

ANDREW M. CUOMO
Governor

VINCENT G. BRADLEY
Chairman

GREELEY FORD
Commissioner

ADVISORY #2016-XX

TO: All beer manufacturers, beer wholesalers, and seasonal retailers

SUBJECT: Disposition of remaining of alcoholic beverage inventory at conclusion of season

The purpose of this Advisory is to provide guidance to beer and cider manufacturers, beer and cider wholesalers, and seasonal retail licensees with respect to treatment of their remaining beer and cider inventory at the end of the licensed season under the Alcoholic Beverage Control Law ("ABCL").

It has come to the Authority's attention that some seasonal retail licensees store unsold beer and/or cider in order to sell it again the next season under their new seasonal license. Industry members raise concerns about this practice as the beer and/or cider may then be sold after it is out of code. Seasonal retail licensees have in the past been required to obtain liquidator permits in order to sell the beer and/or cider back to the wholesaler or manufacturer at the expiration of their seasonal license. It has come to the Authority's attention that this process has become cumbersome to many of the seasonal retail licensees and therefore avoided by these licensees causing the potential for out of code beer to enter the market. Accordingly, the Members of the Authority hereby approve returns of beer and/or cider to manufacturers and/or wholesalers at the expiration of a seasonal retailer's license. Wholesalers and/or manufacturers are required to issue a refund payment directly to the licensee in exchange for the product and are not permitted to credit to the seasonal retail licensee's account.

Seasonal retail licensees are no longer required to obtain a liquidator's permit in order for the beer and/or cider to be returned to the wholesaler and/or manufacturer in accordance with this advisory. Seasonal retail licensees are required to maintain books and records regarding these returns which may be made available to the Authority for inspection.

This advisory does not alter declaratory ruling 2012-00696 as that relates to the exchange of "out of date" products by wine and beer wholesalers and this advisory only applies to seasonal licensees and the end of their license term. Additionally, this advisory does not alter Bulletin #125 as seasonal licensees may or may not avail themselves of this return opportunity.

The above advisory was approved by the Members of the State Liquor Authority at the November 8, 2016 Full Board meeting

Dated:

Secretary to the Authority

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November 22, 2016

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