

243.630 Transfer of license or acquisition of interest without authorization prohibited.

- (1) For purpose of this section, "transfer" means:
 - (a) The transfer to a new person or entity of ten percent (10%) or more ownership interest in any licensed business or license;
 - (b) The transfer in bulk, and not in the ordinary course of business, of a major part of the fixtures, materials, supplies, merchandise, or other inventory of a licensee's business; or
 - (c) The transfer of a business or license to a different premises.
- (2) Any license issued to any person for any licensed premises shall not be transferable or assignable to any other person or to any other premises or to any other part of the building containing the licensed premises, unless a transfer or assignment is authorized by the state administrator in the exercise of sound discretion.
- (3) A licensee shall not acquire or otherwise dispose of any interest in a licensed premises or any license issued by the department, by sale of assets, stock, inventory, control or right of control, or activities on the licensed premises without prior approval of the state administrator. The state administrator shall treat a transfer applicant as a new applicant for qualification and discretion purposes.
- (4) Any acquisition of interest in a license without prior authorization shall be void.
- (5) All applications for approval of a transfer shall be made in writing to the state administrator having jurisdiction over the license.
- (6) Applications for approval of a transfer shall be made under oath or affirmation, shall be signed by both the transferor and the transferee, and shall contain any other information prescribed by the department.
- (7) The appropriate state administrator shall deny or approve the application when, in the sound discretion of the administrator, all of the necessary information has been obtained or the applicant has refused to provide requested information, but it shall not be acted upon before the end of the public protest period outlined in KRS 243.360.
- (8) No licensee or other person seeking to acquire an interest in an existing license shall transfer control or assume control of any licensed premises by agreement or otherwise without the written consent of the state administrator of malt beverages or the state administrator of distilled spirits or both.
- (9) A licensee shall not transfer its license or any interest in the license while any proceedings against the license or the licensee for a violation of any statute or administrative regulation which may result in the suspension or revocation of the license are pending.
- (10) A licensee shall not transfer its license or any interest it has in the license if the licensee owes a debt on the inventory to a wholesaler responsible for the collection and payment of the tax imposed under KRS 243.884.
- (11) A licensee shall not transfer its license or any interest in the license if the licensee owes the Commonwealth of Kentucky for taxes as defined in KRS 243.500(4). A transfer shall not take place until the department is notified by

the Kentucky Department of Revenue that the licensee's indebtedness has been paid or resolved to the satisfaction of the Department of Revenue. This section shall not prohibit a transfer of a license or an interest in a license by a trustee in bankruptcy if all other requirements of this section are met.

Effective: June 29, 2017

History: Amended 2017 Ky. Acts ch. 62, sec. 83, effective June 29, 2017. -- Amended 2010 Ky. Acts ch. 24, sec. 582, effective July 15, 2010. -- Amended 2005 Ky. Acts ch. 85, sec. 655, effective June 20, 2005. -- Amended 2004 Ky. Acts ch. 20, sec. 10, effective July 13, 2004. -- Amended 1998 Ky. Acts ch. 522, sec. 15, effective July 15, 1998. -- Amended 1980 Ky. Acts ch. 188, sec. 198, effective July 15, 1980. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 2554b-160.