

**243.036 Special temporary alcoholic beverage auction license -- Permitted activities -- Restrictions.**

- (1) A special temporary alcoholic beverage auction license may be issued to an auctioneer licensed under KRS Chapter 330 or to a charitable or nonprofit organization.
- (2) A special temporary alcoholic beverage auction license issued to a charitable or nonprofit organization shall authorize the holder to:
  - (a) Purchase, transport, receive, possess, store, sell, and deliver alcoholic beverages to be sold by auction or raffle or consumed at charity or nonprofit events;
  - (b) Purchase, transport, receive, possess, store, sell, and deliver limited specially labeled bottles of alcoholic beverages to be sold at charity or nonprofit events;
  - (c) Obtain alcoholic beverages from distillers, rectifiers, wineries, small farm wineries, brewers, microbreweries, wholesalers, distributors, retailers, or any other person, by gift or donation, for the purpose of charity or nonprofit events; and
  - (d) Receive payment for alcoholic beverages sold at events.
- (3) For a charitable or nonprofit auction:
  - (a) Each alcoholic beverage auction or raffle conducted by a charitable organization shall be subject to all restrictions and limitations contained in KRS Chapters 241 to 244 and the administrative regulations issued under those chapters and shall be authorized only on the days and only during the hours that the sale of alcoholic beverages is otherwise authorized in the county or municipality; and
  - (b) The location at which the alcoholic beverages are auctioned, raffled, or consumed under this section shall not constitute a public place for the purpose of KRS Chapter 222. Charitable or nonprofit events may be conducted on licensed or unlicensed premises. The charitable organization possessing a special temporary alcoholic beverage auction license shall post a copy of the license at the location of the event.
- (4) An auctioneer holding a special temporary alcoholic beverage auction license may:
  - (a) Transport, receive, possess, store, advertise, auction, sell, deliver, and ship alcoholic beverages either sold or intended for sale at auction by the licensee;
  - (b) Sell only alcoholic beverages at auction that:
    1. Were previously lawfully sold at retail; and
    2. Are in their original manufacturer's unopened container;
  - (c) Deliver and ship any alcoholic beverages sold at an auction directly to the consumer who purchased the alcoholic beverages. Any shipment to a consumer outside of this state is subject to all applicable laws of the jurisdiction in which that consumer is located. When shipping alcoholic beverages directly to a consumer in this state, the auctioneer holder of the license shall:
    1. Ensure that the shipping label on each container containing the alcoholic

beverages conspicuously states the following: "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY";

2. Obtain the signature of a person who is at least twenty-one (21) years of age at the delivery address prior to delivery, after requiring that person to demonstrate that he or she is at least twenty-one (21) years of age by providing a valid identification document; and
  3. Not ship the alcoholic beverages to any address in this state located in dry territory; and
- (d) Conduct the auction on premises licensed by the department, unlicensed premises, or online.
- (5) A special temporary alcoholic beverage auction conducted by an auctioneer shall be:
- (a) Subject to all restrictions and limitations contained in KRS Chapters 241 to 244 and the administrative regulations issued under those chapters;
  - (b) Separate from any other type of alcoholic beverage auction authorized under KRS Chapters 241 to 244, but may be combined with other types of auctions authorized under KRS Chapter 330;
  - (c) Authorized for in-person live auctions and online auction closings only on the days and only during the hours that the sale of alcoholic beverages is otherwise authorized in the county or municipality where the live auction is held or, for an online auction, the physical location of the alcoholic beverages being sold; and
  - (d) Subject to the auction and auctioneer requirements of KRS Chapter 330.
- (6) An auctioneer conducting a special temporary alcoholic beverage auction shall:
- (a) Post a copy of its special temporary alcoholic beverage auction license and auctioneer license at the location of the event for in-person auctions and on the auction website for online auctions; and
  - (b) Not hold any other type of alcoholic beverage license.
- (7) Alcoholic beverages shall only be sold by an auctioneer under a special temporary alcoholic beverage auction license if the alcoholic beverages were not purchased or attained for the purpose of resale at auction and in the following circumstances:
- (a) As an "Estate Auction," or included in such auction where the alcoholic beverages being offered at auction are the property belonging to the estate of one (1) or more deceased persons and are being offered by:
    1. The direction and authority of the authorized executor or administrator;
    2. Court order; or
    3. The direction or on behalf of a surviving spouse or direct heirs;
  - (b) As a "Living Estate Auction" or "Downsizing Auction" or included in such auction where the alcoholic beverages being offered at auction are the property belonging to a person or persons of a household that is in transition due to one (1) of the following life-changing situations:
    1. One (1) or more members of the household moving into a retirement

home, nursing home, assisted living home, or a smaller residence; or

2. Combining one (1) household with another; or
- (c) As a partial or complete disbursement of an alcoholic beverage collection consisting of more than one (1) package that has been collected by the same individual or household. An individual or household shall not sell collections at auction more than once every three (3) years.
- (8) (a) A person shall not purchase alcoholic beverages from an auctioneer at a special temporary alcoholic beverage auction unless that person may lawfully receive or possess the alcoholic beverages.
- (b) Nothing in this section shall prevent a vintage distilled spirits licensee from purchasing alcoholic beverages at auction if the alcoholic beverages qualify as vintage distilled spirits.
- (9) All advertising for an auctioneer special temporary alcoholic beverage auction shall:
  - (a) Show the name and license number for the special temporary alcoholic beverage auction license and the auctioneer license; and
  - (b) Conform to all advertising requirements and restrictions for auctions contained in KRS Chapter 330 and any administrative regulations promulgated under that chapter.
- (10) If a person ceases to be licensed as an auctioneer under KRS Chapter 330, the person's special temporary alcoholic beverage auction license shall be automatically suspended until the person reestablishes licensure as an auctioneer.
- (11) An auctioneer holding a special temporary alcoholic beverage auction license shall file a quarterly report with the department, which shall be established and maintained by the department, utilizing a form prescribed by the department that includes the following information:
  - (a) The number of alcoholic beverage packages auctioned in the preceding three (3) months in total, with each purchase matched to the individuals who both sold and purchased the alcoholic beverages;
  - (b) The date of each purchase;
  - (c) The name, address, and phone number of each individual who sold and purchased the alcoholic beverages;
  - (d) A detailed description of the alcoholic beverages purchased, including the brand name, number of packages, and the size of the packages; and
  - (e) Whether each alcoholic beverage package was purchased in-person, delivered in-person, or shipped.
- (12) A special temporary alcoholic beverage auction license shall not be issued for any period longer than thirty (30) days.
- (13) Notwithstanding any other provision of KRS Chapters 241 to 244, a distiller, rectifier, winery, small farm winery, brewer, microbrewery, wholesaler, distributor, or retailer may donate, give away, or deliver any of its products to a charitable or nonprofit organization possessing a special temporary alcoholic beverage auction license under this section.

- (14) All restrictions and prohibitions applying to an alcoholic beverage retail package and alcoholic beverage by the drink license, not inconsistent with this section, shall apply to a special temporary alcoholic beverage auction license.

**Effective:** June 27, 2025

**History:** Amended 2025 Ky. Acts ch. 130, sec. 5, effective June 27, 2025. -- Amended 2017 Ky. Acts ch. 62, sec. 37, effective June 29, 2017. -- Amended 2016 Ky. Acts ch. 80, sec. 8, effective July 15, 2016. -- Amended 2013 Ky. Acts ch. 121, sec. 49, effective June 25, 2013. -- Amended 2010 Ky. Acts ch. 24, sec. 563, effective July 15, 2010. -- Amended 1998 Ky. Acts ch. 518, sec. 8, effective April 13, 1998. -- Created 1996 Ky. Acts ch. 44, sec. 1, effective July 15, 1996.