festival Wine Permit. This permit
824 authorizes the entity to transport product manufactured by it to
825 festivals held within the State of Mississippi and sell sealed,
826 unopened bottles to festival participants. The holder of this
827 permit may provide samples at no charge to participants.

828 "Festival" means any event at which three (3) or more vendors are
829 present at a location for the sale or distribution of goods. The
830 holder of a Festival Wine Permit is not required to purchase the
831 alcoholic beverages authorized to be sold by this paragraph
832 from * * * an authorized wholesaler. However, if the holder does
833 not purchase the alcoholic beverages from * * * an authorized
834 wholesaler, the holder of this permit shall pay to the department
835 all taxes, fees and surcharges on the alcoholic beverages sold at
836 such festivals that are imposed upon the sale of alcoholic
837 beverages shipped by * * * an authorized wholesaler.

838 Additionally, the entity shall file all applicable reports and
839 returns as prescribed by the department. This permit is issued
840 per festival and provides authority to sell for two (2)
841 consecutive days during the hours authorized for on-premises
842 permittees' sales in that county or city. The holder of the
843 permit shall be required to maintain all requirements set by Local



Option Law for the service and sale of alcoholic beverages. This permit may be issued to entities participating in festivals at which a Class 1 temporary permit is in effect.

This paragraph (r) shall stand repealed from and after July 1, 2023.

(s) **Wholesaler's permit.** The holder of a wholesaler's permit may distribute alcoholic beverages throughout the State of Mississippi to properly permitted retailers for resale subject to the provisions of this chapter and any applicable regulations.

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

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

A church or funeral home may waive the distance restrictions imposed in this subsection in favor of allowing issuance by the department of a permit, pursuant to subsection (1) of this section, to authorize activity relating to the manufacturing, sale or storage of alcoholic beverages which would otherwise be prohibited under the minimum distance criterion. Such waiver



shall be in written form from the owner, the governing body, or the appropriate officer of the church or funeral home having the authority to execute such a waiver, and the waiver shall be filed with and verified by the department before becoming effective.

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

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

(5) (a) In addition to any other authority granted under this section, the holder of a permit issued under subsection (1)(c), (e), (f), (g), (l), (n) and/or (o) of this section may sell or otherwise provide alcoholic beverages and/or wine to a



894 patron of the permit holder in the manner authorized in the permit
895 and the patron may remove an open glass, cup or other container of
896 the alcoholic beverage and/or wine from the licensed premises and
897 may possess and consume the alcoholic beverage or wine outside of
898 the licensed premises if: (i) the licensed premises is located
899 within a leisure and recreation district created under Section
900 67-1-101 and (ii) the patron remains within the boundaries of the
901 leisure and recreation district while in possession of the
902 alcoholic beverage or wine.

903 (b) Nothing in this subsection shall be construed to
904 allow a person to bring any alcoholic beverages into a permitted
905 premises except to the extent otherwise authorized by this
906 chapter.

907 **SECTION 9.** Section 27-71-5, Mississippi Code of 1972, is
908 amended as follows:

909 27-71-5. (1) Upon each person approved for a permit under
910 the provisions of the Alcoholic Beverage Control Law and
911 amendments thereto, there is levied and imposed for each location
912 for the privilege of engaging and continuing in this state in the
913 business authorized by such permit, an annual privilege license
914 tax in the amount provided in the following schedule:

915 (a) Except as otherwise provided in this subsection
916 (1), manufacturer's permit, Class 1, distiller's and/or
917 rectifier's..... \$4,500.00

918 (b) Manufacturer's permit, Class 2, wine



919	Manufacturer.....	\$1,800.00
920	(c) Manufacturer's permit, Class 3, native wine	
921	manufacturer per ten thousand (10,000) gallons or part thereof	
922	produced.....	\$ 10.00
923	(d) Native wine retailer's permit.....	\$ 50.00
924	(e) Package retailer's permit, each.....	\$ 900.00
925	(f) On-premises retailer's permit, except for clubs and	
926	common carriers, each.....	\$ 450.00
927	(g) On-premises retailer's permit for wine of more than	
928	five percent (5%) alcohol by weight, but not more than twenty-one	
929	percent (21%) alcohol by weight, each.....	\$ 225.00
930	(h) On-premises retailer's permit for clubs.....	\$ 225.00
931	(i) On-premises retailer's permit for common carriers,	
932	per car, plane, or other vehicle.....	\$ 120.00
933	(j) Solicitor's permit, regardless of any other	
934	provision of law, solicitor's permits shall be issued only in the	
935	discretion of the department.....	\$ 100.00
936	(k) Filing fee for each application except for an	
937	employee identification card.....	\$ 25.00
938	(l) Temporary permit, Class 1, each.....	\$ 10.00
939	(m) Temporary permit, Class 2, each.....	\$ 50.00
940	(n) (i) Caterer's permit.....	\$ 600.00
941	(ii) Caterer's permit for holders of on-premises	
942	retailer's permit.....	\$ 150.00
943	(o) Research permit.....	\$ 100.00



944	(p) Temporary permit, Class 3 (wine only).....	\$ 10.00
945	(q) Special service permit.....	\$ 225.00
946	(r) Merchant permit.....	\$ 225.00
947	(s) Temporary alcoholic beverages charitable auction	
948	permit.....	\$ 10.00
949	(t) Event venue retailer's permit.....	\$ 225.00
950	(u) Temporary theatre permit, each.....	\$ 10.00
951	(v) Charter ship operator's permit.....	\$ 100.00
952	(w) Distillery retailer's permit.....	\$ 450.00
953	(x) Festival wine permit.....	\$ 10.00
954	<u>(y) Wholesaler's permit.....</u>	<u>\$ 5,000.00</u>

955 If a person approved for a manufacturer's permit, Class 1,
956 distiller's permit produces a product with at least fifty-one
957 percent (51%) of the finished product by volume being obtained
958 from alcoholic fermentation of grapes, fruits, berries, honey
959 and/or vegetables grown and produced in Mississippi, and produces
960 all of the product by using not more than one (1) still having a
961 maximum capacity of one hundred fifty (150) liters, the annual
962 privilege license tax for such a permit shall be Ten Dollars
963 (\$10.00) per ten thousand (10,000) gallons or part thereof
964 produced. Bulk, concentrated or fortified ingredients used for
965 blending may be produced outside this state and used in producing
966 such a product.

967 In addition to the filing fee imposed by paragraph (k) of
968 this subsection, a fee to be determined by the Department of



Revenue may be charged to defray costs incurred to process applications. The additional fees shall be paid into the State Treasury to the credit of a special fund account, which is hereby created, and expenditures therefrom shall be made only to defray the costs incurred by the Department of Revenue in processing alcoholic beverage applications. Any unencumbered balance remaining in the special fund account on June 30 of any fiscal year shall lapse into the State General Fund.

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

Paragraph (x) of this subsection shall stand repealed from and after July 1, 2023.

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

(b) (i) In addition to the tax imposed in paragraph (a) of this subsection, there is imposed and shall be collected by the department from each permittee described in subsection (1)(f), (g), (h), (m) and (t) of this section, an additional license tax for the privilege of doing business within any municipality or



994 county in which the licensee is located in the amount of Two
995 Hundred Twenty-five Dollars (\$225.00) on purchases exceeding Five
996 Thousand Dollars (\$5,000.00) and Two Hundred Twenty-five Dollars
997 (\$225.00) for each additional purchase of Five Thousand Dollars
998 (\$5,000.00), or fraction thereof.

999 (ii) In addition to the tax imposed in paragraph
1000 (a) of this subsection, there is imposed and shall be collected by
1001 the department from each permittee described in subsection (1)(n)
1002 and (r) of this section, an additional license tax for the
1003 privilege of doing business within any municipality or county in
1004 which the licensee is located in the amount of Two Hundred Fifty
1005 Dollars (\$250.00) on purchases exceeding Five Thousand Dollars
1006 (\$5,000.00) and Two Hundred Twenty-five Dollars (\$225.00) for each
1007 additional purchase of Five Thousand Dollars (\$5,000.00), or
1008 fraction thereof.

1009 (iii) Any person who has paid the additional
1010 privilege license tax imposed by this paragraph, and whose permit
1011 is renewed, may add any unused fraction of Five Thousand Dollars
1012 (\$5,000.00) purchases to the first Five Thousand Dollars
1013 (\$5,000.00) purchases authorized by the renewal permit, and no
1014 additional license tax will be required until purchases exceed the
1015 sum of the two (2) figures.

1016 (c) If the licensee is located within a municipality,
1017 the department shall pay the amount of additional license tax
1018 collected under this section to the municipality, and if outside a



1019 municipality the department shall pay the additional license tax
1020 to the county in which the licensee is located. Payments by the
1021 department to the respective local government subdivisions shall
1022 be made once each month for any collections during the preceding
1023 month.

1024 (3) When an application for any permit, other than for
1025 renewal of a permit, has been rejected by the department, such
1026 decision shall be final. Appeal may be made in the manner
1027 provided by Section 67-1-39. Another application from an
1028 applicant who has been denied a permit shall not be reconsidered
1029 within a twelve-month period.

1030 (4) The number of permits issued by the department shall not
1031 be restricted or limited on a population basis; however, the
1032 foregoing limitation shall not be construed to preclude the right
1033 of the department to refuse to issue a permit because of the
1034 undesirability of the proposed location.

1035 (5) If any person shall engage or continue in any business
1036 which is taxable under this section without having paid the tax as
1037 provided in this section, the person shall be liable for the full
1038 amount of the tax plus a penalty thereon equal to the amount
1039 thereof, and, in addition, shall be punished by a fine of not more
1040 than One Thousand Dollars (\$1,000.00), or by imprisonment in the
1041 county jail for a term of not more than six (6) months, or by both
1042 such fine and imprisonment, in the discretion of the court.



1043 (6) It shall be unlawful for any person to consume alcoholic
1044 beverages on the premises of any hotel restaurant, restaurant,
1045 club or the interior of any public place defined in Chapter 1,
1046 Title 67, Mississippi Code of 1972, when the owner or manager
1047 thereof displays in several conspicuous places inside the
1048 establishment and at the entrances of establishment a sign
1049 containing the following language: NO ALCOHOLIC BEVERAGES
1050 ALLOWED.

1051 **SECTION 10.** Section 27-71-7, Mississippi Code of 1972, is
1052 amended as follows:

1053 27-71-7. (1) There is hereby levied and assessed an excise
1054 tax upon each case of alcoholic beverages sold by * * * an
1055 authorized wholesaler to be collected from each retail licensee at
1056 the time of sale in accordance with the following schedule:

1057 (a) Distilled spirits.....\$2.50 per gallon
1058 (b) Sparkling wine and champagne.....\$1.00 per gallon
1059 (c) Other wines, including native
1060 wines.....\$.35 per gallon

1061 (2) * * * Upon every person engaged or continuing in this
1062 state in business as an authorized wholesaler there is hereby
1063 levied, assessed and shall be collected a tax of eighteen percent
1064 (18%) on the gross proceeds of the wholesale sale. This tax shall
1065 be in addition to any and all taxes otherwise imposed under this
1066 title.



1067 (3) The taxes imposed by this section shall be paid to the
1068 department monthly on or before the fifteenth day of the month
1069 following the month in which the sales were made by a wholesaler.
1070 Monthly report forms shall be furnished by the commissioner to the
1071 wholesalers.

1072 **SECTION 11.** Section 27-71-9, Mississippi Code of 1972, is
1073 amended as follows:

1074 27-71-9. The * * * department may promulgate regulations
1075 authorizing persons holding on premises retailer's permits for
1076 common carriers, as provided herein, to file periodic reports and
1077 pay a tax based upon the value of alcoholic beverages sold while
1078 in this state, in lieu of purchasing all such alcoholic beverages
1079 from the * * * an authorized wholesaler. Such tax shall not be
1080 less than an amount equivalent to the gross profit plus all taxes
1081 that would have been derived from the sale of a like quantity of
1082 alcoholic beverages by the * * * wholesaler.

1083 **SECTION 12.** Section 27-71-11, Mississippi Code of 1972, is
1084 amended as follows:

1085 27-71-11. The * * * department shall from time to time by
1086 resolution request the State Bond Commission to provide sufficient
1087 funds required to maintain an adequate alcoholic beverage
1088 inventory. Said funds shall be provided under the provisions of
1089 Chapter 557, Laws of 1966.

1090 * * *



1091 Through June 30, 2022, the department may take any action
1092 necessary to dispose of its inventory by allowing suppliers and/or
1093 other entities with products in the inventory to remove their
1094 products from the inventory.

1095 This section shall stand repealed on July 1, 2022.

1096 **SECTION 13.** Section 27-71-13, Mississippi Code of 1972, is
1097 amended as follows:

1098 27-71-13. The commission shall purchase directly from the
1099 manufacturer, except under the following conditions:

1100 (a) Foreign brands which are not readily obtainable
1101 directly from the manufacturer.

1102 (b) When the commission can conclusively prove that
1103 unusual or extraordinary circumstances exist and the required or
1104 desired brands can be purchased at substantially lower prices from
1105 wholesalers or brokerage firms.

1106 In all instances involving purchases, other than directly
1107 from the manufacturer, the commission shall maintain full and
1108 complete records clearly reflecting the justification for such
1109 purchases. Said records shall include invoices, price lists,
1110 comparative prices, bills of lading and a certificate of
1111 justification signed by the director of the Alcoholic Beverage
1112 Control Division, as to the conditions requiring the purchase or
1113 purchases. All such records shall be retained for a period of
1114 three (3) years.

1115 This section shall stand repealed on January 1, 2022.



1116 **SECTION 14.** Section 27-71-15, Mississippi Code of 1972, is
1117 amended as follows:

1118 27-71-15. Except as otherwise provided in Section 67-9-1 for
1119 the transportation of limited amounts of alcoholic beverages for
1120 the use of an alcohol processing permittee, if transportation
1121 requires passage through a county which has not authorized the
1122 sale of alcoholic beverages, such transportation shall be by a
1123 sealed vehicle. Such seal shall remain unbroken until the vehicle
1124 shall reach the place of business operated by the permittee. The
1125 operator of any vehicle transporting alcoholic beverages shall
1126 have in his possession an invoice issued by the * * * wholesaler
1127 at the time of the wholesale sale covering the merchandise
1128 transported by the vehicle. The * * * department is authorized to
1129 issue regulations controlling the transportation of alcoholic
1130 beverages.

1131 When the restrictions imposed by this section and by the
1132 regulation of the * * * department have not been violated, the
1133 person transporting alcoholic beverages through a county wherein
1134 the sale of alcoholic beverages is prohibited shall not be guilty
1135 of unlawful possession and such merchandise shall be immune from
1136 seizure.

1137 **SECTION 15.** Section 27-71-17, Mississippi Code of 1972, is
1138 amended as follows:

1139 27-71-17. It shall be unlawful for any person to counterfeit
1140 or reuse any label prescribed by the * * * department and used to



1141 identify alcoholic beverages sold at wholesale by * * * a
1142 wholesaler and, upon conviction, the person shall be punished by a
1143 fine of not more than Five Thousand Dollars (\$5,000.00), or by
1144 imprisonment in the State Penitentiary for not less than one (1)
1145 year, nor more than ten (10) years, or both.

1146 **SECTION 16.** Section 27-71-21, Mississippi Code of 1972, is
1147 amended as follows:

1148 27-71-21. Before any person shall engage in the business of
1149 manufacturing, wholesaling or retailing of alcoholic beverages, he
1150 may be required to enter into a bond payable to the State of
1151 Mississippi, conditioned that he will conduct said business
1152 strictly in accordance with the laws of the State of Mississippi,
1153 and that he will comply with the rules and regulations prescribed
1154 by the * * * department, and pay all taxes due the State of
1155 Mississippi. The amount of a bond required of a manufacturer, not
1156 including a producer of native wine, and of a wholesaler shall not
1157 exceed One Hundred Thousand Dollars (\$100,000.00), and the amount
1158 required of a retailer shall be Five Thousand Dollars (\$5,000.00).
1159 Provided, however, any retailer whose check for purchase of
1160 merchandise or payment of taxes shall be dishonored may be
1161 required by the * * * department to post additional bond not to
1162 exceed Five Thousand Dollars (\$5,000.00). Such bond shall be made
1163 in a surety company authorized to do business in the State of
1164 Mississippi and shall be approved by the * * * department.
1165 The * * * department shall be authorized to institute suit in the



1166 proper court for any violation of the condition of said bonds.
1167 The amount of the bond required of a producer of native wine shall
1168 be Five Thousand Dollars (\$5,000.00).

1169 As an alternative to entering into a bond as required by this
1170 section, any person who shall engage in the business of
1171 manufacturing, wholesaling or retailing alcoholic beverages may,
1172 subject to the same conditions of conduct required for bonds,
1173 deposit with the State Treasurer the equivalent amount of the bond
1174 required for that particular person in cash or securities. The
1175 only securities allowable for this purpose are those which may
1176 legally be purchased by a bank or for trust funds, having a market
1177 value not less than that of the required bond. The * * *
1178 department shall file notice with the Treasurer for any violation
1179 of the conditions of the cash or security deposit.

1180 **SECTION 17.** Section 27-71-25, Mississippi Code of 1972, is
1181 amended as follows:

1182 27-71-25. Any person engaged in the business of selling or
1183 distributing alcoholic beverages shall keep such records and make
1184 such reports with respect to the receipt, distribution and sale of
1185 alcoholic beverages as the * * * department may require. It shall
1186 be the duty of the * * * department to prescribe and promulgate
1187 uniform rules and regulations for keeping such records and making
1188 such reports.

1189 **SECTION 18.** Section 27-71-29, Mississippi Code of 1972, is
1190 amended as follows:



1191 27-71-29. All taxes levied by this article shall be paid to
1192 the Department of Revenue in cash or by personal check, cashier's
1193 check, bank exchange, post office money order or express money
1194 order and shall be deposited by the department in the State
1195 Treasury on the same day collected, but no remittances other than
1196 cash shall be a final discharge of liability for the tax herein
1197 imposed and levied unless and until it has been paid in cash to
1198 the department.

1199 All taxes levied under Section 27-71-7 * * * and received by
1200 the department under this article shall be paid into the General
1201 Fund, * * * except that sixteen and six hundred sixty-seven
1202 one-thousandths percent (16.667%) of the revenue derived from
1203 taxes levied under Section 27-71-7(2) shall be deposited into the
1204 Mental Health Programs Fund. * * *

1205 **SECTION 19.** Section 67-5-13, Mississippi Code of 1972, is
1206 amended as follows:

1207 67-5-13. (1) Upon every producer holding a permit for the
1208 production of native wine, there is levied and imposed for each
1209 location for the privilege of engaging and continuing in this
1210 state in the production of native wine an annual privilege license
1211 tax in an amount equal to Ten Dollars (\$10.00) for each ten
1212 thousand (10,000) gallons, or any part thereof, of native wine
1213 produced by the winery.

1214 (2) There is levied and assessed an excise tax upon each
1215 case of native wine sold by a producer to any source to be



1216 collected from the producer in the amount provided for in Section
1217 27-71-7. However, native wine produced in Mississippi for export
1218 and sale without this state and native wine produced in
1219 Mississippi and sold to the * * * an authorized wholesaler shall
1220 not be subject to the excise tax, nor shall the tax accrue or be
1221 collected on native wines dispensed, as free samples in quantities
1222 of not more than six (6) ounces, in the tasting room of a native
1223 winery.

1224 (3) The privilege tax imposed by subsection (1) of this
1225 section shall be collected in the same manner as presently
1226 provided by law for the collection of other alcoholic beverages.
1227 The excise tax imposed by subsection (2) of this section shall be
1228 reported monthly by the producer to the * * * department on all
1229 sales made in Mississippi to consumers at the location of the
1230 native winery or its immediate vicinity, along with a statement of
1231 gallonage produced during that month, and the producer shall remit
1232 the tax due and owing with each report. The producer shall also
1233 include in the report a statement of gallonage sold and exported
1234 for sale outside this state.

1235 (4) All taxes levied by and collected under this section
1236 shall be deposited in the General Fund.

1237 **SECTION 20.** This act shall take effect and be in force from
1238 and after January 1, 2022.

