

**243.720 Rate of tax.**

- (1) (a) There is levied upon the use, sale or distribution by sale or gift of distilled spirits a tax of one dollar and ninety-two cents (\$1.92) on each wine gallon of distilled spirits, and a proportional rate per gallon on all distilled spirits used, sold or distributed in any container of more or less than one (1) gallon, but the rate of the excise tax on spirits in retail containers of one-half (1/2) pint shall be twelve cents (\$0.12); and  
(b) Notwithstanding the provisions of paragraph (a) of this subsection, distilled spirits placed in containers for sale at retail, where the distilled spirits represent six percent (6%) or less of the total volume of the contents of such containers, shall be taxed at the rate of twenty-five cents (\$0.25) per gallon.
- (2) There is levied upon the use, sale or distribution by sale or gift of wine, a tax of fifty cents (\$0.50) on each gallon of wine, and a proportional rate per gallon on the wine used, sold or distributed in any container of more or less than one (1) gallon, but in no event shall the tax be less than four cents (\$0.04) on the sale or distribution of any retail container of wine.
- (3) (a) There is levied upon the sale or distribution by sale or gift of malt beverages an excise tax of two dollars and fifty cents (\$2.50) on each barrel of thirty-one (31) gallons and a proportional rate per gallon on malt beverages sold or distributed in any container of more or less than thirty-one (31) gallons;  
(b) Each brewer producing malt beverages in this state shall be entitled to a credit of fifty percent (50%) of the tax levied on each barrel of malt beverages sold in this state, up to three hundred thousand (300,000) barrels per annum.
- (4) This section shall not apply to:
  - (a) Wine manufactured, sold, given away or distributed and used solely for sacramental purposes; or
  - (b) Distilled spirits and wine purchased by holders of special licenses provided for in KRS 243.320 and 243.330 and purchased and used in the manner authorized by those licenses.

**Effective:** August 1, 1986

**History:** Amended 1986 Ky. Acts ch. 496, sec. 24, effective August 1, 1986. -- Amended 1982 Ky. Acts ch. 390, sec. 5, effective June 1, 1982. -- Amended 1976 Ky. Acts ch. 57, sec. 1. -- Amended 1970 Ky. Acts ch. 21, sec. 1. -- Amended 1954 Ky. Acts ch. 75, sec. 1. -- Amended 1948 Ky. Acts ch. 100, sec. 1. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. secs. 2554b-127, 4281c-2, 4281c-3, 4281c-4.