

## Session 116 - (2005-2006)

### S\*0165 (Rat #0163, Act #0139 of 2005) General Bill, By Elliott, Hayes, Alexander, Fair and Richardson

**Similar (S 0526, H 3638, H 3676)**

**Summary:** Sales tax on alcoholic liquors sold by the drink

AN ACT TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 61-6-1636 SO AS TO PROVIDE THAT A PERSON LICENSED FOR SALE AND USE FOR ON-PREMISES CONSUMPTION SHALL PURCHASE ALCOHOLIC LIQUOR FOR SALE BY THE DRINK FROM A LICENSED RETAIL DEALER WITH A WHOLESALER'S BASIC PERMIT ISSUED PURSUANT TO THE FEDERAL ALCOHOL ADMINISTRATION ACT IN ANY SIZE BOTTLE, EXCEPT 1.75 LITER SIZE BOTTLES AND PROVIDE THAT A LICENSED RETAIL DEALER WITH A WHOLESALER'S BASIC PERMIT ISSUED PURSUANT TO THE FEDERAL ALCOHOL ADMINISTRATION ACT MAY DELIVER TO A PERSON LICENSED FOR SALE AND USE FOR ON-PREMISES CONSUMPTION ALCOHOLIC LIQUOR IN ANY SIZE, EXCEPT A 1.75 LITER SIZE BOTTLE; BY ADDING SECTION 61-6-1637 SO AS TO PROHIBIT A PERSON LICENSED BY ARTICLE 5, CHAPTER 6, TITLE 61, FROM SUBSTITUTING ANOTHER BRAND OF ALCOHOLIC LIQUOR IN PLACE OF THE BRAND SPECIFIED EXCEPT UNDER CERTAIN CONDITIONS; BY ADDING SECTION 61-6-2430 SO AS TO PROVIDE THAT A WHOLESALE DISTRIBUTOR OF ALCOHOLIC LIQUOR MAY DISCOUNT PRODUCT PRICED BASED ON QUANTITY OF PURCHASES; TO AMEND SECTION 12-33-245, RELATING TO ALCOHOL TAXES, SO AS TO PROVIDE FOR AN EXCISE TAX ON THE GROSS PROCEEDS OF THE SALE OF ALCOHOLIC LIQUOR BY THE DRINK AND TO PROVIDE FOR DISTRIBUTIONS FROM THE LOCAL GOVERNMENT FUND TO REVISE THE AMOUNT OF THE DISTRIBUTION TO COUNTIES THAT MUST BE USED FOR ALCOHOL EDUCATION AND ALCOHOLISM AND DRUG REHABILITATION AND TO PROVIDE THAT IN NO CASE MAY THE AMOUNT PROVIDED BE LESS THAN THE AMOUNT DISTRIBUTED IN FISCAL YEAR 2003-2004; TO AMEND SECTION 12-36-90, RELATING TO THE GROSS PROCEEDS OF SALE, SO AS TO EXEMPT THE EXCISE TAX FOR ALCOHOLIC LIQUOR BY THE DRINK; TO AMEND SECTIONS 61-4-120, 61-4-570, 61-4-770, AND 61-4-1720, RELATING TO PROVISIONS TO BEER, ALE, PORTER, AND WINE, SO AS TO DELETE THE REFERENCES TO MINIBOTTLES; TO AMEND SECTION 61-6-20, RELATING TO THE DEFINITIONS USED IN THE ALCOHOLIC BEVERAGE CONTROL ACT, SO AS TO PROVIDE A DEFINITION OF "ALCOHOLIC LIQUOR BY THE DRINK" AND "ALCOHOLIC BEVERAGES BY THE DRINK" AND TO FURTHER DEFINE "MINIBOTTLES"; TO AMEND SECTION 61-6-185, RELATING TO THE PROCEDURES TO PROTEST THE ISSUANCE OR RENEWAL OF A RETAIL LIQUOR LICENSE, SO AS TO CHANGE ADMINISTRATIVE LAW JUDGE DIVISION TO ADMINISTRATIVE LAW COURT; TO AMEND SECTION 61-6-700, RELATING TO ESTABLISHMENTS THAT USE ALCOHOLIC BEVERAGES ONLY IN THE PREPARATION OF FOODS TO BE SERVED BY THE ESTABLISHMENTS, SO AS TO DELETE THE REFERENCE TO MINIBOTTLES; TO AMEND SECTION 61-6-1500, RELATING TO RETAIL DEALERS' LICENSES, SO AS TO DELETE THE RESTRICTIONS ON THE SIZE OF CONTAINERS OF ALCOHOLIC LIQUORS TO BE SOLD BY RETAIL DEALERS, TO REVISE THE RESTRICTIONS ON SALE AND DELIVERY OF ALCOHOLIC LIQUORS TO THE HOURS BETWEEN SEVEN P.M. AND NINE A.M., AND TO REVISE THE PENALTIES FOR UNLAWFULLY REFILLING OR TAMPERING WITH ALCOHOLIC LIQUORS; TO AMEND SECTION 61-6-1540, RELATING TO NONALCOHOLIC MERCHANDISE, SO AS TO AMEND THE AMOUNT OF ALCOHOLIC PERCENTAGE OF WINE TO BE SOLD IN LIQUOR STORES FROM FOURTEEN PERCENT TO SIXTEEN PERCENT; TO AMEND SUBARTICLE 1, ARTICLE 5, CHAPTER 6, TITLE 61, RELATING TO BIENNIAL MINIBOTTLE LICENSES AND LICENSEES AND RELATING TO REGULATION OF ALCOHOLIC LIQUORS, SO AS TO DELETE THE REFERENCES TO MINIBOTTLES; TO AUTHORIZE THE SALE OF ALCOHOLIC LIQUORS BY THE DRINK, TO PROVIDE PENALTIES FOR UNLAWFULLY REFILLING OR TAMPERING WITH BOTTLES OF ALCOHOLIC LIQUORS, AND TO MAKE CONFORMING CHANGES; TO AMEND SECTION 61-6-1825, RELATING TO THE PROCEDURES TO PROTEST THE ISSUANCE OR RENEWAL OF A MINIBOTTLE LICENSE, SO AS TO DELETE THE REFERENCE TO MINIBOTTLE AND TO MAKE THE PROCEDURES APPLY TO ANY BIENNIAL LICENSE FOR ON-PREMISES CONSUMPTION; TO AMEND SECTIONS 61-6-2000 AND 61-6-2005, BOTH RELATING TO TEMPORARY PERMITS FOR NONPROFIT ORGANIZATIONS, SO AS TO PROVIDE THAT THE LICENSE AUTHORIZES THE SALE OF ALCOHOLIC LIQUORS BY THE DRINK; TO AMEND SECTION 61-6-2010, RELATING TO TEMPORARY PERMITS AUTHORIZED THROUGH A REFERENDUM, SO AS TO DELETE THE REFERENCES TO ALCOHOLIC LIQUORS "IN SEALED CONTAINERS OF TWO OUNCES OR LESS" AND TO ALLOW A REFERENDUM FOR TEMPORARY PERMITS FOR THE SALE OF BEER AND WINE; TO AMEND SECTION 61-6-2200, RELATING TO THE AGE OF THE SERVER OF ALCOHOLIC LIQUORS IN ON-PREMISES ESTABLISHMENTS, SO AS TO PROVIDE THAT THE SERVER, WHO IS EIGHTEEN YEARS OF AGE OR OLDER, MAY SERVE ALCOHOLIC LIQUORS BY THE DRINK AND TO DELETE THE REFERENCES TO MINIBOTTLES; TO AMEND SECTION 61-6-2210, RELATING TO THE BREAKING OF THE SEAL OF A MINIBOTTLE, SO AS TO DELETE THE PROVISIONS OF THE SECTION; TO AMEND SECTIONS 61-6-2220 AND 61-6-2230, RELATING TO

ESTABLISHMENTS LICENSED TO SELL ALCOHOLIC LIQUORS, SO AS TO DELETE THE REFERENCES TO MINIBOTTLES; TO AMEND SECTIONS 61-6-2400 AND 61-6-2420, BOTH RELATING TO TAXATION OF ALCOHOLIC LIQUORS AND RESTAURANTS, SO AS TO DELETE THE REFERENCES TO MINIBOTTLES; TO AMEND SECTION 61-6-2600, RELATING TO THE REGULATION OF ALCOHOLIC LIQUORS IN MINIBOTTLES, SO AS TO DELETE THE REFERENCE TO MINIBOTTLES AND TO PROVIDE THAT A PERSON WHO ACTS TO AVOID THE PAYMENT OF THE EXCISE TAX ON THE SERVING OF ALCOHOLIC BEVERAGES BY THE DRINK IS SUBJECT TO THE PENALTIES OF THIS SECTION; TO CREATE A STUDY COMMITTEE TO EXAMINE THE DELIVERY AND DISTRIBUTION OF ALCOHOLIC LIQUORS BY A LICENSED RETAIL DEALER WITH A WHOLESALER'S BASIC PERMIT ISSUED PURSUANT TO THE FEDERAL ALCOHOL ADMINISTRATION ACT; AND TO PROVIDE THAT ALL STATUTES AND REGULATIONS CONCERNING MINIBOTTLE LICENSES OR PERMITS APPLY TO THE LICENSE OR PERMIT TO SELL ALCOHOLIC LIQUORS BY THE DRINK AND TO PROVIDE THAT MINIBOTTLE LICENSES OR PERMITS IN EFFECT ON THE EFFECTIVE DATE OF THIS ACT ARE CONSIDERED TO BE PERMITS FOR ALCOHOLIC LIQUOR BY THE DRINK AFTER THE EFFECTIVE DATE OF THIS ACT. - ratified title

12/15/04 Senate **Prefiled**  
12/15/04 Senate **Referred to Committee on Judiciary**  
01/11/05 Senate **Introduced and read first time SJ-160**  
01/11/05 Senate **Referred to Committee on Judiciary SJ-160**  
03/16/05 Senate **Committee report: Favorable with amendment Judiciary SJ-12**  
03/17/05 Senate **Amended SJ-36**  
03/17/05 Senate **Retaining place on calendar committed to Committee on Finance SJ-36**  
03/17/05 **Scrivener's error corrected**  
03/21/05 **Scrivener's error corrected**  
03/30/05 Senate **Committee report: Favorable with amendment Finance SJ-14**  
03/31/05 **Scrivener's error corrected**  
04/12/05 Senate **Special order, set for 04/12/05 SJ-29**  
04/13/05 Senate **Read second time SJ-28**  
04/14/05 Senate **Read third time and sent to House SJ-47**  
04/19/05 House **Introduced and read first time HJ-14**  
04/19/05 House **Referred to Committee on Ways and Means HJ-17**  
05/03/05 House **Recalled from Committee on Ways and Means HJ-18**  
05/04/05 House **Amended HJ-72**  
05/04/05 House **Read second time HJ-93**  
05/05/05 House **Read third time and returned to Senate with amendments HJ-13**  
05/11/05 Senate **Non-concurrence in House amendment SJ-34**  
05/11/05 House **House insists upon amendment and conference committee appointed Reps. Cotty, Kirsh, and Merrill HJ-104**  
05/17/05 Senate **Conference committee appointed Martin, Knotts, Sheheen SJ-24**  
06/01/05 Senate **Free conference powers granted SJ-77**  
06/02/05 House **Free conference powers granted HJ-24**  
06/02/05 House **Free conference committee appointed Reps. Cotty, Kirsh, and Merrill HJ-28**  
06/02/05 House **Free conference report received and adopted HJ-28**  
06/02/05 Senate **Free conference report received and adopted SJ-31**  
06/02/05 Senate **Ordered enrolled for ratification SJ-49**  
06/02/05 **Ratified R 163**  
06/07/05 **Signed By Governor**  
06/13/05 **Copies available**  
06/13/05 **Effective date See Act for Effective Date**  
06/16/05 **Act No. 139**