

#### **244.040 Sales for cash only.**

- (1) A brewer or distributor shall not sell alcoholic beverages to any person in this state for any consideration except for cash paid at or before the time of delivery.

For purposes of this section, "cash" includes the sale of malt beverages by electronic transfers if the following conditions are met:

- (a) The use of electronic transfers shall be voluntary and shall be agreed to by the affected brewer, distributor, and retailer;
  - (b) The brewer shall not pay or credit back in any way to the distributor any share of the cost that is attributable to the electronic transfer;
  - (c) The distributor shall not pay or credit back in any way to the retailer any share of the cost that is attributable to the electronic fund transfer;
  - (d) The transfer of funds shall be initiated by the brewer or the distributor;
  - (e) The distributor may debit the retailer's bank account for the exact amount due based on the amount of alcoholic beverages delivered;
  - (f) Electronic fund transfers that are rejected or denied at the time of sale for any reason shall be treated in the same manner as checks drawn on insufficient funds; and
  - (g) Each participating retail licensee and each distributor maintain accurate records of all electronic fund transfers in accordance with department statutes and administrative regulations.
- (2) A brewer or distributor shall not furnish or deliver any returnable bottled malt beverage without collecting a minimum container charge or deposit of sixty cents (\$0.60) per case of twenty-four (24) twelve-ounce bottles or its equivalent in the same manner that the price of the malt beverage is collected.
- (3) This section shall not prohibit a licensee from crediting to a purchaser the actual prices charged for packages or containers returned by the original purchaser as a credit on any sale, or from refunding to any purchaser the amount paid by the purchaser for containers or as a deposit on containers when the title is retained by the vendor, if the containers or packages have been returned to the brewer or distributor.
- (4) No right of action shall exist to collect any claim for credit extended contrary to this section.
- (5) This section shall not apply to sales by wholesalers or distributors to licensees that are private clubs or voluntary associations.

**Effective:** July 15, 2010

**History:** Amended 2010 Ky. Acts ch. 24, sec. 585, effective July 15, 2010. -- Amended 1998 Ky. Acts ch. 522, sec. 16, effective July 15, 1998. -- Amended 1978 Ky. Acts ch. 194, sec. 28, effective June 17, 1978. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 2554b-156.