MISSISSIPPI LEGISLATURE

By: Representatives Zuber, Yates, Powell, To: State Affairs McGee

HOUSE BILL NO. 430 (As Passed the House)

1 AN ACT TO AUTHORIZE A PERSON WHO IS THE HOLDER OF CLASS 1 OR 2 CLASS 2 MANUFACTURER'S PERMIT UNDER THE LOCAL OPTION ALCOHOLIC 3 BEVERAGE CONTROL LAW, OR WHO IS LICENSED OR PERMITTED OUTSIDE OF 4 THE STATE TO ENGAGE IN THE ACTIVITY OF MANUFACTURING WINE AND/OR 5 DISTILLED SPIRITS TO SELL AND SHIP WINE AND DISTILLED SPIRITS 6 DIRECTLY TO RESIDENTS IN THIS STATE, IF THE PERSON OBTAINS A 7 DIRECT SHIPPER'S PERMIT FROM THE DEPARTMENT OF REVENUE; TO PROVIDE FOR THE ISSUANCE OF DIRECT SHIPPER'S PERMITS AND THE ISSUANCE OF 8 9 WINE AND DISTILLED SPIRITS FULFILLMENT PROVIDER PERMITS; TO 10 REQUIRE THE HOLDER OF A DIRECT SHIPPER'S PERMIT TO KEEP CERTAIN 11 RECORDS; TO REQUIRE THE HOLDER OF A WINE AND DISTILLED SPIRITS 12 FULFILLMENT PROVIDER PERMIT TO KEEP CERTAIN RECORDS; TO PROHIBIT 13 THE HOLDER OF A DIRECT SHIPPER'S PERMIT FROM SELLING OR SHIPPING 14 LIGHT WINE, LIGHT SPIRIT PRODUCTS OR BEER OR ANY ALCOHOLIC 15 BEVERAGE OTHER THAN WINE OR DISTILLED SPIRITS; TO LIMIT THE AMOUNT 16 OF WINE AND DISTILLED SPIRITS THAT A HOLDER OF A DIRECT SHIPPER'S 17 PERMIT MAY SELL OR SHIP TO AN INDIVIDUAL EACH YEAR; TO PROHIBIT 18 THE HOLDER OF A DIRECT SHIPPER'S PERMIT FROM SELLING OR SHIPPING 19 WINE OR DISTILLED SPIRITS THAT IS AVAILABLE THROUGH THE ALCOHOLIC 20 BEVERAGE CONTROL DIVISION OF THE DEPARTMENT OF REVENUE; TO PROVIDE 21 FOR THE ANNUAL RENEWAL OF DIRECT SHIPPER'S PERMITS; TO PROVIDE 22 THAT PERSONS PURCHASING OR RECEIVING A DIRECT SHIPMENT OF WINE OR 23 DISTILLED SPIRITS FROM A DIRECT SHIPPER MUST BE AT LEAST 24 TWENTY-ONE YEARS OF AGE; TO PROVIDE THAT PERSONS RECEIVING A 25 DIRECT SHIPMENT OF WINE AND/OR DISTILLED SPIRITS FROM A DIRECT 26 SHIPPER SHALL USE THE WINE OR DISTILLED SPIRITS FOR PERSONAL USE 27 ONLY AND MAY NOT RESELL IT; TO IMPOSE CERTAIN REOUIREMENTS 28 RELATING THE SHIPMENT OF WINE AND DISTILLED SPIRITS INTO THIS 29 STATE; TO AUTHORIZE THE COMMISSIONER OF REVENUE TO ADOPT ANY RULES 30 OR REGULATIONS AS NECESSARY TO CARRY OUT THIS ACT; TO PROVIDE 31 PENALTIES FOR VIOLATIONS OF THIS ACT; TO AMEND SECTIONS 27-71-5, 32 27-71-7, 27-71-15 AND 27-71-29, MISSISSIPPI CODE OF 1972, TO 33 PROVIDE THE PRIVILEGE TAX REQUIRED FOR THE ISSUANCE OF A DIRECT 34 SHIPPER'S PERMIT AND FOR THE PRIVILEGE TAX REQUIRED FOR THE

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35 ISSUANCE OF A WINE AND DISTILLED SPIRITS FULFILLMENT PROVIDER 36 PERMIT; TO LEVY A TAX UPON THE SALES AND SHIPMENTS OF WINE AND 37 DISTILLED SPIRITS MADE BY A DIRECT SHIPPER; TO REQUIRE A CERTAIN AMOUNT OF THE TAXES LEVIED TO BE DEPOSITED INTO THE MENTAL HEALTH 38 39 PROGRAMS FUND; TO AMEND SECTIONS 67-1-41, 67-1-45, 67-1-51, 67-1-53, 67-1-55, 67-1-57, 67-1-73, 97-31-47 AND 97-31-49, 40 41 MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE PROVISIONS OF THIS 42 ACT; AND FOR RELATED PURPOSES.

43 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 44 <u>SECTION 1.</u> As used in Sections 1 through 12 of this act, the 45 following words shall have the meanings as defined in this section 46 unless the context otherwise requires:

47

(a) "Department" means the Department of Revenue.

48 (b) "Direct shipper" means the holder of a direct
49 shipper's permit issued by the department under Sections 1 through
50 12 of this act.

(c) "Common carrier" means a person that holds itself out to the general public as engaged in the business of transporting goods for a fee and is engaged in the business of transporting and delivering alcoholic beverages from a direct shipper's permittee directly to consumers in this state who are twenty-one (21) years of age or older.

(d) "Fulfillment provider" means a person who acts on
behalf of a holder of a direct shipper's permit to ship wine
and/or distilled spirits to a consumer and arranges for transport
by an eligible common carrier to the consumer.

(e) "Wine and distilled spirits fulfillment providerpermit" means a permit issued by the department that authorizes a

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(f) "Wine" means any product obtained from the alcoholic fermentation of the juice of sound, ripe grapes, fruits or berries, made in accordance with the revenue laws of the United States, and containing more than five percent (5%) of alcohol by weight.

In addition, the definitions in Section 67-1-5 shall be applicable to the terms used in Sections 1 through 12 of this act unless the context otherwise requires.

73 <u>SECTION 2.</u> A person must hold a permit as a direct shipper 74 issued by the department before the person may engage in selling 75 and shipping wine and/or distilled spirits directly to a resident 76 in this state. A direct shipper may sell and ship wine and/or 77 distilled spirits directly to residents in this state without 78 being required to transact the sale and shipment through the 79 Alcoholic Beverage Control Division of the department.

80 <u>SECTION 3.</u> To qualify for a direct shipper's permit, an 81 applicant shall be a holder of a Class 1 or Class 2 manufacturer's 82 permit issued in accordance with Section 67-1-51, or a person 83 licensed or permitted outside of this state to engage in the 84 activity of manufacturing wine and/or distilled spirits in any 85 other state.

86 <u>SECTION 4.</u> (1) An applicant for a direct shipper's permit 87 shall:

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	state.	

(a) Submit to the department a completed application on
a form provided by the department, containing all information that
is required by the department;

91 (b) Provide to the department a copy of the applicant's 92 current license or permit to engage in the activity of 93 manufacturing wine and/or distilled spirits in this or any other 94 state; and

95 (c) Pay to the department the tax prescribed in Section96 27-71-5.

97 (2) After a person complies with the provisions of 98 subsection (1) of this section, the department may conduct any 99 investigation as it considers necessary regarding the issuance of 100 a permit, and the department shall issue a permit to the applicant 101 if the requirements of Sections 1 through 12 of this act are met.

102

**SECTION 5.** (1) A direct shipper shall:

(a) Ensure that all containers of wine and/or distilled spirits sold and shipped directly to a resident in this state are conspicuously labeled with the words "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS OR OLDER REQUIRED FOR DELIVERY";

107 (b) Report to the department on an annual basis in a 108 manner prescribed by the department all of the following 109 information for each wine and/or distilled spirits shipment into 110 the state pursuant to Sections 1 through 12 of this act:

111 (i) The name and address of the Mississippi 112 resident who placed the order;

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113 (ii) For each completed shipment, evidence of 114 signature by an individual age twenty-one (21) years or older; 115 (iii) The name and license number of the common or permit carrier engaged in the shipment; 116 (iv) For each shipment by a holder of a wine or 117 118 distilled spirits fulfillment provider permit on behalf of the 119 direct shipper, the name and license number of the wine or distilled spirits fulfillment provider permittee engaged in the 120 121 shipment; 122 (V) The date of shipment; 123 (vi) The carrier tracking number; and 124 The quantity of wine and/or distilled (vii) 125 spirits in the shipment; 126 Maintain for at least three (3) years all records (C) 127 that allow the department to ascertain the truthfulness of the 128 information filed under Sections 1 through 12 of this act; 129 Allow the department to perform an audit of the (d) direct shipper's records upon request; and 130 131 (e) Be deemed to have consented to the jurisdiction of 132 the department or any other state agency and the state courts 133 concerning enforcement of Sections 1 through 12 of this act and 134 any related laws, rules or regulations. 135 (2) A direct shipper shall not:

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or beer that is regulated under Section 67-3-1 et seq. or any
alcoholic beverage other than wine and/or distilled spirits;

(b) Sell or ship wine and/or distilled spirits that is available through the Alcoholic Beverage Control Division of the department (wine or distilled spirits for which the annual allotment through the Alcoholic Beverage Control Division of the department has been distributed to retailers will not be considered to be available through the division);

145 (c) Ship wine and/or distilled spirits to an address in
146 <u>an area in which the sale of alcoholic beverages is not legal</u>;
147 (d) Sell or ship more than fifteen hundred (1,500)

148 nine-liter cases, or thirteen thousand five hundred (13,500)
149 liters, in total of wine or distilled spirits in a calendar year
150 to Mississippi consumers;

(e) Sell or ship any wine to any residential household address in Mississippi that has already received a total of nine (9) nine-liter cases of wine in the calendar year. Prior to shipping any wine, the direct shipper shall validate that the consumer has not received their total case limit of wine for the calendar year and is therefore eligible to receive a shipment of wine;

(f) Sell or ship any distilled spirits to any
residential household address in Mississippi that has already
received a total of nine (9) nine-liter cases of distilled spirits

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161 in the calendar year. Prior to shipping any distilled spirits, 162 the direct shipper shall validate that the consumer has not 163 received their total case limit of distilled spirits for the 164 calendar year and is therefore eligible to receive a shipment of 165 distilled spirits;

166 (g) Sell or ship wine and/or distilled spirits to any 167 nonresidential address, including lockers or post office boxes;

(h) Sell or ship wine and/or distilled spirits to any
address or property of a public or private elementary, secondary,
or post-secondary educational school, including any dormitory,
housing, or common space located on the campus of any elementary,
secondary, or post-secondary educational school.

173 **SECTION 6.** A direct shipper may annually renew his or her 174 permit, if the direct shipper:

175

(a) Is otherwise entitled to receive a permit;

(b) Provides to the department a copy of his or her current license or permit to engage in the activity of manufacturing wine and/or distilled spirits in this or any other state; and

180 (c) Pays to the department a privilege license tax as181 prescribed in Section 27-71-5.

182 <u>SECTION 7.</u> (1) To purchase and receive a direct shipment of 183 wine and/or distilled spirits from a direct shipper, a resident of 184 this state must be at least twenty-one (21) years of age, and a

H. B. No. 430 24/HR31/R723PH PAGE 7 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. 185 person who is at least twenty-one (21) years of age must sign for 186 any wine and/or distilled spirits shipped from a direct shipper.

187 (2) A shipment of wine and/or distilled spirits may be
188 ordered or purchased from a direct shipper through a computer
189 network.

(3) A person who receives a direct shipment of wine and/or distilled spirits from a direct shipper shall use the wine and/or distilled spirits for personal consumption only and may not resell it.

194 A resident of this state shall not order, purchase, or (4) receive more than a total of nine (9) nine-liter cases of wine and 195 196 nine (9) nine-liter cases of distilled spirits in a calendar year 197 to their residential household address. A holder of a direct 198 shipper's permit shall not ship any wine or distilled spirits to 199 any household in this state that has already received direct 200 shipments of nine (9) nine-liter cases of wine and nine (9) 201 nine-liter cases of distilled spirits in the calendar year.

202 (5) A resident of this state who causes shipment of more 203 than the allowable total of nine (9) nine-liter cases of wine 204 and/or nine (9) nine-liter cases of distilled spirits in a 205 calendar year to their residential household address, is guilty of 206 a misdemeanor and, upon conviction thereof, shall be punished by a 207 fine not exceeding One Thousand Dollars (\$1,000.00) or 208 imprisonment in the county jail for not more than six (6) months, or both. Each sale or shipment in violation of this section and 209

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	state.	

210 Sections 1 through 12 of this act shall constitute a separate 211 offense.

212 SECTION 8. (1) Any person who makes, participates in, transports, imports or receives a sale or shipment of wine and/or 213 214 distilled spirits in violation of Sections 1 through 12 of this 215 act is guilty of a misdemeanor and, upon conviction thereof, shall 216 be punished by a fine not exceeding One Thousand Dollars (\$1,000.00) or imprisonment in the county jail for not more than 217 218 six (6) months, or both. Each sale or shipment in violation of Sections 1 through 12 of this act shall constitute a separate 219 220 offense.

(2) If any holder of a direct shipper's permit violates any
provision of Sections 1 through 12 of this act, the department
shall suspend or revoke the permit and impose civil penalties as
authorized under Section 67-1-1 et seq.

225 SECTION 9. (1) Any person who is not a common or permit 226 carrier and who does not hold a direct shipper, wholesaler, 227 retailer, manufacturer, or importer permit issued by the 228 department and who is not owned or controlled by a common or 229 permit carrier or a direct shipper, wholesaler, retailer, manufacturer, or importer permittee of the department may obtain a 230 231 wine and distilled spirits fulfillment provider permit from the 232 department as provided in this section. A holder of a wine and 233 distilled spirits fulfillment provider permit, subject to compliance with all terms and provisions of Sections 1 through 12 234

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of this act, may contract with a common or permit carrier for the shipment of unopened containers of wine and/or distilled spirits on behalf of the holder of a direct shipper's permit directly to a Mississippi resident who is at least twenty-one (21) years of age, for personal use by the individual and not for resale.

240 (2) A person shall obtain a separate wine and distilled spirits fulfillment provider permit for each physical premises 241 that is to be used as a wine or distilled spirits fulfillment 242 243 provider before shipping wine and/or distilled spirits to any 244 Mississippi resident from that premises, and shall pay an annual 245 license fee of Five Hundred Dollars (\$500.00), plus an additional 246 One Hundred Dollars (\$100.00) for each additional premises from 247 which shipments to Mississippi residents will be made.

248 The holder of a wine and distilled spirits fulfillment (3)provider permit may only provide logistics services of 249 250 warehousing, packaging, order fulfillment, and shipment of wine 251 and/or distilled spirits for a direct shipper permittee for which 252 the wine and distilled spirits fulfillment provider permittee is 253 the bailee of the wine and/or distilled spirits. Wine and/or 254 distilled spirits held in bailment by a wine and distilled spirits 255 fulfillment provider permittee shall remain the property of the 256 direct shipper permittee until loaded on conveyance for direct 257 shipment to a Mississippi resident.

H. B. No. 430 24/HR31/R723PH PAGE 10 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. (4) A wine and distilled spirits fulfillment provider
permittee shall not ship wine and/or distilled spirits into or
within the state from, or on behalf of, any of the following:

261 (a) An unlicensed direct shipper of wine and/or
262 distilled spirits, either in-state or out-of-state;

263 (b) A retailer licensed by the department;264 (c) An out-of-state retailer; or

265 (d) A person that does not hold a direct shipper's266 permit in the State of Mississippi.

267 (5) A wine and distilled spirits fulfillment provider permit 268 applicant shall provide all of the following information to the 269 department as part of its application:

(a) The precise location or locations at which the
permittee will engage in logistics services for wine and/or
distilled spirits to be shipped into the state; and

(b) Any other information required by the department.
(6) A wine and distilled spirits fulfillment provider
permittee shall do all of the following:

(a) Annually renew its wine and distilled spirits
fulfillment provider permit in a manner as established by rule of
the department and pay any initial and annual license fees;

(b) Enter into a contract with a direct wine shipper permittee designating the wine and distilled spirits fulfillment provider permittee as the agent of the direct wine shipper permittee for purposes of Sections 1 through 12 of this act. A

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283 wine and distilled spirits fulfillment provider permittee may not 284 avoid liability under this section by subcontracting with a third 285 party to perform its obligations pursuant to this section;

(c) Maintain a compliance program documenting that all wine and/or distilled spirits shipped by each direct shipper permittee through the wine and distilled spirits fulfillment provider permittee satisfies the requirements set forth in Sections 1 through 12 of this act and any other requirements set forth by the department;

(d) Make all commercially reasonable efforts to verify
the validity of each direct shipper permit prior to making any
shipment on behalf of the direct shipper permittee;

(e) Ensure all containers of wine and/or distilled spirits shipped by the wine and distilled spirits fulfillment provider permittee to a Mississippi resident are conspicuously labeled with the following words: "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY";

(f) Report to the department on an annual basis in a manner prescribed by the department all of the following information for each wine and/or distilled spirits shipment into the state pursuant to this section:

304 (i) The name, address, and license number of the
305 direct shipper permittee and the point of origin of shipment from
306 which the wine and distilled spirits fulfillment provider

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309 (ii) The name and address of the Mississippi 310 resident who placed the order;

311 (iii) For each completed shipment, evidence of 312 signature by an individual age twenty-one (21) years or older; 313 (iv) The name and license number of the common or 314 permit carrier engaged in the shipment; 315 (v) The date of shipment; 316 (vi) The carrier tracking number; and

317 (vii) The quantity of wine and/or distilled 318 spirits in the shipment; and

(g) Maintain for a minimum of three (3) years from the date of receipt from a direct shipper permittee or the date of shipment to a Mississippi resident, as applicable, and permit the department and any of its designees to inspect, verify, or perform an audit of all of the information listed in paragraph (f) of this subsection;

325 (h) Upon violation of Sections 1 through 12 of this act 326 or a rule of the department, be subject to a civil penalty imposed 327 by the department by administrative proceedings that apply to 328 alcoholic beverage licenses, as follows:

329 (i) For the first violation, a civil penalty not330 to exceed Five Hundred Dollars (\$500.00);

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(iii) For a third or any subsequent violation, a civil penalty not to exceed Six Thousand Dollars (\$6,000.00); and (i) Be deemed to have consented to the jurisdiction of the department and the other state agencies and the state courts concerning enforcement of Sections 1 through 12 of this act.

338 (7) Any fines or fees received by the department under this
339 section shall be used by the department in order to perform its
340 regulatory duties.

**SECTION 10.** (1) Shipments of wine and/or distilled spirits 341 342 into this state under Sections 1 through 12 of this act shall be 343 made by a duly licensed carrier. A common carrier shall not deliver a shipment of wine and/or distilled spirits to a consumer 344 unless the carrier has verified the validity of the direct 345 shipper's permit and fulfillment provider's permit prior to 346 347 accepting shipment. A carrier may consider a direct shipper's permit to be valid for the remainder of the stated permit period 348 349 unless notified otherwise by the department. Any failure to 350 verify the validity of a direct shipper's permit may result in the 351 suspension of the common carrier's license to operate in the state 352 or the imposition of any other penalty as follows: (i) for the 353 first violation, a civil penalty not to exceed Five Hundred 354 Dollars (\$500.00); (ii) for a second violation, a civil penalty 355 not to exceed Three Thousand Dollars (\$3,000.00); (iii) for a

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358 It shall be the duty of every common or contract (2)359 carrier, and of every firm or corporation that shall bring, carry 360 or transport wine and/or distilled spirits from outside the state 361 for delivery inside the state to consumers to prepare and file 362 reports with the department, on a schedule as determined by the 363 department, of known wine and/or distilled spirits shipments. 364 Such reports shall contain: (a) the name of the common or 365 contract carrier, firm or corporation making the report; (b) the 366 period of time covered by said report; (c) the name and business 367 address of the person who directed the common carrier to make the 368 shipment; (d) the name and permit number of the direct shipper; 369 (e) the name and address of each consignee receiving such wine 370 and/or distilled spirits; (f) the weight of the shipment delivered 371 to each consignee; (g) the common carrier's unique tracking number 372 for the package; and (h) the date of delivery. Reports received 373 by the department shall be made available by the department to the 374 public via the Mississippi Public Records Act process in the same 375 manner as other state alcohol filings.

(3) Upon the department's request, any records supporting the report shall be made available to the department within a reasonable time after the department makes a written request for such records. Any records containing information relating to such reports, including the signatures of the individual who physically

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381 received the shipment, shall be kept and preserved for a period of 382 three (3) years, unless their destruction sooner is authorized, in 383 writing, by the department, and shall be open and available to 384 inspection by the department upon the department's written 385 request. Reports shall also be made available to any law 386 enforcement or regulatory body in the state in which the railroad 387 company, express company, common or contract carrier making the 388 report resides or does business.

(4) 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.

396 <u>SECTION 11.</u> The department may adopt any rules or 397 regulations as necessary to carry out Sections 1 through 12 of 398 this act. All of the enforcement provisions of Section 67-1-1 et 399 seq., that are not in conflict with Sections 1 through 12 of this 400 act may be used by the department to enforce the provisions of 401 Sections 1 through 12 of this act.

402 <u>SECTION 12.</u> If any provision of this act, or its application 403 to any person or circumstance, is determined by a court to be 404 invalid or unconstitutional, the remaining provisions shall be 405 construed in accordance with the intent of the Legislature to

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406 further limit rather than expand commerce in alcoholic beverages 407 to protect the health, safety, and welfare of the state's 408 residents, and to enhance strict regulatory control over taxation, 409 distribution and sale of alcoholic beverages through the 410 three-tier regulatory system imposed by this article upon all 411 alcoholic beverages to curb relationships and practices calculated to stimulate sales and impair the state's policy favoring trade 412 413 stability and the promotion of temperance.

414 SECTION 13. Section 27-71-5, Mississippi Code of 1972, is 415 amended as follows:

416 27-71-5. (1) Upon each person approved for a permit under 417 the provisions of the Alcoholic Beverage Control Law and 418 amendments thereto, there is levied and imposed for each location 419 for the privilege of engaging and continuing in this state in the 420 business authorized by such permit, an annual privilege license 421 tax in the amount provided in the following schedule:

422 (a) Except as otherwise provided in this subsection
423 (1), manufacturer's permit, Class 1, distiller's and/or
424 rectifier's:

(i) For a permittee with annual production of
five thousand (5,000) gallons or more.....\$4,500.00
(ii) For a permittee with annual production under
five thousand (5,000) gallons.....\$2,800.00
(b) Manufacturer's permit, Class 2, wine
manufacturer.....\$1,800.00

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431	(c) Manufacturer's permit, Class 3, native wine
432	manufacturer per ten thousand (10,000) gallons or part thereof
433	produced\$ 10.00
434	(d) Manufacturer's permit, Class 4, native spirit
435	manufacturer per one thousand (1,000) gallons or part thereof
436	produced\$ 300.00
437	(e) Native wine retailer's permit\$ 50.00
438	(f) Package retailer's permit, each\$ 900.00
439	(g) On-premises retailer's permit, except for clubs and
440	common carriers, each\$ 450.00
441	(h) On-premises retailer's permit for wine of more than
442	five percent (5%) alcohol by weight, but not more than twenty-one
443	percent (21%) alcohol by weight, each\$ 225.00
444	(i) On-premises retailer's permit for clubs\$ 225.00
445	(j) On-premises retailer's permit for common carriers,
446	per car, plane, or other vehicle\$ 120.00
447	(k) Solicitor's permit, regardless of any other
448	provision of law, solicitor's permits shall be issued only in the
449	discretion of the department\$ 100.00
450	(1) Filing fee for each application except for an
451	employee identification card\$ 25.00
452	(m) Temporary permit, Class 1, each\$ 10.00
453	<pre>(n) Temporary permit, Class 2, each\$ 50.00</pre>
454	(o) (i) Caterer's permit\$ 600.00

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455	(ii) Caterer's permit for holders of on-premises	3
456	retailer's permit\$ 150.	.00
457	(p) Research permit\$ 100.	.00
458	(q) Temporary permit, Class 3 (wine only)\$ 10.	.00
459	(r) Special service permit\$ 225.	.00
460	(s) Merchant permit\$ 225.	.00
461	(t) Temporary alcoholic beverages charitable auction	
462	permit\$ 10	.00
463	(u) Event venue retailer's permit\$ 225.	.00
464	(v) Temporary theatre permit, each\$ 10.	.00
465	(w) Charter ship operator's permit\$ 100.	.00
466	(x) Distillery retailer's permit\$ 450.	.00
467	(y) Festival wine permit\$ 10.	.00
468	(z) Charter vessel operator's permit\$ 100.	.00
469	(aa) Native spirit retailer's permit\$ 50.	.00
470	(bb) Delivery service permit\$ 500.	.00
471	(cc) Food truck permit\$ 100.	.00
472	(dd) Direct shipper's permit\$ 100.	.00
473	(ee) Wine and distilled spirits fulfillment provider	
474	<u>permit</u> \$ 500.	.00
475	In addition to the filing fee imposed by paragraph (l) of	
476	this subsection, a fee to be determined by the Department of	
477	Revenue may be charged to defray costs incurred to process	
478	applications. The additional fees shall be paid into the State	
479	Treasury to the credit of a special fund account, which is herek	эγ

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480 created, and expenditures therefrom shall be made only to defray 481 the costs incurred by the Department of Revenue in processing 482 alcoholic beverage applications. Any unencumbered balance 483 remaining in the special fund account on June 30 of any fiscal 484 year shall lapse into the State General Fund.

All privilege taxes imposed by this section shall be paid in advance of doing business. A new permittee whose privilege tax is determined by production volume will pay the tax for the first year in accordance with department regulations. The additional privilege tax imposed for an on-premises retailer's permit based upon purchases shall be due and payable on demand.

491 Paragraph (y) of this subsection shall stand repealed from 492 and after July 1, 2026.

493 There is imposed and shall be collected from each (2)(a) 494 permittee, except a common carrier, solicitor, a temporary 495 permittee, holder of a direct shipper's permit or a delivery 496 service permittee, by the department, an additional license tax 497 equal to the amounts imposed under subsection (1) of this section 498 for the privilege of doing business within any municipality or 499 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)(g), (h), (i), (n) and (u) of this section, an additional license tax for the privilege of doing business within any municipality or

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505 county in which the licensee is located in the amount of Two 506 Hundred Twenty-five Dollars (\$225.00) on purchases exceeding Five 507 Thousand Dollars (\$5,000.00) and Two Hundred Twenty-five Dollars 508 (\$225.00) for each additional purchase of Five Thousand Dollars 509 (\$5,000.00), or fraction thereof.

510 (ii) In addition to the tax imposed in paragraph 511 (a) of this subsection, there is imposed and shall be collected by 512 the department from each permittee described in subsection (1)(o) 513 and (s) of this section, an additional license tax for the 514 privilege of doing business within any municipality or county in which the licensee is located in the amount of Two Hundred Fifty 515 516 Dollars (\$250.00) on purchases exceeding Five Thousand Dollars 517 (\$5,000.00) and Two Hundred Twenty-five Dollars (\$225.00) for each additional purchase of Five Thousand Dollars (\$5,000.00), or 518 519 fraction thereof.

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

527 (c) If the licensee is located within a municipality, 528 the department shall pay the amount of additional license tax 529 collected under this section to the municipality, and if outside a

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530 municipality the department shall pay the additional license tax 531 to the county in which the licensee is located. Payments by the 532 department to the respective local government subdivisions shall 533 be made once each month for any collections during the preceding 534 month.

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

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

546 If any person shall engage or continue in any business (5) which is taxable under this section without having paid the tax as 547 548 provided in this section, the person shall be liable for the full 549 amount of the tax plus a penalty thereon equal to the amount 550 thereof, and, in addition, shall be punished by a fine of not more than One Thousand Dollars (\$1,000.00), or by imprisonment in the 551 552 county jail for a term of not more than six (6) months, or by both 553 such fine and imprisonment, in the discretion of the court.

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562 SECTION 14. Section 27-71-7, Mississippi Code of 1972, is 563 amended as follows:

564 27-71-7. (1) There is hereby levied and assessed an excise 565 tax upon each case of alcoholic beverages sold by the department 566 to be collected from each retail licensee at the time of sale in 567 accordance with the following schedule:

 568
 (a) Distilled spirits......\$2.50 per

 569 gallon

570 (b) Sparkling wine and champagne.....\$1.00 per 571 gallon

572 (c) Other wines, including native wines...\$ .35 per 573 gallon

(2) (a) In addition to the tax levied by subsection (1) of this section, and in addition to any other markup collected, the Alcoholic Beverage Control Division shall collect a markup of three percent (3%) on all alcoholic beverages, as defined in Section 67-1-5, Mississippi Code of 1972, which are sold by the

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579 division. The proceeds of the markup shall be collected by the 580 division from each purchaser at the time of purchase.

581 Until June 30, 1987, the revenue derived from this (b) 582 three percent (3%) markup shall be deposited by the division in 583 the State Treasury to the credit of the "Alcoholism Treatment and 584 Rehabilitation Fund," a special fund which is hereby created in 585 the State Treasury, and shall be used by the Division of Alcohol 586 and Drug Abuse of the State Department of Mental Health and public 587 or private centers or organizations solely for funding of 588 treatment and rehabilitation programs for alcoholics and alcohol 589 abusers which are sponsored by the division or public or private 590 centers or organizations in such amounts as the Legislature may 591 appropriate to the division for use by the division or public or 592 private centers or organizations for such programs. Any tax 593 revenue in the fund which is not encumbered at the end of the 594 fiscal year shall lapse to the General Fund. It is the intent of 595 the Legislature that the State Department of Mental Health shall 596 continue to seek funds from other sources and shall use the funds 597 appropriated for the purposes of this section and Section 27-71-29 598 to match all federal funds which may be available for alcoholism 599 treatment and rehabilitation.

From and after July 1, 1987, the revenue derived from this three percent (3%) markup shall be deposited by the division in the State Treasury to the credit of the "Mental Health Programs Fund," a special fund which is hereby created in the State

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Treasury and shall be used by the State Department of Mental Health for the service programs of the department. Any revenue in the "Alcoholism Treatment and Rehabilitation Fund" which is not encumbered at the end of Fiscal Year 1987 shall be deposited to the credit of the "Mental Health Programs Fund."

609 (3) There is levied and assessed upon the holder of a direct 610 shipper's permit, a tax in the amount of fifteen and one-half 611 percent (15-1/2%) of the sales price of each sale and shipment of 612 wine or distilled spirits made to a resident in this state. The holder of a direct shipper's permit shall file a monthly report 613 614 with the department along with a copy of the invoice for each sale 615 and shipment of wine or distilled spirits and remit any taxes due; 616 however, no report shall be required for months in which no sales 617 or shipments were made into this state. The report, together with 618 copies of the invoices and the payment of all taxes, shall be 619 filed with the department not later than the twentieth day of the 620 month following the month in which the shipment was made. 621 Permittees who fail to timely file and pay taxes as required by 622 this subsection shall pay a late fee in the amount of Five Hundred 623 Dollars (\$500.00), and the department shall suspend the direct 624 shipper's permit until all outstanding taxes are paid in full, for 625 a first offense. Upon a second offense, the department shall 626 revoke the direct shipper's permit.

## 627 SECTION 15. Section 27-71-15, Mississippi Code of 1972, is 628 amended as follows:

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629 27-71-15. Except as otherwise provided in Section 67-9-1 for 630 the transportation of limited amounts of alcoholic beverages for the use of an alcohol processing permittee, and in Sections 1 631 632 through 12 of this act for the sale and shipment of wine by the 633 holder of a direct shipper's permit, if transportation requires 634 passage through a county which has not authorized the sale of 635 alcoholic beverages, such transportation shall be by a sealed 636 vehicle. Such seal shall remain unbroken until the vehicle shall 637 reach the place of business operated by the permittee. The 638 operator of any vehicle transporting alcoholic beverages shall 639 have in his possession an invoice issued by the \* \* \* department 640 at the time of the wholesale sale covering the merchandise transported by the vehicle. The \* \* \* <u>department</u> is authorized to 641 642 issue regulations controlling the transportation of alcoholic 643 beverages.

When the restrictions imposed by this section and by the regulation of the **\* \* \*** <u>department</u> have not been violated, the person transporting alcoholic beverages through a county wherein the sale of alcoholic beverages is prohibited shall not be guilty of unlawful possession and such merchandise shall be immune from seizure.

650 **SECTION 16.** Section 27-71-29, Mississippi Code of 1972, is 651 amended as follows:

652 27-71-29. (1) All taxes levied by this article shall be 653 paid to the Department of Revenue in cash or by personal check,

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654 cashier's check, bank exchange, post office money order or express 655 money order and shall be deposited by the department in the State 656 Treasury on the same day collected, but no remittances other than 657 cash shall be a final discharge of liability for the tax herein 658 imposed and levied unless and until it has been paid in cash to 659 the department.

660 All taxes levied under Section 27-71-7(1) and received by the 661 department under this article shall be paid into the General Fund, 662 and the three percent (3%) levied under Section 27-71-7(2) and 663 received by the department under this article shall be paid into 664 the special fund in the State Treasury designated as the 665 "Alcoholism Treatment and Rehabilitation Fund" as required by law. 666 Any funds derived from the sale of alcoholic beverages in excess 667 of inventory requirements shall be paid not less often than 668 annually into the General Fund, except for a portion of the 669 twenty-seven and one-half percent (27-1/2%) markup provided for in 670 Section 27-71-11, as specified in subsection (2) of this section, 671 and except for fees charged by the department for the defraying of 672 costs associated with shipping alcoholic beverages. The revenue 673 derived from these fees shall be deposited by the department into 674 a special fund, hereby created in the State Treasury, which is designated the "ABC Shipping Fund." The monies in this special 675 676 fund shall be earmarked for use by the department for any 677 expenditure made to ship alcoholic beverages. Any net proceeds 678 remaining in the special fund on August 1 of any fiscal year shall

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679 lapse into the General Fund. "Net proceeds" in this section means 680 the total of all fees collected by the department to defray the 681 costs of shipping less the actual costs of shipping.

682 If the special bond sinking fund created in Section 7(3)(2)of Chapter 483, Laws of 2022 has a balance below the minimum 683 684 amount specified in the resolution providing for the issuance of 685 the bonds, or below one and one-half (1-1/2) times the amount 686 needed to pay the annual debt obligations related to the bonds 687 issued under Section 7 of Chapter 483, Laws of 2022, whichever is the lesser amount, the Commissioner of Revenue shall transfer the 688 689 deficit amount to the bond sinking fund from revenue derived from 690 the twenty-seven and one-half percent (27-1/2%) markup provided 691 for in Section 27-71-11.

(3) All taxes levied under Section 27-71-7(3) and received
by the department under this article shall be paid into the
General Fund, except for an amount equivalent to the three percent
(3%) levied under Section 27-71-7(2), which shall be paid into the
special fund in the State Treasury designated as the "Mental
Health Programs Fund" as required by law.

698 SECTION 17. Section 67-1-41, Mississippi Code of 1972, is 699 amended as follows:

700 67-1-41. (1) The department is hereby created a wholesale 701 distributor and seller of alcoholic beverages, not including malt 702 liquors, within the State of Mississippi. It is granted the right 703 to import and sell alcoholic beverages at wholesale within the

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704 state, and no person who is granted the right to sell, distribute 705 or receive alcoholic beverages at retail shall purchase any 706 alcoholic beverages from any source other than the department, 707 except as authorized in subsections (4), (9) and (12) of this 708 section and Sections 1 through 12 of this act. The department may 709 establish warehouses, and the department may purchase alcoholic 710 beverages in such quantities and from such sources as it may deem 711 desirable and sell the alcoholic beverages to authorized 712 permittees within the state including, at the discretion of the 713 department, any retail distributors operating within any military 714 post or qualified resort areas within the boundaries of the state, 715 keeping a correct and accurate record of all such transactions and 716 exercising such control over the distribution of alcoholic 717 beverages as seem right and proper in keeping with the provisions 718 or purposes of this article.

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

(3) No alcoholic beverage intended for sale or resale shall be imported, shipped or brought into this state for delivery to any person other than as provided in this article, or as otherwise provided by law for native wines or native spirits.

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729 (4) The department may promulgate rules and regulations 730 which authorize on-premises retailers to purchase limited amounts 731 of alcoholic beverages from package retailers and for package 732 retailers to purchase limited amounts of alcoholic beverages from 733 other package retailers. The department shall develop and provide 734 forms to be completed by the on-premises retailers and the package 735 retailers verifying the transaction. The completed forms shall be 736 forwarded to the department within a period of time prescribed by 737 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 or native spirit retailer's permits and temporary retailer's permits who have not previously purchased the brand of that manufacturer from the department. For each holder

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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.

757 The department may promulgate rules disallowing open (8) 758 product sampling of alcoholic beverages or wines by the holders of 759 package retailer's permits and permitting open product sampling of 760 alcoholic beverages by the holders of on-premises retailer's 761 permits. Permitted sample products shall be plainly identified 762 "sample" and the actual sampling must occur in the presence of the 763 manufacturer's representatives during the legal operating hours of 764 on-premises retailers.

765 The department may promulgate rules and regulations that (9) 766 authorize the holder of a research permit to import and purchase 767 limited amounts of alcoholic beverages from importers, wineries and distillers of alcoholic beverages or from the department. The 768 769 department shall develop and provide forms to be completed by the 770 research permittee verifying each transaction. The completed 771 forms shall be forwarded to the department within a period of time 772 prescribed by the department. The records and inventory of 773 alcoholic beverages shall be open to inspection at any time by the 774 Director of the Alcoholic Beverage Control Division or any duly 775 authorized agent.

(10) The department may promulgate rules facilitating a retailer's on-site pickup of alcoholic beverages sold by the department or as authorized by the department, including, but not

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1 limited to, native wines and native spirits, so that those alcoholic beverages may be delivered to the retailer at the manufacturer's location instead of via shipment from the department's warehouse.

(11) [Through June 30, 2026] 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, 2026] This section shall not apply to alcoholic beverages authorized to be sold by the holder of a distillery retailer's permit.

789 (a) An individual resident of this state who is at (12)790 least twenty-one (21) years of age may purchase wine from a winery 791 and have the purchase shipped into this state so long as it is 792 shipped to a package retailer permittee in Mississippi; however, 793 the permittee shall pay to the department all taxes, fees and surcharges on the wine that are imposed upon the sale of wine 794 795 shipped by the department or its warehouse operator. No credit 796 shall be provided to the permittee for any taxes paid to another 797 state as a result of the transaction. Package retailers may 798 charge a service fee for receiving and handling shipments from 799 wineries on behalf of the purchasers. The department shall 800 develop and provide forms to be completed by the package retailer 801 permittees verifying the transaction. The completed forms shall 802 be forwarded to the department within a period of time prescribed 803 by the department.

H. B. No. 430 24/HR31/R723PH PAGE 32 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. 804 (b) The purchaser of wine that is to be shipped to a 805 package retailer's store shall be required to get the prior 806 approval of the package retailer before any wine is shipped to the 807 package retailer. A purchaser is limited to no more than ten (10) 808 cases of wine per year to be shipped to a package retailer. A 809 package retailer shall notify a purchaser of wine within two (2) 810 days after receiving the shipment of wine. If the purchaser of 811 the wine does not pick up or take the wine from the package 812 retailer within thirty (30) days after being notified by the 813 package retailer, the package retailer may sell the wine as part 814 of his inventory.

815 Shipments of wine into this state under this (C) 816 section shall be made by a duly licensed carrier. It shall be the duty of every common or contract carrier, and of every firm or 817 818 corporation that shall bring, carry or transport wine from outside 819 the state for delivery inside the state to package retailer 820 permittees on behalf of consumers, to prepare and file with the department, on a schedule as determined by the department, of 821 822 known wine shipments containing the name of the common or contract 823 carrier, firm or corporation making the report, the period of time 824 covered by said report, the name and permit number of the winery, 825 the name and permit number of the package retailer permittee 826 receiving such wine, the weight of the package delivered to each 827 package retailer permittee, a unique tracking number, and the date of delivery. Reports received by the department shall be made 828

H. B. No. 430 24/HR31/R723PH PAGE 33 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. 829 available by the department to the public via the Mississippi 830 Public Records Act process in the same manner as other state 831 alcohol filings.

832 Upon the department's request, any records supporting the 833 report shall be made available to the department within a 834 reasonable time after the department makes a written request for 835 such records. Any records containing information relating to such 836 reports shall be kept and preserved for a period of two (2) years, 837 unless their destruction sooner is authorized, in writing, by the 838 department, and shall be open and available to inspection by the 839 department upon the department's written request. Reports shall 840 also be made available to any law enforcement or regulatory body 841 in the state in which the railroad company, express company, 842 common or contract carrier making the report resides or does 843 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

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854 the enforcement of this section, and of any related law, rules or 855 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.

862 If any provision of this article, or its application to (13)any person or circumstance, is determined by a court to be invalid 863 864 or unconstitutional, the remaining provisions shall be construed 865 in accordance with the intent of the Legislature to further limit 866 rather than expand commerce in alcoholic beverages to protect the 867 health, safety, and welfare of the state's residents, and to 868 enhance strict regulatory control over taxation, distribution and 869 sale of alcoholic beverages through the three-tier regulatory 870 system imposed by this article upon all alcoholic beverages to 871 curb relationships and practices calculated to stimulate sales and 872 impair the state's policy favoring trade stability and the 873 promotion of temperance.

874 SECTION 18. Section 67-1-45, Mississippi Code of 1972, is 875 amended as follows:

876 67-1-45. No manufacturer, rectifier or distiller of 877 alcoholic beverages shall sell or attempt to sell any such 878 alcoholic beverages, except malt liquor, within the State of

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Mississippi, except to the department, or as provided in Section 67-1-41, or pursuant to Section 67-1-51. A producer of native wine or native spirit may sell native wines or native spirits, respectively, to the department or to consumers at the location of the native winery or native distillery or its immediate vicinity. <u>The holder of a direct shipper's permit may sell wines and/or</u>

## 885 distilled spirits directly to residents in this state as

## 886 authorized by Sections 1 through 12 of this act.

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

892 SECTION 19. Section 67-1-51, Mississippi Code of 1972, is amended 893 as follows:

894 67-1-51. (1) Permits which may be issued by the department 895 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 article 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 article.

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

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903 Class 1. Distiller's and/or rectifier's permit, which shall 904 authorize the holder thereof to operate a distillery for the 905 production of distilled spirits by distillation or redistillation 906 and/or to operate a rectifying plant for the purifying, refining, 907 mixing, blending, flavoring or reducing in proof of distilled 908 spirits and alcohol.

909 Class 2. Wine manufacturer's permit, which shall authorize 910 the holder thereof to manufacture, import in bulk, bottle and 911 store wine or vinous liquor.

912 Class 3. Native wine producer's permit, which shall 913 authorize the holder thereof to produce, bottle, store and sell 914 native wines.

915 Class 4. Native spirit producer's permit, which shall 916 authorize the holder thereof to produce, bottle, store and sell 917 native spirits.

918 (b) Package retailer's permit. Except as otherwise 919 provided in this paragraph and Section 67-1-52, a package 920 retailer's permit shall authorize the holder thereof to operate a 921 store exclusively for the sale at retail in original sealed and 922 unopened packages of alcoholic beverages, including native wines, 923 native spirits and edibles, not to be consumed on the premises 924 where sold. Alcoholic beverages shall not be sold by any retailer 925 in any package or container containing less than fifty (50) 926 milliliters by liquid measure. A package retailer's permit, with 927 prior approval from the department, shall authorize the holder

H. B. No. 430 24/HR31/R723PH PAGE 37 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. 928 thereof to sample new product furnished by a manufacturer's 929 representative or his employees at the permitted place of business 930 so long as the sampling otherwise complies with this article and 931 applicable department regulations. Such samples may not be 932 provided to customers at the permitted place of business. In 933 addition to the sale at retail of packages of alcoholic beverages, 934 the holder of a package retailer's permit is authorized to sell at 935 retail corkscrews, wine glasses, soft drinks, ice, juices, mixers, 936 other beverages commonly used to mix with alcoholic beverages, and 937 fruits and foods that have been submerged in alcohol and are commonly referred to as edibles. Nonalcoholic beverages sold by 938 the holder of a package retailer's permit shall not be consumed on 939 940 the premises where sold.

941 **On-premises retailer's permit.** Except as otherwise (C) provided in subsection (5) of this section, an on-premises 942 943 retailer's permit shall authorize the sale of alcoholic beverages, 944 including native wines and native spirits, for consumption on the licensed premises only; however, a patron of the permit holder may 945 946 remove one (1) bottle of wine from the licensed premises if: (i) 947 the patron consumed a portion of the bottle of wine in the course 948 of consuming a meal purchased on the licensed premises; (ii) the 949 permit holder securely reseals the bottle; (iii) the bottle is 950 placed in a bag that is secured in a manner so that it will be 951 visibly apparent if the bag is opened; and (iv) a dated receipt 952 for the wine and the meal is available. Additionally, as part of

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953 a carryout order, a permit holder may sell one (1) bottle of wine 954 to be removed from the licensed premises for every two (2) entrees 955 In addition, an on-premises retailer's permittee at a ordered. 956 permitted premises located on Jefferson Davis Avenue within 957 one-half (1/2) mile north of U.S. Highway 90 may serve alcoholic 958 beverages by the glass to a patron in a vehicle using a 959 drive-through method of delivery if the permitted premises is 960 located in a leisure and recreation district established under 961 Section 67-1-101. Such a sale will be considered to be made on the permitted premises. An on-premises retailer's permit shall be 962 963 issued only to qualified hotels, restaurants and clubs, small craft breweries, microbreweries, and to common carriers with 964 965 adequate facilities for serving passengers. In resort areas, 966 whether inside or outside of a municipality, the department, in 967 its discretion, may issue on-premises retailer's permits to such 968 establishments as it deems proper. An on-premises retailer's 969 permit when issued to a common carrier shall authorize the sale 970 and serving of alcoholic beverages aboard any licensed vehicle 971 while moving through any county of the state; however, the sale of 972 such alcoholic beverages shall not be permitted while such vehicle 973 is stopped in a county that has not legalized such sales. If an 974 on-premises retailer's permit is applied for by a common carrier 975 operating solely in the water, such common carrier must, along 976 with all other qualifications for a permit, (i) be certified to carry at least one hundred fifty (150) passengers and/or provide 977

H. B. No. 430 24/HR31/R723PH PAGE 39 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. 978 overnight accommodations for at least fifty (50) passengers and 979 (ii) operate primarily in the waters within the State of 980 Mississippi which lie adjacent to the State of Mississippi south 981 of the three (3) most southern counties in the State of 982 Mississippi and/or on the Mississippi River or navigable waters 983 within any county bordering on the Mississippi River.

984 Solicitor's permit. A solicitor's permit shall (d) 985 authorize the holder thereof to act as salesman for a manufacturer 986 or wholesaler holding a proper permit, to solicit on behalf of his 987 employer orders for alcoholic beverages, and to otherwise promote 988 his employer's products in a legitimate manner. Such a permit 989 shall authorize the representation of and employment by one (1) principal only. However, the permittee may also, in the 990 991 discretion of the department, be issued additional permits to 992 represent other principals. No such permittee shall buy or sell 993 alcoholic beverages for his own account, and no such beverage 994 shall be brought into this state in pursuance of the exercise of 995 such permit otherwise than through a permit issued to a wholesaler 996 or manufacturer in the state.

997 (e) Native wine retailer's permit. Except as otherwise
998 provided in subsection (5) of this section, a native wine
999 retailer's permit shall be issued only to a holder of a Class 3
1000 manufacturer's permit, and shall authorize the holder thereof to
1001 make retail sales of native wines to consumers for on-premises
1002 consumption or to consumers in originally sealed and unopened

H. B. No. 430 24/HR31/R723PH PAGE 40 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. 1003 containers at an establishment located on the premises of or in 1004 the immediate vicinity of a native winery. When selling to consumers for on-premises consumption, a holder of a native wine 1005 retailer's permit may add to the native wine alcoholic beverages 1006 1007 not produced on the premises, so long as the total volume of 1008 foreign beverage components does not exceed twenty percent (20%) 1009 of the mixed beverage. Hours of sale shall be the same as those 1010 authorized for on-premises permittees in the city or county in 1011 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 and native spirits, during legal hours on the premises described in the temporary permit only.

1017 Temporary retailer's permits shall be of the following 1018 classes:

1019 Class 1. A temporary one-day permit may be issued to bona fide nonprofit civic or charitable organizations authorizing the 1020 1021 sale of alcoholic beverages, including native wine and native 1022 spirit, for consumption on the premises described in the temporary 1023 permit only. Class 1 permits may be issued only to applicants 1024 demonstrating to the department, by a statement signed under penalty of perjury submitted ten (10) days prior to the proposed 1025 1026 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) 1027

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1028 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59. 1029 Class 1 permittees shall obtain all alcoholic beverages from 1030 package retailers located in the county in which the temporary 1031 permit is issued. Alcoholic beverages remaining in stock upon 1032 expiration of the temporary permit may be returned by the 1033 permittee to the package retailer for a refund of the purchase 1034 price upon consent of the package retailer or may be kept by the 1035 permittee exclusively for personal use and consumption, subject to 1036 all laws pertaining to the illegal sale and possession of 1037 alcoholic beverages. The department, following review of the 1038 statement provided by the applicant and the requirements of the 1039 applicable statutes and regulations, may issue the permit.

1040 Class 2. A temporary permit, not to exceed seventy (70) days, may be issued to prospective permittees seeking to transfer 1041 1042 a permit authorized in paragraph (c) of this subsection. A Class 1043 2 permit may be issued only to applicants demonstrating to the 1044 department, by a statement signed under the penalty of perjury, that they meet the qualifications of Sections 67-1-5(1), (m), (n), 1045 1046 (o), (p) or (q), 67-1-37, 67-1-51(2) and (3), 67-1-55, 67-1-57 and 1047 The department, following a preliminary review of the 67-1-59. 1048 statement provided by the applicant and the requirements of the 1049 applicable statutes and regulations, may issue the permit.

1050 Class 2 temporary permittees must purchase their alcoholic 1051 beverages directly from the department or, with approval of the 1052 department, purchase the remaining stock of the previous

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1053 permittee. If the proposed applicant of a Class 1 or Class 2 1054 temporary permit falsifies information contained in the 1055 application or statement, the applicant shall never again be 1056 eligible for a retail alcohol beverage permit and shall be subject 1057 to prosecution for perjury.

1058 Class 3. A temporary one-day permit may be issued to a 1059 retail establishment authorizing the complimentary distribution of 1060 wine, including native wine, to patrons of the retail 1061 establishment at an open house or promotional event, for 1062 consumption only on the premises described in the temporary 1063 permit. A Class 3 permit may be issued only to an applicant 1064 demonstrating to the department, by a statement signed under 1065 penalty of perjury submitted ten (10) days before the proposed 1066 date or such other time as the department may determine, that it 1067 meets the qualifications of Sections 67-1-11, 67-1-37, 67-1-51(2) 1068 and (3), 67-1-55, 67-1-57 (excluding paragraph (e)) and 67-1-59. 1069 A Class 3 permit holder shall obtain all alcoholic beverages from 1070 the holder(s) of a package retailer's permit located in the county 1071 in which the temporary permit is issued. Wine remaining in stock 1072 upon expiration of the temporary permit may be returned by the 1073 Class 3 temporary permit holder to the package retailer for a 1074 refund of the purchase price, with consent of the package retailer, or may be kept by the Class 3 temporary permit holder 1075 1076 exclusively for personal use and consumption, subject to all laws pertaining to the illegal sale and possession of alcoholic 1077

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1078 beverages. The department, following review of the statement 1079 provided by the applicant and the requirements of the applicable 1080 statutes and regulations, may issue the permit. No retailer may 1081 receive more than twelve (12) Class 3 temporary permits in a 1082 calendar year. A Class 3 temporary permit shall not be issued to 1083 a retail establishment that either holds a merchant permit issued under paragraph (1) of this subsection, or holds a permit issued 1084 1085 under Chapter 3, Title 67, Mississippi Code of 1972, authorizing 1086 the holder to engage in the business of a retailer of light wine 1087 or beer.

1088 Caterer's permit. A caterer's permit shall permit (q) the purchase of alcoholic beverages by a person engaging in 1089 1090 business as a caterer and the resale of alcoholic beverages by such person in conjunction with such catering business. No person 1091 1092 shall qualify as a caterer unless forty percent (40%) or more of 1093 the revenue derived from such catering business shall be from the 1094 serving of prepared food and not from the sale of alcoholic beverages and unless such person has obtained a permit for such 1095 1096 business from the Department of Health. A caterer's permit shall 1097 not authorize the sale of alcoholic beverages on the premises of 1098 the person engaging in business as a caterer; however, the holder 1099 of an on-premises retailer's permit may hold a caterer's permit. When the holder of an on-premises retailer's permit or an 1100 affiliated entity of the holder also holds a caterer's permit, the 1101 1102 caterer's permit shall not authorize the service of alcoholic

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1103 beverages on a consistent, recurring basis at a separate, fixed 1104 location owned or operated by the caterer, on-premises retailer or affiliated entity and an on-premises retailer's permit shall be 1105 required for the separate location. All sales of alcoholic 1106 1107 beverages by holders of a caterer's permit shall be made at the 1108 location being catered by the caterer, and, except as otherwise provided in subsection (5) of this section, such sales may be made 1109 1110 only for consumption at the catered location. The location being catered may be anywhere within a county or judicial district that 1111 1112 has voted to come out from under the dry laws or in which the sale 1113 and distribution of alcoholic beverages is otherwise authorized by 1114 Such sales shall be made pursuant to any other conditions law. and restrictions which apply to sales made by on-premises retail 1115 permittees. The holder of a caterer's permit or his employees 1116 1117 shall remain at the catered location as long as alcoholic 1118 beverages are being sold pursuant to the permit issued under this paragraph (g), and the permittee shall have at the location the 1119 identification card issued by the Alcoholic Beverage Control 1120 1121 Division of the department. No unsold alcoholic beverages may be 1122 left at the catered location by the permittee upon the conclusion 1123 of his business at that location. Appropriate law enforcement 1124 officers and Alcoholic Beverage Control Division personnel may 1125 enter a catered location on private property in order to enforce laws governing the sale or serving of alcoholic beverages. 1126

H. B. No. 430 24/HR31/R723PH PAGE 45 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. (h) Research permit. A research permit shall authorize the holder thereof to operate a research facility for the professional research of alcoholic beverages. Such permit shall authorize the holder of the permit to import and purchase limited amounts of alcoholic beverages from the department or from importers, wineries and distillers of alcoholic beverages for professional research.

1134 Alcohol processing permit. An alcohol processing (i) 1135 permit shall authorize the holder thereof to purchase, transport 1136 and possess alcoholic beverages for the exclusive use in cooking, 1137 processing or manufacturing products which contain alcoholic beverages as an integral ingredient. An alcohol processing permit 1138 1139 shall not authorize the sale of alcoholic beverages on the premises of the person engaging in the business of cooking, 1140 1141 processing or manufacturing products which contain alcoholic 1142 beverages. The amounts of alcoholic beverages allowed under an 1143 alcohol processing permit shall be set by the department.

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

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

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

1156 (1) Merchant permit. Except as otherwise provided in 1157 subsection (5) of this section, a merchant permit shall be issued only to the owner of a spa facility, an art studio or gallery, or 1158 1159 a cooking school, and shall authorize the holder to serve 1160 complimentary by the glass wine only, including native wine, at 1161 the holder's spa facility, art studio or gallery, or cooking 1162 school. A merchant permit holder shall obtain all wine from the 1163 holder of a package retailer's permit.

1164 Temporary alcoholic beverages charitable auction (m) 1165 permit. A temporary permit, not to exceed five (5) days, may be 1166 issued to a qualifying charitable nonprofit organization that is 1167 exempt from taxation under Section 501(c)(3) or (4) of the 1168 Internal Revenue Code of 1986. The permit shall authorize the holder to sell alcoholic beverages for the limited purpose of 1169 1170 raising funds for the organization during a live or silent auction 1171 that is conducted by the organization and that meets the following 1172 requirements: (i) the auction is conducted in an area of the 1173 state where the sale of alcoholic beverages is authorized; (ii) if the auction is conducted on the premises of an on-premises 1174 retailer's permit holder, then the alcoholic beverages to be 1175 auctioned must be stored separately from the alcoholic beverages 1176

H. B. No. 430 24/HR31/R723PH PAGE 47 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. 1177 sold, stored or served on the premises, must be removed from the 1178 premises immediately following the auction, and may not be 1179 consumed on the premises; (iii) the permit holder may not conduct 1180 more than two (2) auctions during a calendar year; (iv) the permit 1181 holder may not pay a commission or promotional fee to any person 1182 to arrange or conduct the auction.

Event venue retailer's permit. An event venue 1183 (n) 1184 retailer's permit shall authorize the holder thereof to purchase 1185 and resell alcoholic beverages, including native wines and native 1186 spirits, for consumption on the premises during legal hours during 1187 events held on the licensed premises if food is being served at 1188 the event by a caterer who is not affiliated with or related to 1189 the permittee. The caterer must serve at least three (3) entrees. 1190 The permit may only be issued for venues that can accommodate two 1191 hundred (200) persons or more. The number of persons a venue may 1192 accommodate shall be determined by the local fire department and such determination shall be provided in writing and submitted 1193 along with all other documents required to be provided for an 1194 1195 on-premises retailer's permit. The permittee must derive the 1196 majority of its revenue from event-related fees, including, but 1197 not limited to, admission fees or ticket sales for live 1198 entertainment in the building. "Event-related fees" do not 1199 include alcohol, beer or light wine sales or any fee which may be construed to cover the cost of alcohol, beer or light wine. 1200 This

H. B. No. 430 24/HR31/R723PH PAGE 48 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. 1201 determination shall be made on a per event basis. An event may 1202 not last longer than two (2) consecutive days per week.

1203 Temporary theatre permit. A temporary theatre  $(\circ)$ permit, not to exceed five (5) days, may be issued to a charitable 1204 1205 nonprofit organization that is exempt from taxation under Section 1206 501(c)(3) or (4) of the Internal Revenue Code and owns or operates 1207 a theatre facility that features plays and other theatrical 1208 performances and productions. Except as otherwise provided in 1209 subsection (5) of this section, the permit shall authorize the 1210 holder to sell alcoholic beverages, including native wines and 1211 native spirits, to patrons of the theatre during performances and productions at the theatre facility for consumption during such 1212 1213 performances and productions on the premises of the facility 1214 described in the permit. A temporary theatre permit holder shall 1215 obtain all alcoholic beverages from package retailers located in 1216 the county in which the permit is issued. Alcoholic beverages 1217 remaining in stock upon expiration of the temporary theatre permit may be returned by the permittee to the package retailer for a 1218 1219 refund of the purchase price upon consent of the package retailer 1220 or may be kept by the permittee exclusively for personal use and 1221 consumption, subject to all laws pertaining to the illegal sale 1222 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,

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1226 monitor, store and otherwise control the serving and availability 1227 of alcoholic beverages to customers of the permit holder during private charters under contract provided by the permit holder. A 1228 1229 charter ship operator's permit shall authorize such action by the 1230 permit holder and its employees only as to alcoholic beverages 1231 brought onto the permit holder's ship by customers of the permit 1232 holder as part of such a private charter. All such alcoholic 1233 beverages must be removed from the charter ship at the conclusion 1234 of each private charter. A charter ship operator's permit shall 1235 not authorize the permit holder to sell, charge for or otherwise 1236 supply alcoholic beverages to customers, except as authorized in 1237 this paragraph (p). For the purposes of this paragraph (p), 1238 "charter ship operator" means a common carrier that (i) is 1239 certified to carry at least one hundred fifty (150) passengers 1240 and/or provide overnight accommodations for at least fifty (50) 1241 passengers, (ii) operates only in the waters within the State of 1242 Mississippi, which lie adjacent to the State of Mississippi south 1243 of the three (3) most southern counties in the State of 1244 Mississippi, and (iii) provides charters under contract for tours 1245 and trips in such waters.

(q) Distillery retailer's permit. The holder of a
Class 1 manufacturer's permit may obtain a distillery retailer's
permit. A distillery retailer's permit shall authorize the holder
thereof to sell at retail alcoholic beverages to consumers for
on-premises consumption, or to consumers by the sealed and

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1251 unopened bottle from a retail location at the distillery for 1252 off-premises consumption. The holder may only sell product manufactured by the manufacturer at the distillery described in 1253 1254 the permit. However, when selling to consumers for on-premises 1255 consumption, a holder of a distillery retailer's permit may add 1256 other beverages, alcoholic or not, so long as the total volume of other beverage components containing alcohol does not exceed 1257 1258 twenty percent (20%). Hours of sale shall be the same as those 1259 authorized for on-premises permittees in the city or county in 1260 which the distillery retailer is located.

1261 The holder shall not sell at retail more than ten percent 1262 (10%) of the alcoholic beverages produced annually at its 1263 distillery. The holder shall not make retail sales of more than two and twenty-five one-hundredths (2.25) liters, in the 1264 1265 aggregate, of the alcoholic beverages produced at its distillery 1266 to any one (1) individual for consumption off the premises of the 1267 distillery within a twenty-four-hour period. The hours of sale 1268 shall be the same as those hours for package retailers under this 1269 article. The holder of a distillery retailer's permit is not 1270 required to purchase the alcoholic beverages authorized to be sold 1271 by this paragraph from the department's liquor distribution 1272 warehouse; however, if the holder does not purchase the alcoholic beverages from the department's liquor distribution warehouse, the 1273 1274 holder shall pay to the department all taxes, fees and surcharges on the alcoholic beverages that are imposed upon the sale of 1275

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Festival Wine Permit. Any wine manufacturer or 1282 (r) 1283 native wine producer permitted by Mississippi or any other state 1284 is eligible to obtain a Festival Wine Permit. This permit 1285 authorizes the entity to transport product manufactured by it to 1286 festivals held within the State of Mississippi and sell sealed, 1287 unopened bottles to festival participants. The holder of this 1288 permit may provide samples at no charge to participants. 1289 "Festival" means any event at which three (3) or more vendors are 1290 present at a location for the sale or distribution of goods. The 1291 holder of a Festival Wine Permit is not required to purchase the 1292 alcoholic beverages authorized to be sold by this paragraph from 1293 the department's liquor distribution warehouse. However, if the 1294 holder does not purchase the alcoholic beverages from the 1295 department's liquor distribution warehouse, the holder of this 1296 permit shall pay to the department all taxes, fees and surcharges 1297 on the alcoholic beverages sold at such festivals that are imposed 1298 upon the sale of alcoholic beverages shipped by the Alcoholic 1299 Beverage Control Division of the Department of Revenue. Additionally, the entity shall file all applicable reports and 1300

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1301 returns as prescribed by the department. This permit is issued 1302 per festival and provides authority to sell for two (2) consecutive days during the hours authorized for on-premises 1303 permittees' sales in that county or city. The holder of the 1304 1305 permit shall be required to maintain all requirements set by Local 1306 Option Law for the service and sale of alcoholic beverages. This 1307 permit may be issued to entities participating in festivals at 1308 which a Class 1 temporary permit is in effect.

1309 This paragraph (r) shall stand repealed from and after July 1310 1, 2026.

1311 (s) Charter vessel operator's permit. Subject to the provisions of this paragraph (s), a charter vessel operator's 1312 1313 permit shall authorize the holder thereof and its employees to 1314 sell and serve alcoholic beverages to passengers of the permit holder during public tours, historical tours, ecological tours and 1315 1316 sunset cruises provided by the permit holder. The permit shall 1317 authorize the holder to only sell alcoholic beverages, including native wines, to passengers of the charter vessel operator during 1318 1319 public tours, historical tours, ecological tours and sunset 1320 cruises provided by the permit holder aboard the charter vessel 1321 operator for consumption during such tours and cruises on the 1322 premises of the charter vessel operator described in the permit. For the purposes of this paragraph (s), "charter vessel operator" 1323 1324 means a common carrier that (i) is certified to carry at least 1325 forty-nine (49) passengers, (ii) operates only in the waters

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1326 within the State of Mississippi, which lie south of Interstate 10 1327 in the three (3) most southern counties in the State of 1328 Mississippi, and lie adjacent to the State of Mississippi south of 1329 the three (3) most southern counties in the State of Mississippi, 1330 extending not further than one (1) mile south of such counties, 1331 and (iii) provides vessel services for tours and cruises in such 1332 waters as provided in this paragraph(s).

1333 Native spirit retailer's permit. Except as (t) 1334 otherwise provided in subsection (5) of this section, a native 1335 spirit retailer's permit shall be issued only to a holder of a 1336 Class 4 manufacturer's permit, and shall authorize the holder thereof to make retail sales of native spirits to consumers for 1337 1338 on-premises consumption or to consumers in originally sealed and unopened containers at an establishment located on the premises of 1339 1340 or in the immediate vicinity of a native distillery. When selling 1341 to consumers for on-premises consumption, a holder of a native spirit retailer's permit may add to the native spirit alcoholic 1342 beverages not produced on the premises, so long as the total 1343 1344 volume of foreign beverage components does not exceed twenty 1345 percent (20%) of the mixed beverage. Hours of sale shall be the 1346 same as those authorized for on-premises permittees in the city or 1347 county in which the native spirit retailer is located.

(u) Delivery service permit. Any individual, limited
liability company, corporation or partnership registered to do
business in this state is eligible to obtain a delivery service

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1351 permit. Subject to the provisions of Section 67-1-51.1, this 1352 permit authorizes the permittee, or its employee or an independent contractor acting on its behalf, to deliver alcoholic beverages, 1353 1354 beer, light wine and light spirit product from a licensed retailer 1355 to a person in this state who is at least twenty-one (21) years of 1356 age for the individual's use and not for resale. This permit does not authorize the delivery of alcoholic beverages, beer, light 1357 1358 wine or light spirit product to the premises of a location with a 1359 permit for the manufacture, distribution or retail sale of 1360 alcoholic beverages, beer, light wine or light spirit product. 1361 The holder of a package retailer's permit or an on-premises 1362 retailer's permit under Section 67-1-51 or of a beer, light wine 1363 and light spirit product permit under Section 67-3-19 is authorized to apply for a delivery service permit as a privilege 1364 1365 separate from its existing retail permit.

1366 (V) Food truck permit. A food truck permit shall 1367 authorize the holder of an on-premises retailer's permit to use a food truck to sell alcoholic beverages off its premises to guests 1368 1369 who must consume the beverages in open containers. For the 1370 purposes of this paragraph (v), "food truck" means a fully encased 1371 food service establishment on a motor vehicle or on a trailer that 1372 a motor vehicle pulls to transport, and from which a vendor, 1373 standing within the frame of the establishment, prepares, cooks, sells and serves food for immediate human consumption. The term 1374 "food truck" does not include a food cart that is not motorized. 1375

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1376 Food trucks shall maintain such distance requirements from 1377 schools, churches, kindergartens and funeral homes as are required for on-premises retailer's permittees under this article, and all 1378 1379 sales must be made within a valid leisure and recreation district 1380 established under Section 67-1-101. Food trucks cannot sell or 1381 serve alcoholic beverages unless also offering food prepared and 1382 cooked within the food truck, and permittees must maintain a 1383 twenty-five percent (25%) food sale revenue requirement based on 1384 the food sold from the food truck alone. The hours allowed for sale shall be the same as those for on-premises retailer's 1385 1386 permittees in the location. This permit will not be required for the holder of a caterer's permit issued under this article to 1387 1388 cater an event as allowed by law. Permittees must provide notice of not less than forty-eight (48) hours to the department of each 1389 1390 location at which alcoholic beverages will be sold.

1391 (w) Direct shipper's permit. A direct shipper's permit 1392 shall authorize the holder to sell and ship wine directly to 1393 residents in this state in accordance with the provisions of 1394 Sections 1 through 12 of this act, without being required to 1395 transact the sale and shipment of those wines and/or distilled 1396 spirits through the Alcoholic Beverage Control Division of the 1397 department. 1398 (x) Wine and Distilled Spirits Fulfillment Provider

1399 **Permit.** A wine and distilled spirits fulfillment provider permit 1400 shall authorize the holder to only provide logistics services of

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1401 warehousing, packaging, order fulfillment, and shipment of wine 1402 and/or distilled spirits for a direct shipper permittee for which 1403 the wine and distilled spirits fulfillment provider permittee is 1404 the bailee of the wine and/or distilled spirits under Sections 1 1405 through 12 of this act. Wine and/or distilled spirits held in 1406 bailment by a wine and distilled spirits fulfillment provider 1407 permittee shall remain the property of the direct shipper 1408 permittee until loaded on conveyance for direct shipment to a 1409 Mississippi resident.

1410 (2) Except as otherwise provided in subsection (4) of this
1411 section, retail permittees may hold more than one (1) retail
1412 permit, at the discretion of the department.

1413 Except as otherwise provided in this subsection, no (3) (a) 1414 authority shall be granted to any person to manufacture, sell or 1415 store for sale any intoxicating liquor as specified in this 1416 article within four hundred (400) feet of any church, school, 1417 kindergarten or funeral home. However, within an area zoned 1418 commercial or business, such minimum distance shall be not less 1419 than one hundred (100) feet.

(b) 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.

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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.

1431 (C) The distance restrictions imposed in this 1432 subsection shall not apply to the sale or storage of alcoholic 1433 beverages at a bed and breakfast inn listed in the National 1434 Register of Historic Places or to the sale or storage of alcoholic 1435 beverages in a historic district that is listed in the National 1436 Register of Historic Places, is a qualified resort area and is located in a municipality having a population greater than one 1437 1438 hundred thousand (100,000) according to the latest federal decennial census. 1439

(d) The distance restrictions imposed in this
subsection shall not apply to the sale or storage of alcoholic
beverages at a qualified resort area as defined in Section
67-1-5(o)(iii)32.

(e) The distance restrictions imposed in this
subsection shall not apply to the sale or storage of alcoholic
beverages at a licensed premises in a building formerly owned by a
municipality and formerly leased by the municipality to a
municipal school district and used by the municipal school
district as a district bus shop facility.

H. B. No. 430 24/HR31/R723PH PAGE 58 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. 1450 (f) The distance restrictions imposed in this 1451 subsection shall not apply to the sale or storage of alcoholic beverages at a licensed premises in a building consisting of at 1452 least five thousand (5,000) square feet and located approximately 1453 1454 six hundred (600) feet from the intersection of Mississippi 1455 Highway 15 and Mississippi Highway 4.

1456 The distance restrictions imposed in this (q) 1457 subsection shall not apply to the sale or storage of alcoholic 1458 beverages at a licensed premises in a building located at or near 1459 the intersection of Ward and Tate Streets and adjacent properties 1460 in the City of Senatobia, Mississippi.

1461 The distance restrictions imposed in this (h) 1462 subsection shall not apply to the sale or storage of alcoholic beverages at a theatre facility that features plays and other 1463 1464 theatrical performances and productions and (i) is capable of 1465 seating more than seven hundred fifty (750) people, (ii) is owned 1466 by a municipality which has a population greater than ten thousand (10,000) according to the latest federal decennial census, (iii) 1467 1468 was constructed prior to 1930, (iv) is on the National Register of 1469 Historic Places, and (v) is located in a historic district.

1470 (i) The distance restrictions imposed in this 1471 subsection shall not apply to the sale or storage of alcoholic beverages at a licensed premises in a building located 1472 approximately one and six-tenths (1.6) miles north of the 1473

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1474 intersection of Mississippi Highway 15 and Mississippi Highway 4 1475 on the west side of Mississippi Highway 15.

1476 (4) No person, either individually or as a member of a firm, partnership, limited liability company or association, or as a 1477 1478 stockholder, officer or director in a corporation, shall own or 1479 control any interest in more than one (1) package retailer's permit, nor shall such person's spouse, if living in the same 1480 1481 household of such person, any relative of such person, if living 1482 in the same household of such person, or any other person living in the same household with such person own any interest in any 1483 1484 other package retailer's permit.

1485 In addition to any other authority granted under (5)(a) 1486 this section, the holder of a permit issued under subsection (1)(c), (e), (f), (g), (l), (n) and/or (o) of this section may 1487 sell or otherwise provide alcoholic beverages and/or wine to a 1488 1489 patron of the permit holder in the manner authorized in the permit 1490 and the patron may remove an open glass, cup or other container of the alcoholic beverage and/or wine from the licensed premises and 1491 1492 may possess and consume the alcoholic beverage or wine outside of 1493 the licensed premises if: (i) the licensed premises is located 1494 within a leisure and recreation district created under Section 1495 67-1-101 and (ii) the patron remains within the boundaries of the leisure and recreation district while in possession of the 1496 alcoholic beverage or wine. 1497

H. B. No. 430 24/HR31/R723PH PAGE 60 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. (b) Nothing in this subsection shall be construed to allow a person to bring any alcoholic beverages into a permitted premises except to the extent otherwise authorized by this article.

1502 SECTION 20. Section 67-1-53, Mississippi Code of 1972, is 1503 amended as follows:

1504 67-1-53. (1) Application for permits shall be in such form 1505 and shall contain such information as shall be required by the 1506 regulations of the \* \* \* <u>department</u>; however, no regulation of 1507 the \* \* \* <u>department</u> shall require personal financial information 1508 from any officer of a corporation applying for an on-premises 1509 retailer's permit to sell alcoholic beverages unless such officer 1510 owns ten percent (10%) or more of the stock of such corporation.

Every applicant for each type of permit authorized by 1511 (2) 1512 Section 67-1-51 shall give notice of such application by 1513 publication for two (2) consecutive issues in a newspaper of 1514 general circulation published in the city or town in which applicant's place of business is located. However, in instances 1515 1516 where no newspaper is published in the city or town, then the 1517 notice shall be published in a newspaper of general circulation 1518 published in the county where the applicant's business is located. 1519 If no newspaper is published in the county, the notice shall be published in a qualified newspaper which is published in the 1520 1521 closest neighboring county and circulated in the county of applicant's residence. The notice shall be printed in ten-point 1522

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1523 black face type and shall set forth the type of permit to be 1524 applied for, the exact location of the place of business, the name of the owner or owners thereof, and if operating under an assumed 1525 1526 name, the trade name together with the names of all owners, and if 1527 a corporation, the names and titles of all officers. The cost of 1528 such notice shall be borne by the applicant. The provisions of 1529 this subsection (2) shall not apply to applicants for a direct 1530 shipper's permit under Sections 1 through 12 of this act.

(3) Each application or filing made under this section shall include the social security number(s) of the applicant in accordance with Section 93-11-64, Mississippi Code of 1972.

1534 SECTION 21. Section 67-1-55, Mississippi Code of 1972, is 1535 amended as follows:

1536 67-1-55. No permit of any type shall be issued by the \* \* \* 1537 department until the applicant has first filed with the \* \* \* 1538 department a sworn statement disclosing all persons who are 1539 financially involved in the operation of the business for which the permit is sought. If an applicant is an individual, he will 1540 1541 swear that he owns one hundred percent (100%) of the business for 1542 which he is seeking a permit. If the applicant is a partnership, 1543 all partners and their addresses shall be disclosed and the extent 1544 of their interest in the partnership shall be disclosed. If the applicant is a corporation, the total stock in the corporation 1545 1546 shall be disclosed and each shareholder and his address and the amount of stock in the corporation owned by him shall be 1547

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disclosed. If the applicant is a limited liability company, each member and their addresses shall be disclosed and the extent of their interest in the limited liability company shall be disclosed. If the applicant is a trust, the trustee and all beneficiaries and their addresses shall be disclosed. If the applicant is a combination of any of the above, all information required to be disclosed above shall be required.

1555 All the disclosures shall be in writing and kept on file at 1556 the **\* \* \*** <u>department</u> and shall be available to the public.

Every applicant must, when applying for a renewal of his permit, disclose any change in the ownership of the business or any change in the beneficiaries of the income from the business.

Any person who willfully fails to fully disclose the information required by this section, or who gives false information, shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined a sum not to exceed Five Hundred Dollars (\$500.00) or imprisoned for not more than one (1) year, or both, and the person or applicant shall never again be eligible for any permit pertaining to alcoholic beverages.

1567 <u>The provisions of this section shall not apply to applicants</u> 1568 <u>for a direct shipper's permit under Sections 1 through 12 of this</u> 1569 <u>act.</u>

1570 **SECTION 22.** Section 67-1-57, Mississippi Code of 1972, is 1571 amended as follows:

H. B. No. 430 24/HR31/R723PH PAGE 63 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. 1572 67-1-57. Before a permit is issued the department shall 1573 satisfy itself:

1574 That the applicant, if an individual, or if a (a) partnership, each of the members of the partnership, or if a 1575 1576 corporation, each of its principal officers and directors, or if a 1577 limited liability company, each member of the limited liability 1578 company, is of good moral character and, in addition, enjoys a 1579 reputation of being a peaceable, law-abiding citizen of the 1580 community in which he resides, and is generally fit for the trust to be reposed in him, is not less than twenty-one (21) years of 1581 1582 age, and has not been convicted of a felony in any state or 1583 federal court.

1584 That, except in the case of an application for a (b) 1585 solicitor's permit, the applicant is the true and actual owner of 1586 the business for which the permit is desired, and that he intends 1587 to carry on the business authorized for himself and not as the 1588 agent of any other person, and that he intends to superintend in 1589 person the management of the business or that he will designate a 1590 manager to manage the business for him. Except for managers 1591 employed by the holder of a direct shipper's permit, all managers 1592 must be approved by the department prior to completing any 1593 managerial tasks on behalf of the permittee and must possess all 1594 of the qualifications required of a permittee; however, a felony 1595 conviction, other than a crime of violence, does not automatically disqualify a person from being approved as a manager if the person 1596

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1597 was released from incarceration at least three (3) years prior to 1598 application for approval as a manager. A felony conviction, other 1599 than a crime of violence, may be considered by the department in 1600 determining whether all other qualifications are met.

1601 That the applicant for a package retailer's permit, (C) 1602 if an individual, is a resident of the State of Mississippi. If 1603 the applicant is a partnership, each member of the partnership 1604 must be a resident of the state. If the applicant is a limited 1605 liability company, each member of the limited liability company 1606 must be a resident of the state. If the applicant is a 1607 corporation, the designated manager of the corporation must be a resident of the state. 1608

(d) That the place for which the permit is to be issued
is an appropriate one considering the character of the premises
and the surrounding neighborhood.

(e) That the place for which the permit is to be issued is within the corporate limits of an incorporated municipality or qualified resort area or club which comes within the provisions of this article.

(f) That the applicant is not indebted to the state for any taxes, fees or payment of penalties imposed by any law of the State of Mississippi or by any rule or regulation of the \* \* \* department.

1620 (g) That the applicant is not in the habit of using 1621 alcoholic beverages to excess and is not physically or mentally

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1622 incapacitated, and that the applicant has the ability to read and 1623 write the English language.

(h) That the \* \* \* <u>department</u> does not believe and has
no reason to believe that the applicant will sell or knowingly
permit any agent, servant or employee to unlawfully sell liquor in
a dry area or in any other manner contrary to law.

(i) That the applicant is not residentially domiciled
with any person whose permit or license has been cancelled for
cause within the twelve (12) months next preceding the date of the
present application for a permit.

(j) That the \* \* \* <u>department</u> has not, in the exercise of its discretion which is reserved and preserved to it, refused to grant permits under the restrictions of this section, as well as under any other pertinent provision of this article.

1636 (k) That there are not sufficient legal reasons to deny 1637 a permit on the ground that the premises for which the permit is 1638 sought has previously been operated, used or frequented for any purpose or in any manner that is lewd, immoral or offensive to 1639 1640 public decency. In the granting or withholding of any permit to 1641 sell alcoholic beverages at retail, the \* \* \* department in 1642 forming its conclusions may give consideration to any 1643 recommendations made in writing by the district or county attorney or county, circuit or chancery judge of the county, or the sheriff 1644 of the county, or the mayor or chief of police of an incorporated 1645 city or town wherein the applicant proposes to conduct his 1646

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1647 business and to any recommendations made by representatives of 1648 the \* \* \* department.

1649 That the applicant and the applicant's key (1) 1650 employees, as determined by the \* \* \* department, do not have a 1651 disqualifying criminal record. In order to obtain a criminal 1652 record history check, the applicant shall submit to the commission 1653 a set of fingerprints from any local law enforcement agency for each person for whom the records check is required. 1654 The \* \* \* 1655 department shall forward the fingerprints to the Mississippi Department of Public Safety. If no disqualifying record is 1656 identified at the state level, the Department of Public Safety 1657 1658 shall forward the fingerprints to the Federal Bureau of 1659 Investigation for a national criminal history record check. Costs 1660 for processing the set or sets of fingerprints shall be borne by 1661 the applicant. The department may waive the fingerprint 1662 requirement in the case of an applicant for a direct shipper's 1663 permit. The \* \* \* department shall not deny employment to an 1664 employee of the applicant prior to the identification of a 1665 disqualifying record or other disqualifying information. 1666 SECTION 23. Section 67-1-73, Mississippi Code of 1972, is

1667 amended as follows:

1668 67-1-73. (1) Except as otherwise provided in subsection (3) 1669 of this section, every manufacturer, including native wine or 1670 native spirit producers, within or without the state, and every 1671 other shipper of alcoholic beverages who sells any alcoholic

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beverage, including native wine or native spirit, within the state, shall, at the time of making such sale, file with the department a copy of the invoice of such sale showing in detail the kind of alcoholic beverage sold, the quantities of each, the size of the container and the weight of the contents, the alcoholic content, and the name and address of the person to whom sold.

1679 (2) Except as otherwise provided in subsection (3) of this 1680 section, every person transporting alcoholic beverages, including 1681 native wine or native spirit, within this state to a point within 1682 this state, whether such transportation originates within or without this state, shall, within five (5) days after delivery of 1683 1684 such shipment, furnish the department a copy of the bill of lading or receipt, showing the name or consignor or consignee, date, 1685 place received, destination, and quantity of alcoholic beverages 1686 1687 delivered. Upon failure to comply with the provisions of this 1688 section, such person shall be deemed quilty of a misdemeanor and, upon conviction thereof, shall be fined in the sum of Fifty 1689 1690 Dollars (\$50.00) for each offense.

1691 (3) Information regarding the sales, shipment, delivery and 1692 transportation of wine and/or distilled spirits in this state by 1693 the holder of a direct shipper's permit under Sections 1 through 1694 12 of this act shall be in such form and content as prescribed by 1695 the department.

H. B. No. 430 24/HR31/R723PH PAGE 68 (BS\JAB) ST: Alcoholic beverages; allow direct sales and shipment of certain wines to residents in this state. 1696 SECTION 24. Section 97-31-47, Mississippi Code of 1972, is 1697 amended as follows:

97-31-47. It shall be unlawful for any transportation 1698 company, or any agent, employee, or officer of such company, or 1699 1700 any other person, or corporation to transport into or deliver in 1701 this state in any manner or by any means any spirituous, vinous, 1702 malt, or other intoxicating liquors or drinks, or for any such 1703 person, company, or corporation to transport any spirituous, malt, 1704 vinous, or intoxicating liquors or drinks from one place within 1705 this state to another place within the state, or from one (1) 1706 point within this state to any point without the state, except in cases where this chapter \* \* \*, Section 67-9-1, or Sections 1 1707 1708 through 12 of this act authorizes the transportation.

1709 **SECTION 25.** Section 97-31-49, Mississippi Code of 1972, is 1710 amended as follows:

1711 97-31-49. Except as otherwise provided in Sections 1 through 12 of this act, it shall be unlawful for any person, firm or 1712 1713 corporation in this state, in person, by letter, circular, or 1714 other printed or written matter, or in any other manner, to 1715 solicit or take order in this state for any liquors, bitters or 1716 drinks prohibited by the laws of this state to be sold, bartered, or otherwise disposed of. The inhibition of this section shall 1717 1718 apply to such liquors, bitters and drinks, whether the parties 1719 intend that the same shall be shipped into this state from outside 1720 of the state, or from one (1) point in this state to another point

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1721 in this state. If such order be in writing, parol evidence 1722 thereof is admissible without producing or accounting for the 1723 absence of the original; and the taking or soliciting of such 1724 orders is within the inhibition of this section, although the 1725 orders are subject to approval by some other person, and no part 1726 of the price is paid, nor any part of the goods is delivered when 1727 the order is taken.

1728 SECTION 26. This act shall take effect and be in force from 1729 and after July 1, 2024.

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