

243.120 Business authorized by distiller's, rectifier's, or winery license -- Class A and Class B distiller's and rectifier's licenses -- Distiller's sale of distilled spirits by the drink.

- (1) A distiller's, rectifier's, or winery license shall authorize the licensee to engage in the business of distiller, rectifier, or winery at the premises specifically designated in the license, to maintain aging warehouses, and to transport for himself or herself only any alcoholic beverage which he or she is authorized under the license to manufacture or sell. The licensee shall transport alcoholic beverages only by a vehicle operated by himself or herself, which has affixed to its sides at all times a sign of form and size prescribed by the state board, containing among other things the name and license number of the licensee.
- (2)
 - (a)
 1. A licensee holding a distiller's license, Class A license, or Class B license shall distill no less than six hundred (600) gallons in one (1) year at the distillery's licensed premises.
 2. A licensee that engages in the distilling process for the exclusive purpose of providing training and education, conducting research, or teaching about the distilling process, aging, or bottling of distilled spirits shall be exempt from subparagraph 1. of this paragraph, so long as the licensee does not produce spirits for sale to the general public.
 - (b) Distillers that produce more than fifty thousand (50,000) gallons of distilled spirits per calendar year at the premises shall obtain a distiller's license, Class A.
 - (c) Distillers that produce fifty thousand (50,000) gallons or less of distilled spirits per calendar year at the premises shall obtain a distiller's license, Class B (craft distillery).
- (3)
 - (a) Rectifiers that rectify more than fifty thousand (50,000) gallons of distilled spirits per calendar year at the premises shall obtain a rectifier's license, Class A.
 - (b) Rectifiers that rectify fifty thousand (50,000) gallons or less of distilled spirits per calendar year at the premises shall obtain a rectifier's license, Class B (craft rectifier).
- (4)
 - (a) A distiller that is located in wet territory, or in any precinct that has authorized the limited sale of alcoholic beverages at distilleries under KRS 242.1243, may sell distilled spirits by the drink or by the package at retail to consumers in accordance with KRS 243.0305.
 - (b) Any distilled spirits sold under this subsection shall be taxed and distributed in the same manner as sales under KRS 243.0305(2).
 - (c) Except as provided in this subsection, sales under this subsection shall be governed by all of the statutes and administrative regulations governing the retail sale of distilled spirits by the drink.
- (5) Nothing in this section shall be construed to:
 - (a) Vitate the policy of this Commonwealth supporting an orderly three (3) tier system for the production and sale of alcoholic beverages; or

- (b) Allow delivery or shipment of alcohol into dry or moist territory.

Effective: June 29, 2021

History: Amended 2021 Ky. Acts ch. 13, sec. 16, effective March 12, 2021; and ch. 35, sec. 1, effective June 29, 2021. -- Amended 2020 Ky. Acts ch. 102, sec. 3, effective July 15, 2020. -- Amended 2018 Ky. Acts ch. 164, sec. 2, effective April 13, 2018. -- Amended 2016 Ky. Acts ch. 80, sec. 13, effective July 15, 2016. -- Amended 2014 Ky. Acts ch. 22, sec. 12, effective July 15, 2014. -- Amended 2013 Ky. Acts ch. 121, sec. 59, effective June 25, 2013. -- Amended 2000 Ky. Acts ch. 289, sec. 2, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 121, sec. 11, effective July 15, 1998. -- Amended 1986 Ky. Acts ch. 14, sec. 1, effective July 15, 1986. -- Amended 1950 Ky. Acts ch. 176, sec. 8. -- Amended 1942 Ky. Acts ch. 168, secs. 1 and 10. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 2554b-118.

Legislative Research Commission Note (6/29/2021). This statute was amended by 2021 Ky. Acts chs. 13 and 35, which do not appear to be in conflict and have been codified together.