

Alcohol Regulatory License Fees

KRS 243.075



Presentation by:
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Executive Director

The background of the slide features a collage of alcohol bottles and license fees, overlaid with a semi-transparent orange filter. The text 'Alcohol Regulatory License Fees' is written in white, bold, sans-serif font in the lower-left corner of this area.

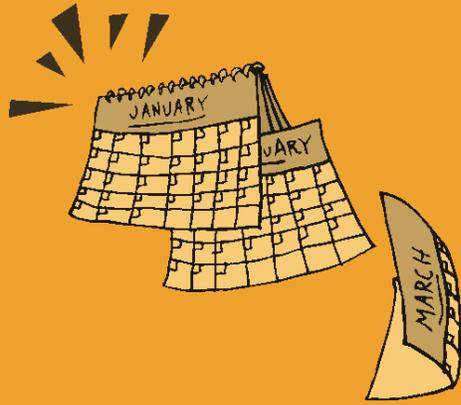
Alcohol Regulatory License Fees

May only be imposed by qualified city governments and county governments containing qualified cities.

“Qualified cities” are those cities that were classified as 3rd or 4th class on August 1, 2014.

The fee is imposed as a percentage of the gross receipts of a licensed retailer from the sale of alcoholic beverages.

THE FEE MUST BE:



Levied at the beginning of each fiscal budget year.

Set as a rate that will generate revenue and does not exceed the total of the reasonable expenses actually incurred by the city or county in the immediately preceding fiscal year for the additional costs, as demonstrated by reasonable evidence, for policing, regulation, and administration as a result of the sale of alcoholic beverages within the city or county.



Credited by an amount equal to any license fee paid by the licensee to the city or the county.



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In counties where both the city and the county impose the fee, the county fee can only apply outside of the boundaries of those cities that levy the fee.



In elections occurring after July 15, 2014, a new fee shall be enacted by a city or county within two years from the date of the time of the election.



The first year fee, set after an election held after July 15, 2014, shall be determined by using regulations promulgated by the Board.



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REVENUE GENERATED BY IMPOSITION OF THE FEE:

- Shall be deposited into a segregated fund.
- Is subject to the city's or county's annual audit.

IF A CITY OR COUNTY VIOLATES THE STATUTE:

○The city or county shall be required to provide a refund to a licensee harmed pro rata for amounts in excess.

○The city or county shall pay reasonable attorney fees if the violation is found to be intentional and willful.

○A second violation found to be intentional and willful will cause the city or county to lose the ability to impose the fee for a period of five years from the finding.

○A third violation found to be intentional and willful will result in the city or county forfeiting the right to ever impose the fee.



If a suit is brought and the city and county are found not to have violated the statute, the plaintiff shall be required to pay the reasonable attorney fees of the city or county.

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