

November 20, 2015

Ron Paris
VIA E-MAIL

RE: Liquor Inventory

Dear Mr. Paris:

ISSUE: This office is in receipt of your e-mail dated October 23, 2015, in which you indicate that you own a bar. You explain that the bar is being sold to new owners, and the liquor license will be put into safekeeping until the building is renovated. You state that the new owners do not want to purchase the current inventory of liquor, and you ask what options are available to you to keep or sell the liquor.

Records of the Pennsylvania Liquor Control Board (“Board”) indicate that Paris Pub LLC holds Restaurant Liquor License No. R-16216 (LID 56552) for use by it at premises located at 392 East Front Street, Marietta, Pennsylvania 17547-1710, and the license is currently in safekeeping.

OPINION: Licensees who discontinue business may sell their liquor inventory to the buyer of their license or to the Pennsylvania Liquor Control Board (“Board”). Unopened alcohol inventory previously purchased from a Pennsylvania wine and spirits store may be sold back to the Board pursuant to section 9.111(a) of the Board’s Regulations, subject to a restocking fee of twelve and one-half percent (12.5%). [40 Pa. Code § 9.111(a)(2)]. Please note that the Board will decide whether to repurchase the alcohol in question on a case-by-case basis. Malt or brewed beverages in the possession of a licensee at the time he or she discontinues business by transfer of his or her license or otherwise, may be sold only to the transferee of the license or to the distributor, importing distributor or brewery from whom originally purchased. [40 Pa. Code § 9.111(b)(2)]. Another option is that licensees who discontinue business could keep the inventory of liquor after the sale and transfer of the license.

Please be advised that if you were operating the licensed business pending its sale and the transfer of the license, you could have continued to sell alcohol from your

inventory to patrons. [40 Pa. Code §§ 7.2, 7.4]. Please also be advised that you may not discount the price of the alcohol from your inventory, unless it is in accordance with the discount pricing practices (daily drink specials or happy hours) outlined in section 406(g) of the Liquor Code and section 13.102 of the Board's Regulations. [47 P.S. § 4-406(g); 40 Pa. Code § 13.102]. However, since your license is in safekeeping, you are not currently allowed to sell alcohol.

Should you have any further questions regarding this matter, the Liquor Code, or the Board's Regulations, please do not hesitate to again contact this office.

THIS OPINION APPLIES ONLY TO THE FACTUAL SITUATION DESCRIBED HEREIN AND DOES NOT INSULATE THE LICENSEE OR OTHERS FROM CONSEQUENCES OF CONDUCT OCCURRING PRIOR TO ITS ISSUANCE. THE PROPRIETY OF THE PROPOSED CONDUCT HAS BEEN ADDRESSED ONLY UNDER THE LIQUOR CODE AND REGULATIONS. THE LAWS AND POLICIES ON WHICH THIS OPINION IS BASED ARE SUBJECT TO CHANGE BY THE LEGISLATURE OR THE PENNSYLVANIA LIQUOR CONTROL BOARD

Very truly yours,

RODRIGO J. DIAZ
EXECUTIVE DEPUTY CHIEF COUNSEL

cc: Pennsylvania State Police, Bureau of Liquor Control Enforcement
Jerry W. Waters, Director of Office of Regulatory Affairs
Tisha Albert, Director, Bureau of Licensing
Jeffrey Lawrence, Assistant Director, Bureau of Licensing

LCB Advisory Opinion No. 15-474