**A** **BILL**

TO AMEND SECTION 12‑33‑210, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO LICENSE TAXES ON LICENSES ISSUED PURSUANT TO THE PROVISIONS OF TITLE 61, THE ALCOHOL BEVERAGE CONTROL ACT, SO AS TO REQUIRE A LICENSE WITH A LICENSE TAX OF FIVE THOUSAND DOLLARS FOR A RETAIL DEALER HOLDING A WHOLESALER’S BASIC PERMIT UNDER FEDERAL LAW; TO AMEND SECTION 12‑33‑245, AS AMENDED, RELATING TO THE EXCISE TAX ON THE GROSS PROCEEDS OF THE SALE OF ALCOHOLIC LIQUORS BY THE DRINK, SO AS TO REPLACE THE EXCISE TAX WITH A LICENSE TAX ON WHOLESALERS IMPOSED AT THE RATE OF SIXTY‑SIX CENTS A LITER; AND TO AMEND SECTION 12‑36‑90, AS AMENDED, RELATING TO THE DEFINITION OF “GROSS PROCEEDS OF SALES” FOR PURPOSES OF THE SOUTH CAROLINA SALES TAX ACT, SO AS TO DELETE AN OBSOLETE REFERENCE TO THE FORMER EXCISE TAX ON THE GROSS PROCEEDS OF THE SALE OF ALCOHOLIC LIQUORS BY THE DRINK.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 12‑33‑210 of the 1976 Code, as last amended by Act 96 of 2007, is further amended to read:

“Section 12‑33‑210. (A) The biennial license taxes on licenses granted pursuant to Title 61, in addition to all other license taxes, are as follows:

(1) manufacturer’s license: one thousand dollars;

(2) wholesaler’s license: twenty thousand dollars;

(3) retail dealer’s license with a wholesaler’s basic permit issued pursuant to the Federal Alcohol Administration Act: Five thousand dollars;

(4) retail dealer’s license: one thousand two hundred dollars; and

~~(4)~~(5) special food manufacturer’s license: one thousand two hundred dollars.

(B) Each applicant shall pay a filing fee of one hundred dollars, which must accompany the initial application for each location and is not refundable.

(C) A person who applies for a license after the first day of a license period shall pay license fees in accordance with the schedule provided in Section 61‑6‑1810(C).”

SECTION 2. Section 12‑33‑245 of the 1976 Code, as last amended by Act 287 of 2008, is further amended to read:

“Section 12‑33‑245. (A) In addition to taxes imposed pursuant to the provisions of Sections 12‑33‑230~~,~~ and 12‑33‑240, ~~Article 5 of this chapter, and Chapter 36, Title 12,~~ there is imposed an ~~excise tax equal to five percent of the gross proceeds of the sales of alcoholic liquor by the drink for on‑premises consumption in an establishment licensed for sales pursuant to Article 5, Chapter 6, Title 61 or at a location holding a temporary license or permit that authorizes the sale of liquor by the drink. All proceeds of this excise tax must be deposited to the credit of the general fund of the State. Except with respect to the distribution of the revenue of this tax, this excise tax is considered to be imposed pursuant to Chapter 36, Title 12. For purposes of this subsection, ‘gross proceeds of sales’ has the meaning as provided in Section 12‑36‑90, except that the sales tax imposed under Chapter 36, Title 12 is not included in ‘gross proceeds of sales’. The term ‘gross proceeds of sales’ also includes, but is not limited to, the retail value of a complimentary or discounted beverage containing alcoholic liquor, an amount charged for ice for a drink containing alcoholic liquor, and an amount charged for a nonalcoholic beverage that is sold or used as a mixer for a drink containing alcoholic liquor. This section does not apply to nonprofit organizations that are issued a temporary permit to allow possession, sale, and consumption of alcoholic liquors pursuant to Section 61‑6‑510 or subarticle 5, Article 5, Chapter 6, Title 61~~ additional license tax on alcoholic liquors measured by volume at the rate of sixty‑six cents a liter.

(B) Eleven percent of the revenue generated by the ~~excise~~ tax provided for in subsection (A) must be placed on deposit with the State Treasurer and credited to a fund separate and distinct from the general fund of the State. On a quarterly basis, the State Treasurer shall allocate this revenue to counties on a per capita basis according to the most recent United States Census. The State Treasurer must notify each county of the allocation pursuant to this subsection in addition to the funds allocated pursuant to Section 6‑27‑40(B), and the combination of these funds must be used by counties for educational purposes relating to the use of alcoholic liquors and for the rehabilitation of alcoholics and drug addicts. A county may pool these funds with other counties and may combine these funds with other funds for the same purpose.

(C) Those state agencies and local entities, including counties, which by law received minibottle tax revenues in fiscal year 2004‑2005 for education, prevention, and other purposes, shall receive in a fiscal year at least the same amount of revenues from the ~~excise~~ tax ~~revenues~~ imposed pursuant to subsection (A) of this section as they received from minibottle tax revenues during fiscal year 2004‑2005. If these state agencies and local entities do not, the difference must be made up from the general fund. Payments will be distributed in four equal payments based on the total payments remitted to these state agencies and entities in fiscal year 2004‑2005, including funds received pursuant to Section 6‑27‑40(B). At the end of each fiscal year, the State Treasurer, in consultation with the Department of Revenue, shall determine whether the tax collected pursuant to these sections exceed the total collection and remittance for fiscal year 2004‑2005. If the tax collected exceeds the amount collected and allocated in fiscal year 2004‑2005, a distribution of the difference will be remitted to the county treasurers within thirty days after the close of each fiscal year.”

SECTION 3. Section 12‑36‑90(2) of the 1976 Code, as last amended by Act 386 of 2006, is further amended by deleting:

“(k) ~~the alcoholic liquor by the drink excise tax imposed by Section 12‑33‑245.~~ Reserved”

SECTION 4. Upon approval by the Governor, this act takes effect July 1, 2009.

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