

Kansas Administrative Regulations

Kansas Department of Revenue—Division of Alcoholic Beverage Control

Article 25.—Off-Premises Cereal Malt Beverage Retailers

14-25-5. Transfer of retailer's inventory; application for permission; seizure and sale of abandoned inventory.

(a) If a retailer's license has expired or been surrendered or revoked, that retailer may apply to the director for permission to transfer the retailer's inventory to another active licensee.

(b) The application to transfer the retailer's inventory shall be submitted on forms prescribed by the director and shall contain the following:

- (1) The retailer's name and license number;
- (2) the purchaser's name and license number;
- (3) the gross sale price of the transferred inventory; and

(4) the quantity, brand, and type of each container or package of cereal malt beverage or beer containing not more than six percent alcohol by volume to be transferred.

(c) No cereal malt beverage or beer containing not more than six percent alcohol by volume in the possession of a retailer shall be transferred under the provisions of subsection (a) unless the director has granted written permission.

(d) The director may deny an application to transfer inventory under the provisions of subsection (a) if the selling retailer owes either of the following:

- (1) Any applicable tax; or
- (2) any fines imposed pursuant to applicable law.

(e) The director or any employee or agent of the director may seize and sell any inventory located on the premises subject to a retailer's license if the director determines that the inventory has been abandoned by the licensee. The director may consider any of the following criteria in making a determination that the inventory has been abandoned:

(1) The licensee no longer occupies the building and has left inventory in the building.

(2) The licensee has been evicted and has made no attempt to collect the inventory.

(3) Attempts to contact the licensee to determine the licensee's plans for the inventory have been unsuccessful.

(4) The presence of the inventory in the building poses a threat to the public health, safety, and welfare or to the orderly regulation of the market.

(f) Upon the director's determination that the inventory has been abandoned, the director shall notify the retailer, in writing, of the director's intent to seize and sell the inventory. If, within seven calendar days after the date of the director's notice, the retailer has not notified the director that the retailer intends to maintain possession of the inventory, the director may seize and sell the inventory.

(g) The proceeds from the sale of any inventory specified in subsection (e) shall be deposited into the state general fund.

(Authorized by and implementing K.S.A. 2017 Supp. 41-212; effective June 7, 2018.)

***** Authenticated Kansas Administrative Regulation *****