

**243.884 Wholesale sales tax imposed -- Rate -- Report and payment -- Exemptions.**

- (1)
  - (a) For the privilege of making "wholesale sales" or "sales at wholesale" of beer, wine, or distilled spirits, a tax is hereby imposed upon all wholesalers of wine and distilled spirits, all distributors of beer, and all microbreweries selling malt beverages under KRS 243.157.
  - (b) Prior to July 1, 2015, the tax shall be imposed at the rate of eleven percent (11%) of the gross receipts of any such wholesaler or distributor derived from "sales at wholesale" or "wholesale sales" made within the Commonwealth, except as provided in subsection (3) of this section. For the purposes of this section, the gross receipts of a microbrewery making "wholesale sales" shall be calculated by determining the dollar value amount that the microbrewer would have collected had it conveyed to a distributor the same volume sold to a consumer as allowed under KRS 243.157 (3)(b) and (c).
  - (c) On and after July 1, 2015, the following rates shall apply:
    1. For distilled spirits, eleven percent (11%) of wholesale sales or sales at wholesale; and
    2. For wine and beer:
      - a. Ten and three-quarters of one percent (10.75%) for wholesale sales or sales at wholesale made on or after July 1, 2015, and before June 1, 2016;
      - b. Ten and one-half of one percent (10.5%) for wholesale sales or sales at wholesale made on or after June 1, 2016, and before June 1, 2017;
      - c. Ten and one-quarter of one percent (10.25%) for wholesale sales or sales at wholesale made on or after June 1, 2017, and before June 1, 2018; and
      - d. Ten percent (10%) for wholesale sales or sales at wholesale made on or after June 1, 2018.
- (2) Wholesalers of distilled spirits and wine, distributors of malt beverages, and microbreweries shall pay and report the tax levied by this section on or before the twentieth day of the calendar month next succeeding the month in which possession or title of the distilled spirits, wine, or malt beverages is transferred from the wholesaler or distributor to retailers, or by microbreweries to consumers in this state, in accordance with rules and regulations of the Department of Revenue designed reasonably to protect the revenues of the Commonwealth.
- (3) Gross receipts from sales at wholesale or wholesale sales shall not include the following sales:
  - (a) Sales made between wholesalers or between distributors; and
  - (b) Sales from the first fifty thousand (50,000) gallons of wine produced by a small farm winery in a calendar year made by:
    1. The small farm winery; or
    2. A wholesaler of that wine produced by the small farm winery.

**Effective:** June 27, 2019

**History:** Amended 2019 Ky. Acts ch. 151, sec. 77, effective June 27, 2019. -- Amended 2018 Ky. Acts ch. 16, sec. 3, effective July 14, 2018. -- Amended 2016 Ky. Acts ch. 80, sec. 20, effective July 15, 2016. -- Amended 2014 Ky. Acts ch. 102, sec. 18, effective July 15, 2014. -- Amended 2006 Ky. Acts ch. 179, sec. 11, effective January 1, 2007. -- Amended 2005 Ky. Acts ch. 85, sec. 660, effective June 20, 2005; and ch. 168, sec. 74, effective June 1, 2005. -- Amended 2000 Ky. Acts ch. 167, sec. 3, effective July 14, 2000. -- Amended 1994 Ky. Acts ch. 451, sec. 4, effective July 15, 1994. -- Created 1982 Ky. Acts ch. 390, sec. 4, effective June 1, 1982.