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ABC ADVISORY OPINION 2025-002

November 20, 2025

Question: “In accordance with its privileges under KRS 243.157, can a licensed Kentucky microbrewery sell from its licensed premises malt beverages it produced at an out-of-state microbrewery it owns without first selling and transferring these malt beverages to a licensed distributor?”

Requested by: Hon. M. Evan Buckley

Syllabus: No. KRS 243.157(3)(b) and (c) permit a properly licensed microbrewery to sell malt beverages it produced on its licensed premises for on- or off-premises purposes without first selling and physically transferring those malt beverages to a licensed distributor, but that authorization is limited by KRS 243.157(4) to only malt beverages produced at that same premises.

Statutes construed: KRS 243.157

Legal authority: KRS 241.060; 804 KAR 6:020

Opinion of the Department of Alcoholic Beverage Control

The Department received a request for an advisory opinion from Hon. M. Evan Buckley (“Requester”), who wrote on behalf of his client, a licensed microbrewery, asking whether a licensed microbrewery may sell at retail on its in-state premises malt beverages that it produced at an out-of-state premises it owns without first selling and transferring these malt beverages to a licensed distributor. According to his request, Requester’s “primary question posed” concerns the interpretation of the phrase “produced on the premises of the microbrewery” as used in KRS 243.157(1)’s subparagraphs, and whether that phrase can refer to malt beverages produced on *any*

premises for which the microbrewery holds a microbrewery license, or if it only refers to the malt beverages produced on the same premises. For the reasons that follow, the Department does not reach the question of the interpretation of “produced on the premises of the microbrewery” in general, because KRS 243.157(4) limits that phrase in the specific context of the request to sufficiently answer the question posed.

Pursuant to KRS 243.157(1)(d), a microbrewery is authorized to “[s]ell malt beverages produced on the premises of the microbrewery for on- and off-premises purposes” but only if done in accordance with KRS 243.157(3)(b) and (c), which require that the microbrewery hold the appropriate retail sales licenses to do so. While KRS 243.157(3)(b) and (c) also use the words “produced on the premises of the microbrewery,” KRS 243.157(4), in relevant part, circumscribes the phrase, saying, “[t]he provisions of subsection (3)(b) and (c) of this section shall apply only to malt beverages that are produced by the microbrewery at its licensed premises and ... [o]ffered for sale by the microbrewery *at that same premises* under the microbrewery's retail drink or package license.” KRS 243.157(4)(a) (emphasis added). Had the law intended for “premises” to be read as plural in KRS 243.157(4), it would have clarified “same premises” with the plural determiner “those,” and not the singular “that.” Further, KRS 243.157(4) goes on to indicate other malt beverages that the microbrewery produces and offers for retail sale—presumably those produced somewhere other than the same premises—must first go through a licensed distributor:

“All other malt beverages produced by the microbrewery which are offered for retail sale shall be sold and physically transferred to a licensed distributor in compliance with all other relevant provisions of KRS Chapters 241 to 244, and a licensed microbrewery shall not otherwise affect sales of malt beverages directly to retail customers except as provided in subsection (3)(b) and (c) of this section under KRS 243.027 to 243.029 if the microbrewery holds a direct shipper license.”

Therefore, even if “produced on the premises of the microbrewery” may be interpreted more broadly to include all malt beverages the microbrewery produces on any premises for which it holds licenses, KRS 243.157(4) leaves no question that malt beverages not produced at the *same* premises may not be sold at retail from that premises without first selling and physically transferring them to a licensed malt beverage distributor.



Scotty Tracy
Commissioner

Department of Alcoholic Beverage Control