

By: Senator(s) Jackson (11th)

To: Finance

SENATE BILL NO. 2031

1 AN ACT TO AMEND SECTION 27-71-5, MISSISSIPPI CODE OF 1972, TO
2 REDUCE THE PRIVILEGE LICENSE TAX FOR PACKAGE RETAILER'S PERMIT
3 ISSUED FOR PACKAGE STORES LOCATED IN MUNICIPALITIES WITH A
4 POPULATION OF 5,000 OR LESS ACCORDING TO THE LATEST FEDERAL
5 DECENNIAL CENSUS; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 27-71-5, Mississippi Code of 1972, is
8 amended as follows:

9 27-71-5. (1) Upon each person approved for a permit under
10 the provisions of the Alcoholic Beverage Control Law and
11 amendments thereto, there is levied and imposed for each location
12 for the privilege of engaging and continuing in this state in the
13 business authorized by such permit, an annual privilege license
14 tax in the amount provided in the following schedule:

- 15 (a) Except as otherwise provided in this subsection
- 16 (1), manufacturer's permit, Class 1, distiller's and/or
- 17 rectifier's..... \$4,500.00
- 18 (b) Manufacturer's permit, Class 2, wine
- 19 Manufacturer..... \$1,800.00



20	(c) Manufacturer's permit, Class 3, native wine	
21	manufacturer per ten thousand (10,000) gallons or part thereof	
22	produced.....	\$ 10.00
23	(d) Native wine retailer's permit.....	\$ 50.00
24	(e) (i) Package retailer's permit <u>for a location in a</u>	
25	<u>municipality with a population of more than five thousand (5,000)</u>	
26	<u>according to the latest federal decennial census, each.....</u>	\$ 900.00
27	(ii) Package retailer's permit <u>for a location in a</u>	
28	<u>municipality with a population of five thousand (5,000) or less</u>	
29	<u>according to the latest federal decennial census, each.....</u>	\$ 450.00
30	(f) On-premises retailer's permit, except for clubs and	
31	common carriers, each.....	\$ 450.00
32	(g) On-premises retailer's permit for wine of more than	
33	five percent (5%) alcohol by weight, but not more than twenty-one	
34	percent (21%) alcohol by weight, each.....	\$ 225.00
35	(h) On-premises retailer's permit for clubs.....	\$ 225.00
36	(i) On-premises retailer's permit for common carriers,	
37	per car, plane, or other vehicle.....	\$ 120.00
38	(j) Solicitor's permit, regardless of any other	
39	provision of law, solicitor's permits shall be issued only in the	
40	discretion of the department.....	\$ 100.00
41	(k) Filing fee for each application except for an	
42	employee identification card.....	\$ 25.00
43	(l) Temporary permit, Class 1, each.....	\$ 10.00
44	(m) Temporary permit, Class 2, each.....	\$ 50.00



45	(n) (i) Caterer's permit.....	\$ 600.00
46	(ii) Caterer's permit for holders of on-premises	
47	retailer's permit.....	\$ 150.00
48	(o) Research permit.....	\$ 100.00
49	(p) Temporary permit, Class 3 (wine only).....	\$ 10.00
50	(q) Special service permit.....	\$ 225.00
51	(r) Merchant permit.....	\$ 225.00
52	(s) Temporary alcoholic beverages charitable auction	
53	permit.....	\$ 10.00
54	(t) Event venue retailer's permit.....	\$ 225.00
55	(u) Temporary theatre permit, each.....	\$ 10.00
56	(v) Charter ship operator's permit.....	\$ 100.00
57	(w) Distillery retailer's permit.....	\$ 450.00

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



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

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

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

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



95 county in which the licensee is located in the amount of Two
96 Hundred Twenty-five Dollars (\$225.00) on purchases exceeding Five
97 Thousand Dollars (\$5,000.00) and Two Hundred Twenty-five Dollars
98 (\$225.00) for each additional purchase of Five Thousand Dollars
99 (\$5,000.00), or fraction thereof.

100 (ii) In addition to the tax imposed in paragraph
101 (a) of this subsection, there is imposed and shall be collected by
102 the department from each permittee described in subsection (1)(n)
103 and (r) of this section, an additional license tax for the
104 privilege of doing business within any municipality or county in
105 which the licensee is located in the amount of Two Hundred Fifty
106 Dollars (\$250.00) on purchases exceeding Five Thousand Dollars
107 (\$5,000.00) and Two Hundred Twenty-five Dollars (\$225.00) for each
108 additional purchase of Five Thousand Dollars (\$5,000.00), or
109 fraction thereof.

110 (iii) Any person who has paid the additional
111 privilege license tax imposed by this paragraph, and whose permit
112 is renewed, may add any unused fraction of Five Thousand Dollars
113 (\$5,000.00) purchases to the first Five Thousand Dollars
114 (\$5,000.00) purchases authorized by the renewal permit, and no
115 additional license tax will be required until purchases exceed the
116 sum of the two (2) figures.

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



120 municipality the department shall pay the additional license tax
121 to the county in which the licensee is located. Payments by the
122 department to the respective local government subdivisions shall
123 be made once each month for any collections during the preceding
124 month.

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

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

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



144 (6) It shall be unlawful for any person to consume alcoholic
145 beverages on the premises of any hotel restaurant, restaurant,
146 club or the interior of any public place defined in Title 67,
147 Chapter 1, Mississippi Code of 1972, when the owner or manager
148 thereof displays in several conspicuous places inside the
149 establishment and at the entrances of establishment a sign
150 containing the following language: NO ALCOHOLIC BEVERAGES
151 ALLOWED.

152 **SECTION 2.** This act shall take effect and be in force from
153 and after July 1, 2020.

