

PUBLIC PROTECTION CABINET
Department of Alcoholic Beverage Control
(Amended at ARRS Committee)

804 KAR 4:212. In-state distilled spirits supplier license.

RELATES TO: KRS 243.030(35)

STATUTORY AUTHORITY: KRS 241.060, ~~and KRS~~ 243.030(35)

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 241.060 authorizes the board to promulgate reasonable administrative regulations governing procedures relative to the applications for and revocations of licenses, and the supervision and control of the use, manufacture, sale, transportation, storage, advertising, and trafficking of alcoholic beverages. KRS 243.030(35) authorizes the board to promulgate administrative regulations to provide for special licenses that the board finds necessary for the proper regulation and control of the traffic in distilled spirits and wine. This administrative regulation provides for the creation of an in-state distilled spirits supplier license to regulate the traffic in distilled spirits by resident owners and suppliers of distilled spirits brands.

Section 1. Definition. "In-state distilled spirits supplier" means a resident brand owner and supplier of distilled spirits products who does not operate a distillery, but through other legal means creates distilled spirits products to sell under its own brand name.

Section 2. License.

- (1) An in-state distilled spirits supplier license shall authorize the licensee to:
 - (a) Sell distilled spirits under brands that the licensee owns, for which the licensee is the primary source of supply, or in which the licensee has an exclusive interest, at wholesale to wholesalers in the Commonwealth; and
 - (b) Advertise distilled spirits brands that the licensee is authorized to sell in accordance with KRS 244.130.
- (2) An in-state distilled spirits supplier license shall not authorize the licensee to purchase, transport, store, or possess distilled spirits for the purposes of sale.

Section 3. Qualifications.

- (1) To qualify for an in-state distilled spirits supplier license, the applicant shall:
 - (a) Reside in Kentucky;
 - (b) Be the owner, the primary source of supply, or have an exclusive interest in a particular brand of distilled spirits;
 - (c) Obtain a federal wholesaler's basic permit;
 - (d) Register with the Kentucky Department of Revenue; and
 - (e) Comply with all federal and state laws and regulations.
- (2) An applicant that wishes to sell 50,000 or more gallons of distilled spirits shall:
 - (a) Complete the New License Application pursuant to 804 KAR 4:400 for an in-state distilled spirits supplier license ~~through~~ via the department's Online portal at <https://abcportal.ky.gov/BELLEExternal>; ~~and~~ the department's Online portal at: <https://abc-portal.ky.gov/s/> following the Kentucky Alcoholic Beverage Control Licensing Portal Applicant/Licensee User Guide (Request or Apply) that depicts the application process through the department's online portal; ~~and~~
 - (b) Pay an annual fee equal to the amount of the fee for the out-of-state distilled spirits and wine supplier's license under KRS 243.030(30).
- (3) An applicant that wishes to sell less than 50,000 gallons of distilled spirits shall:

- (a) ~~Complete the New License Application pursuant to 804 KAR 4:400 for a limited in-state distilled spirits supplier license ~~through~~ via the department's Online portal at: <https://abcportal.ky.gov/BELLEExternal> ; and [Complete the Online In-State Distilled Spirits Supplier License Application for a limited in-state distilled spirits supplier license via the department's Online Portal at: <https://abcportal.ky.gov/s/> following the Kentucky Alcoholic Beverage Control Licensing Portal Applicant/Licensee User Guide (Request or Apply) that depicts the application process through the department's online portal; and]~~
- (b) Pay an annual fee equal to the amount of the fee for the limited out-of-state distilled spirits and wine supplier's license under KRS 243.030(31).

Section 4. Prohibited Substantial Interests. An in-state distilled spirits supplier license applicant and in-state distilled spirits supplier licensee shall comply with 804 KAR 4:015 and ~~for that purpose~~ shall be considered a ~~manufacturer~~ as defined in 804 KAR 4:015.

Section 5. Brand Registration. In accordance with 804 KAR 4:410 and KRS 244.440, an in-state distilled spirits supplier licensee shall register with the department all brands the licensee intends to sell in Kentucky.

Section 6. Taxes. An in-state distilled spirits supplier licensee shall pay all applicable taxes for the sales of its products.

Section 7. Direct Shipper Licenses. This administrative regulation shall not be interpreted to relate to direct shipper licenses.

~~[Section 8.] [Incorporation by Reference.]~~

~~[(1)] [The following material is incorporated by reference:]~~

~~[(a)] ["Online In-State Distilled Spirits Supplier License Application", December 2021; and]~~

~~[(b)] ["Kentucky Alcoholic Beverage Control Licensing Portal Applicant/Licensee User Guide (Request or Apply)", September 2021, depicting the application process through the department's online portal.]~~

~~[(2)] [This material may be inspected, copied, or obtained, subject to applicable copyright law, at Department of Alcoholic Beverage Control, 500 Mero Street, 2 NE 33, Frankfort, Kentucky] [40601, Monday through Friday, 8:00 a.m. to 4:30 p.m. This material is also available on the department's Web site at https://abc.ky.gov/newstatic_Info.aspx?static_ID=652.]~~

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