

Regular Session, 2014

HOUSE BILL NO. 1036

BY REPRESENTATIVES ARNOLD, ABRAMSON, CONNICK, HARRISON, AND
THIERRY

ALCOHOLIC BEVERAGES: Provides for the donation of alcoholic beverages to certain
organizations

1 AN ACT

2 To amend and reenact R.S. 26:352 and 932(4) and (10) and to enact R.S. 26:793(A)(1)(a),
3 (b), (c), and (d), relative to the donation of alcoholic beverages; to authorize the
4 donation of alcoholic beverages to certain events and organizations; to provide for
5 certain types of temporary alcoholic beverage permits; to provide for definitions; and
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 26:352 and 932(4) and (10) are hereby amended and reenacted and
9 R.S. 26:793(A)(1)(a), (b), (c), and (d) are hereby enacted to read as follows:

10 §352. Donated beverages of high alcoholic content taxable

11 ~~When a~~ Any person gives away or any dealer may donate alcoholic beverages
12 ~~of high alcoholic content for advertising or for any other purpose, the beverages shall~~
13 ~~be taxed~~ to a licensed Type A special event or to an unlicensed civic, religious, or
14 charitable organization subject to the fulfillment of any 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-
18 day permits to serve alcoholic beverages at fairs, festivals, civic and fraternal and
19 religious events, Mardi Gras events, and nonprofit functions. The permits shall be
20 for a duration of three consecutive days only and no more than twelve such permits
21 may be issued to any one person within a single calendar year. Fees for the permits
22 shall be as provided by regulation.

(a) There shall be three types of temporary alcoholic beverage permits: Type A, Type B, and Type C.

(b) Type A permits shall be issued only to nonprofit organizations with tax exempt status under the United States Internal Revenue Code, Sections 501(c)(3), 501(c)(6), and 501(c)(8), where no transactions exist, whether directly or indirectly, between the licensed tax exempt organizations and any disqualified person as defined by the United States Internal Revenue Code Section 4958(f). To qualify for this permit, applicants shall submit all documentation as required in the regulations promulgated in accordance with the provisions of this Section or upon the request of the commissioner.

(c) Type B permits shall be issued only to nonprofit organizations, which are able to provide some type of written proof of their nonprofit status, but are unable to show written proof of their tax exempt status under the United States Internal Revenue Code, Sections 501(c)(3), 501(c)(6), or 501(c)(8). To qualify for this permit, applicants shall submit all documentation as required in the regulations promulgated in accordance with the provisions of this Section or upon the request of the commissioner.

(d) Type C permits shall 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. To qualify for this permit, applicants shall submit all documentation as required in the regulations promulgated in accordance with the provisions of this Section or upon the request of the commissioner.

* * *

§932. Definitions

For purposes of this Chapter, the following terms have the respective meanings ascribed to them in this Chapter, unless a different meaning clearly appears from the context:

* * *

1 (4) "Responsible vendor" means any vendor as defined in Paragraph ~~(9)~~ (10)
 2 of this Section who qualifies and maintains certification in accordance with the
 3 provisions of this Chapter.

4 * * *

5 (10) "Vendor" means any holder of a Class "A" General, Class "A"
 6 Restaurant, or Class "B" retail permit issued pursuant to R.S. 26:71 or ~~R.S. 26:271~~
 7 or any holder of Retail Dealer Registration Certificate or Retail Dealer Permit
 8 defined by R.S. 26:902. "Vendor" shall not include any holder of a Type A or Type
 9 B temporary alcoholic beverage permit issued pursuant to R.S. 26:793(A)(1).

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Arnold

HB No. 1036

Abstract: Authorizes the donation of alcoholic beverages for certain events and charitable organizations and provides for the issuance of temporary permits.

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

Proposed law 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 fulfillment of any applicable excise taxes.

Present law 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.

Proposed law retains present law and creates three types of temporary alcoholic beverage permits.

Proposed law 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, where no transactions exist, whether directly or indirectly, between the licensed tax exempt organizations and any disqualified person as defined under the U.S. Internal Revenue Code, and requires the applicants to submit all documentation as required in the regulations promulgated in accordance with present law or upon the request of the commissioner of alcohol and tobacco control.

Proposed law requires Type B permits to be issued only to nonprofit organizations which are able to provide some type of written proof of their nonprofit status, but are unable to show written proof of their tax exempt status under the U.S. Internal Revenue Code, and requires

the applicants to submit all documentation as required in the regulations promulgated in accordance with present law or upon the request of the commissioner.

Proposed law 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 present law or upon the request of the commissioner.

Present law provides for the definition of "vendor".

Proposed law excludes any holder of a Type A or Type B temporary alcoholic beverage permit issued pursuant to proposed law (R.S. 26:793)(A)(1).

(Amends R.S. 26:352 and 932(4) and (10); Adds R.S. 26:793(A)(1)(a), (b), (c), and (d))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Judiciary to the original bill.

1. Authorized nonprofit organizations with tax exempt status under the U.S. Internal Revenue Code 501(c)(6) to be issued Type A and Type B permits.
2. Excluded holders of Type A and Type B temporary alcoholic beverage permits from the definition of "vendor".