

By: Senator(s) Huggins

To: Finance

SENATE BILL NO. 2901

1 AN ACT TO AMEND SECTION 27-71-5, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE PRIVILEGE LICENSE TAX REQUIRED FOR A MANUFACTURER'S
3 PERMIT, CLASS 1, DISTILLER'S PERMIT FOR A PERSON WHO PRODUCES A
4 PRODUCT WITH AT LEAST 51% OF THE FINISHED PRODUCT BY VOLUME BEING
5 OBTAINED FROM ALCOHOLIC FERMENTATION OF GRAPES, FRUITS, BERRIES,
6 HONEY OR VEGETABLES GROWN AND PRODUCED IN MISSISSIPPI, AND WHO
7 PRODUCES ALL OF SUCH PRODUCT BY USING NOT MORE THAN ONE STILL
8 HAVING A MAXIMUM CAPACITY OF 150 LITERS; AND FOR RELATED PURPOSES.

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

10 SECTION 1. Section 27-71-5, Mississippi Code of 1972, is
11 amended as follows:

12 27-71-5. (1) Upon each person approved for a permit under
13 the provisions of the Alcoholic Beverage Control Law and
14 amendments thereto, there is levied and imposed for each location
15 for the privilege of engaging and continuing in this state in the
16 business authorized by such permit, an annual privilege license
17 tax in the amount provided in the following schedule:

18 (a) Except as otherwise provided in this subsection
19 (1), manufacturer's permit, Class 1, distiller's and/or

20 rectifier's..... \$4,500.00

21 (b) Manufacturer's permit, Class 2, wine manufacturer
22 ..... \$1,800.00

23 (c) Manufacturer's permit, Class 3, native wine
24 manufacturer per 10,000 gallons or part thereof
25 produced..... \$ 10.00

26 (d) Native wine retailer's permit..... \$ 50.00

27 (e) Package retailer's permit, each..... \$ 900.00

28 (f) On-premises retailer's permit, except for clubs and
29 common carriers, each..... \$ 450.00



30           On purchases exceeding \$5,000.00 and for each additional  
31 \$5,000.00, or fraction thereof..... \$ 225.00

32           (g) On-premises retailer's permit for wine of more than  
33 four percent (4%) alcohol by volume, but not more than twenty-one  
34 percent (21%) alcohol by volume (each)..... \$ 225.00

35           On purchases exceeding \$5,000.00 and for each additional  
36 \$5,000.00, or fraction thereof..... \$ 225.00

37           (h) On-premises retailer's permit for clubs. \$ 225.00

38           On purchases exceeding \$5,000.00 and for each additional  
39 \$5,000.00, or fraction thereof..... \$ 225.00

40           (i) On-premises retailer's permit for common carriers,  
41 per car, plane, or other vehicle..... \$ 120.00

42           (j) Solicitor's permit, regardless of any other  
43 provision of law, solicitor's permits shall be issued only in the  
44 discretion of the commission..... \$ 100.00

45           (k) Filing fee for each application except for an  
46 employee identification card..... \$ 25.00

47           (l) Temporary permit, Class 1, each..... \$ 10.00

48           (m) Temporary permit, Class 2, each..... \$ 50.00

49           On-premises purchases exceeding \$5,000.00 and for each  
50 additional \$5,000.00, or fraction thereof..... \$ 225.00

51           (n) (i) Caterer's permit..... \$ 600.00

52           On purchases exceeding \$5,000.00 and for each additional  
53 \$5,000.00, or fraction thereof..... \$ 250.00

54           (ii) Caterer's permit for holders of on-premises  
55 retailer's permit..... \$ 150.00

56           On purchases exceeding \$5,000.00 and for each additional  
57 \$5,000.00, or fraction thereof..... \$ 250.00

58           (o) Research permit..... \$ 100.00

59           (p) Filing fee for each application for an employee  
60 identification card..... \$ 5.00

61           If a person approved for a manufacturer's permit, Class 1,  
62 distiller's permit produces a product with at least fifty-one



63 percent (51%) of the finished product by volume being obtained  
64 from alcoholic fermentation of grapes, fruits, berries, honey or  
65 vegetables grown and produced in Mississippi, and produces all of  
66 such product by using not more than one (1) still having a maximum  
67 capacity of one hundred fifty (150) liters, the annual privilege  
68 license tax for such a permit shall be Ten Dollars (\$10.00) per  
69 ten thousand (10,000) gallons or part thereof produced. Bulk,  
70 concentrated or fortified ingredients used for blending may be  
71 produced outside this state and used in producing such a product.

72 In addition to the filing fee imposed by item (k) of this  
73 subsection, a fee to be determined by the State Tax Commission may  
74 be charged to defray costs incurred to process applications. Such  
75 additional fees shall be paid into the State Treasury to the  
76 credit of a special fund account, which is hereby created, and  
77 expenditures therefrom shall be made only to defray the costs  
78 incurred by the State Tax Commission in processing alcoholic  
79 beverage applications. Any unencumbered balance remaining in the  
80 special fund account on June 30 of any fiscal year shall lapse  
81 into the State General Fund.

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

86 Any person who has paid the additional privilege license tax  
87 imposed by item (f), (g), (h), (m) or (n) of this subsection, and  
88 whose permit is renewed, may add any unused fraction of Five  
89 Thousand Dollars (\$5,000.00) purchases to the first Five Thousand  
90 Dollars (\$5,000.00) purchases authorized by the renewal permit,  
91 and no additional license tax will be required until purchases  
92 exceed the sum of the two (2) figures.

93 (2) There is imposed and shall be collected from each  
94 permittee, except a common carrier, solicitor, holder of an  
95 employee identification card or a temporary permittee, by the



96 commission, an additional license tax equal to the amounts imposed  
97 under subsection (1) of this section for the privilege of doing  
98 business within any municipality or county in which the licensee  
99 is located. If the licensee is located within a municipality, the  
100 commission shall pay the amount of additional license tax to the  
101 municipality, and if outside a municipality the commission shall  
102 pay the additional license tax to the county in which the licensee  
103 is located. Payments by the commission to the respective local  
104 government subdivisions shall be made once each month for any  
105 collections during the preceding month.

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

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

117 (5) If any person shall engage or continue in any business  
118 which is taxable hereunder without having paid the tax as provided  
119 herein, such person shall be liable for the full amount of such  
120 tax plus a penalty thereon equal to the amount thereof, and, in  
121 addition, shall be punished by a fine of not more than One  
122 Thousand Dollars (\$1,000.00), or by imprisonment in the county  
123 jail for a term of not more than six (6) months, or by both such  
124 fine and imprisonment, in the discretion of the court.

125 (6) It shall be unlawful for any person to consume alcoholic  
126 beverages on the premises of any hotel restaurant, restaurant,  
127 club or the interior of any public place defined in Chapter 1,  
128 Title 67, Mississippi Code of 1972, when the owner or manager



129 thereof displays in several conspicuous places inside said  
130 establishment and at the entrances thereto a sign containing the  
131 following language: NO ALCOHOLIC BEVERAGES ALLOWED.

132         **SECTION 2.** This act shall take effect and be in force from  
133 and after July 1, 2003.

