



**HANDBOOK FOR  
NON-BEVERAGE  
ALCOHOL USERS  
  
PERMITS & LICENSES**

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Changes made to this handbook since the previous revision(s) have been highlighted in light blue background.

Please report errors, omissions or suggestions for improvement to this handbook to the Division of Alcoholic Beverage Control by telephone at 785-296-7015, by fax at 785-296-7185 or by email to Kdor\_abc.email@ks.gov

## Introduction:

Any alcohol or wine, whether manufactured in Kansas or imported into Kansas from another state or country, is exempt from the Kansas gallonage tax if the alcohol or wine is being used for any of the following purposes:

- Religious organizations using wine solely and exclusively for sacramental purposes. [Subsection (d) of K.S.A. 41-501]
- Manufacturers of any of the following when they are unfit for beverage purposes:
  - Patent and proprietary medicines;
  - Medicinal, antiseptic and toilet preparations;
  - Flavoring extracts, syrups and food products;
  - Scientific, industrial and chemical products; or,
  - Scientific, chemical, experimental or mechanical purposes.[Subsection (e)(1) of K.S.A. 41-501]
- Schools and colleges when used for scientific, chemical, experimental or mechanical purposes. [Subsection (k) of K.S.A. 41-501]
- Hospitals, sanatoria and other institutions caring for the sick. [Subsection (k) of K.S.A. 41-501]
- Laboratories using alcohol for non-beverage purposes.

A user of alcohol or wine for non-beverage purposes must obtain either a permit or a license from the Director of ABC in order to be exempt from the tax.

Religious organizations are not required to obtain a license or permit if the following requirements are met:

- The container of wine must be clearly labeled “Wine to be used exclusively for sacramental purposes”.
- The wine must be shipped or consigned to a bona fide priest, pastor, bishop, rabbi, preacher or minister of the gospel. “Bona fide” is not defined.  
[K.A.R. 14-17-2]

## **Definitions:**

### "Alcohol"

means the product of distillation of any fermented liquid, whether rectified or diluted, whatever its origin, and includes synthetic ethyl alcohol but does not include denatured alcohol or wood alcohol. [Subsection (a) of K.S.A. 41-102]

### "Wine"

means any alcoholic beverage obtained by the normal alcoholic fermentation of the juice of sound, ripe grapes, fruits, berries or other agricultural products, including such beverages containing added alcohol or spirits or containing sugar added for the purpose of correcting natural deficiencies. The term “wine” shall include hard cider and any other product that is commonly known as a subset of wine. [Subsection (ii) of K.S.A. 41-102]

## **Non-Beverage Permit**

A non-beverage permit allows a school, college, hospital, sanatorium or other institution caring for the sick to make a one-time purchase of alcohol or wine to be used for scientific, chemical, experimental, mechanical or medicinal purposes. [Subsection (k) of K.S.A. 41-501]

Apply online at <https://www.ksabconline.org> or download and print the Non-beverage Permit Application and Agreement (Form ABC-835) online at <https://www.ksrevenue.org/abcnonbevuser.html>. Follow the directions for submitting the application to ABC. The permit fee is \$2. [Subsection (k) of K.S.A. 41-501]

The permit holder must purchase the alcohol or wine from a manufacturer, distributor, microbrewery, microdistillery or farm winery. At the time of purchase, they must provide two copies of their permit to the seller. [Subsection (k) of K.S.A. 41-501]

No tax is imposed on purchases of alcohol or wine by a Non-Beverage Permit holder.

Within 10 days after the purchase, the permit holder attaches a copy of their invoice to their original permit, then returns it to the ABC. Additional purchases require a new permit.

## **Non-Beverage User License**

A non-beverage user license allows a non-beverage user to make multiple purchases of alcohol or wine without the imposition of any Kansas tax during the term of the license. [K.S.A. 41-309]

A non-beverage user means any manufacturer of products containing alcohol or wine in:

- Patent and proprietary medicines;
- Medicinal, antiseptic and toilet preparations;
- Flavoring extracts, syrups and food products;
- Scientific, industrial and chemical products; or
- Scientific, chemical, experimental or mechanical purposes.

[Subsection (e)(1) of K.S.A. 41-501]

The licensee must purchase the alcohol or wine from a manufacturer or distributor. [K.S.A. 41-309]. Apply online at <https://www.ksabconline.org> or download and print the required forms online at <https://www.ksrevenue.org/abcnonbevuser.html>, as follows:

- Kansas Liquor License Application and Instructions (ABC-800)
- Financial Disclosure (ABC-801)
- Post either an escrow or surety bond:
  - Escrow Bond for Liquor Licenses Issued Under the Liquor Control Acts (ABC-803)
  - Surety Bond for Liquor Licenses Issued Under the Liquor Control Act (ABC-804)
- There is a \$30 application fee for initial licenses, and a \$10 application fee for renewal licenses. Additionally, there is a \$20 modernization fee assessed for each license (initial or renewal). These fees are all non-refundable. [New Section 1 of 2018 HB 2362]
- Licensing fee (see chart below). Applicants can pay the licensing fee in full or pay half of the license fee plus the application fee and modernization fee with the application and pay the remaining half of the license fee plus a 10 percent surcharge within one year from the date the license was issued. Note: If the remaining license fee and the 10 percent surcharge are not paid when due, the license will automatically be cancelled.

If the licensee is engaged in the business of manufacturing, compounding or preparing pharmaceutical products or similar preparations or products containing alcohol or wine to be sold in both intrastate and interstate commerce, they may purchase at wholesale from manufacturers or distributors not licensed in Kansas and import alcohol or wine either in barrels, drums, casks or other containers.

The term of the license is two years and must be renewed bi-annually.

There are 5 classes of licenses based on the maximum number of gallons of alcohol and wine being purchased annually, as follows:

License Class	Maximum Quantity of Alcohol or Wine Purchased Annually	Bi-annual License Fee	Bond Amount
1	100 gallons	\$ 20	\$ 200
2	1,000 gallons	\$ 100	\$ 500
3	5,000 gallons	\$ 200	\$ 1,000
4	10,000 gallons	\$ 400	\$ 5,000
5	in excess of 10,000 gallons	\$ 1,000	\$ 10,000

[K.S.A. 41-309]

At the end of each month, the licensee must complete and file the ABC-837 Kansas Non-Beverage User Monthly Report of Purchases and submit it to the ABC by the 15th day of the following month in which alcohol or wine was purchased.