SLS 14RS-1247 ORIGINAL

Regular Session, 2014

SENATE BILL NO. 604

BY SENATOR MARTINY

ALCOHOLIC BEVERAGES. Provides for the donation of alcoholic beverages to certain organizations. (8/1/14)

1	AN ACT
2	To amend and reenact R.S. 26:352 and 793(A)(1), relative to the donation of alcoholic
3	beverages; to authorize the donation of alcoholic beverages to certain events and
4	organizations; to provide for certain types of temporary alcoholic beverage permits;
5	and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 26:352 and 793(A)(1) are hereby amended and reenacted to read as
8	follows:
9	§352. Donated beverages of high alcoholic content taxable
10	When a Any person gives away or any dealer may donate alcoholic
11	beverages of high alcoholic content for advertising or for any other purpose, the
12	beverages shall be taxed to a licensed Type A special event or to an unlicensed
13	civic, religious, or charitable organization subject to the payment of any
14	applicable excise taxes.
15	* * *
16	§793. Additional powers of the commissioner
17	A.(1) The commissioner may provide by regulation for the issuance of three-

1	day permits to serve alcoholic beverages at fairs, festivals, civic and fraternal and
2	religious events, Mardi Gras events, and nonprofit functions. The permits shall be
3	for a duration of three consecutive days only and no more than twelve such permits
4	may be issued to any one person within a single calendar year. Fees for the permits
5	shall be as provided by regulation.
6	(a) There shall be three types of temporary alcoholic beverage permits:
7	Type A, Type B, and Type C.
8	(b) Type A permits shall be issued only to nonprofit organizations with
9	tax exempt status under Sections 501(c)(3) and 501(c)(8) of the United States
10	Internal Revenue Code where no transactions exist, whether directly or
11	indirectly, between the licensed tax exempt organizations and any disqualified
12	person as defined by Section 4958(f) of the United States Internal Revenue
13	Code. To qualify for this permit, applicants shall submit all documentation as
14	required in the regulations or upon request of the commissioner. Such
15	regulations shall be promulgated in accordance with the Administrative
16	Procedure Act as necessary to implement the provisions of this Subparagraph.
17	(c) Type B permits shall be issued only to nonprofit organizations, which
18	are able to provide some written proof of their nonprofit status, but are unable
19	to show written proof of their tax exempt status under Sections 501(c)(3) or
20	501(c)(8) of the United States Internal Revenue Code. To qualify for this
21	permit, applicants shall submit all documentation as required in the regulations
22	or upon the request of the commissioner. Such regulations shall be
23	promulgated in accordance with the Administrative Procedure Act as necessary
24	to implement the provisions of this Subparagraph.
25	(d) Type C permits shall be issued to persons holding events where
26	alcoholic beverages are sold or supplied as part of a general admission or other
27	type fee, but who do not meet the requirements for Type A or Type B
28	temporary permits. To qualify for this permit, applicants shall submit all
29	documentation as required in the regulations or upon request of the

1 commissioner. Such regulations shall be promulgated in accordance with the
2 Administrative Procedure Act as necessary to implement the provisions of this
3 Subparagraph.
4 * * * *

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Michelle Ducharme.

DIGEST

Martiny (SB 604)

<u>Present law</u> requires alcoholic beverages of high alcoholic content that are given away for advertising or any other purpose to be taxed.

<u>Proposed law</u> authorizes any person or dealer to donate alcoholic beverages to a licensed Type A special event or an unlicensed civic, religious, or charitable organization subject to the payment of any applicable excise taxes.

<u>Present law</u> authorizes the commissioner to issue by regulation temporary permits for a duration of three consecutive days only and no more than 12 such permits issued to any one person within a single calendar year to serve alcoholic beverages at fairs, festivals, civic and fraternal and religious events, Mardi Gras events, and nonprofit functions, and requires fees for the permits to be provided by regulation.

<u>Proposed law</u> retains <u>present law</u> and creates three types of temporary alcoholic beverage permits.

<u>Proposed law</u> requires Type A permits to be issued only to nonprofit organizations with tax exempt status under certain provisions of the U.S. Internal Revenue Code (IRS), where no transactions exist, whether directly or indirectly, between the licensed tax exempt organizations and any disqualified person as defined under the IRS, and requires the applicants to submit all documentation as required in the regulations promulgated in accordance with the Administrative Procedure Act or upon the request of the commissioner.

<u>Proposed law</u> requires Type B permits to be issued only to nonprofit organizations which are able to provide some written proof of their nonprofit status, but are unable to show written proof of their tax exempt status under the IRS, and requires the applicants to submit all documentation as required in the regulations promulgated in accordance with the Administrative Procedure Act or upon the request of the commissioner.

<u>Proposed law</u> requires Type C permits to be issued to persons holding events where alcoholic beverages are sold or supplied as part of a general admission or other type fee, but who do not meet the requirements for Type A or Type B temporary permits, and requires the applicants to submit all documentation as required in the regulations promulgated in accordance with the Administrative Procedure Act or upon the request of the commissioner. Effective August 1, 2014.

(Amends R.S. 26:352 and 793(A)(1))