

**CHAPTER NO. 84**

**SENATE BILL NO. 1858**

**By Cohen**

Substituted for: House Bill No. 1855

By Kent

AN ACT To amend Tennessee Code Annotated, Section 57-4-101; Section 57-4-102 and Section 57-4-301, relative to alcoholic beverages.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 57-4-102, is amended by deleting the word "and" at the end of subdivision (28); by deleting the period at the end of subdivision (29) and substituting instead a semicolon and the word "and"; and by adding the following language as a new subdivision to be designated as follows:

(30) "Paddlewheel steamboat company" means a company that operates one (1) or more paddlewheel steamboats for hire in interstate commerce upon navigable waterways and is licensed by the United States Coast Guard to carry not less than one hundred (100) passengers on a single vessel, with adequate facilities and equipment for serving regular meals and providing overnight accommodations to its passengers, on regular schedules, or charter trips, while moving through or docked in any county of the state; provided, however, no paddlewheel steamboat company licensed pursuant to this chapter shall sell any type of alcoholic beverage or beer while such paddlewheel steamboat is docked within the boundaries of any local government which has not approved the sale of alcoholic beverages pursuant to § 57-4-103.

SECTION 2. Tennessee Code Annotated, Section 57-4-101(a), is amended by inserting the language ", paddlewheel steamboat companies" between the language "or commercial airlines" and the language "and passenger trains meeting the requirements hereinafter set out".

SECTION 3. Tennessee Code Annotated, Section 57-4-301, is amended by deleting subsection (d) in its entirety and by substituting instead the following:

(d) Commercial airlines, paddlewheel steamboat companies and passenger trains shall, in lieu of taxes levied under subsections (b) and (c), pay annually to the state, for state purposes, a license fee of seven hundred fifty dollars (\$750). Commercial airlines, paddlewheel steamboat companies and passenger trains which have paid the annual license fee under this section may bring into and store in this state alcoholic beverages on which the Tennessee alcoholic beverage taxes levied under § 57-3-302, have not been paid, but must comply with subdivisions (d)(1) and (2):

(1) Commercial airlines, paddlewheel steamboat companies and passenger trains that bring into, or possess in this state alcoholic beverages on which taxes levied by this state have not been paid are liable for such taxes on the alcoholic beverages;

(2) The liability of commercial airlines, paddlewheel steamboat companies and passenger trains for taxes levied under § 57-3-302, is determined by:

(A) Multiplying the quantity of each type of alcoholic beverage purchased within the operating system of each commercial airline, paddlewheel steamboat company or passenger train by the ratio of its revenue passenger miles in Tennessee to the total revenue passenger miles within its system; and

(B) Multiplying the respective results obtained under subdivision (d)(2)(A), by the applicable tax rate for each type under § 57-3-302, and the rules and regulations promulgated pursuant thereto;

(3) Monthly reports of the liability, determined under subdivision (d)(2), shall be submitted to the Department of Revenue on forms designated by the commissioner, on or before the last day of each month following the month during which any tax liability arises under this subsection. A commercial airline, paddlewheel steamboat company or passenger train that fails to file the report required, or to pay the tax payable under this section in a timely manner as defined by rules and regulations promulgated by the department, is liable for interest and penalties as provided by law; and

(4) The provisions of this subsection do not apply to commercial airline travel clubs.

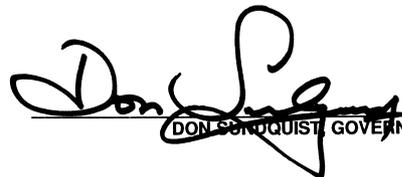
SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.

**PASSED: April 5, 2001**

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

**APPROVED this 11<sup>th</sup> day of April 2001**

  
DON SUNDQUIST, GOVERNOR