

August 23, 2010

POLICY MEMORANDUM 2002-3 (Revised)

Subject: Guidelines for Displaying Liquor Licenses and Permits

1. **Purpose:** The purpose of this memorandum is to provide clarification of the statutes and regulations as they pertain to displaying federal, state, and local liquor licenses, permits, or receipts for occupational taxes.
2. **Applicability:** Manufacturers, Distributors, Retailers, Class A clubs, Class B clubs, Drinking Establishments, Caterers, and Cereal Malt Beverage Retailers.
3. **Discussion:** There are frequent questions on requirements concerning the display of federal, state and local licenses and permits. The following information provides guidance on many types of liquor-related licenses or permits.
 - a. Federal Wholesale Permit.
 - The basic federal wholesaler's permit is issued at no cost by the Tax and Trade Bureau and authorizes retail liquor licensees to sell alcoholic liquor for resale to licensees under the club and drinking establishment act.
 - K.A.R. 14-13-9(a)(6) requires a retailer selling alcoholic liquor for resale to licensees and permit holders under the club and drinking establishment act to post a sign stating that the retailer is a "wholesale liquor dealer under federal law."
 - Licensees must display the sign stating that they are a "wholesale liquor dealer under federal law" in public view on the licensed premises.
 - The federal wholesale permit must be displayed in public view on the licensed premises.
 - b. State Liquor Licenses.
 - K.S.A. 41-325 and K.S.A. 41-2612 require a licensee under the liquor control act and the club and drinking establishment act to frame and hang its valid state liquor license in "plain view in a conspicuous place on the licensed premises."
 - Frame must be composed of wood, metal or plastic and include a solid or semi-solid back and a glass, plastic or plexi-glass front. Plastic sheet protectors or other similar devices are not allowed.
 - Each caterer must display its state of Kansas caterer's license at any catered event where alcohol will be served.
 - c. Local licenses or proof of payment of any occupational or license taxes.
 - Cities, townships and counties may issue local licenses to engage in business related to the sale of alcoholic liquor.
 - In the absence of any local ordinance or resolution referencing display of the local license, each current license issued by the city, township or county relating to the business of selling or serving alcoholic liquor shall be displayed in plain view on the licensed premises, in close proximity to the state liquor license.
 - Cities, townships and counties may charge an occupation or license tax, in addition to any state license fees.
 - Each license who is subject to a local occupation or license tax in a city, township or county that does not issue a local license shall display, in plain view on the licensed premises and in close proximity to the state liquor license, one of the following:
 - Proof of payment in the form of a canceled check or receipt from the clerk showing the current year's local occupation or license tax has been paid; or

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- Documentation from the city, township or county that the current year's local occupation or license tax has been paid.
- d. Cereal Malt Beverage licenses.
 - Cereal malt beverage licenses are issued and regulated by the city or county in which the establishment is located.
 - In the absence of any local ordinance or resolution concerning the display of cereal malt beverage licenses, each person possessing a cereal malt beverage license shall display such license in plain view on the licensed premises.
- e. Other documents to be displayed.
 - Licensees also must display all appropriate state tax certificates, other state licenses or local licenses or permits as required by law.

4. Additional Comments:

- a. Failure to comply with the applicable statutes, regulations and/or this policy memorandum, may result in administrative action for violation of the liquor laws.
- b. Alcoholic Beverage Control Enforcement Agents will verify compliance with the provisions of the applicable statutes, regulations and this policy memorandum.

5. Clarification of Policy: All clarification requests to this policy should be directed in writing to this office via mail, fax, or submitted to the agency's email at abc_mail@kdor.state.ks.us.

6. Effective Date of this policy: This policy is effective from the date of signature until further notice.

Original Signed and On File

Thomas W. Groneman

cc: Assistant Attorney General
Chief of Enforcement
Licensing Supervisor
Compliance Supervisor
Administration Supervisor
Enforcement Agents