New York State
Division of Alcoholic Beverage Control
State Liquor Authority

BULLETIN NO. 586-B (REPLACES BULLETINS 586 AND 586-A)

ISSUED: NOVEMBER 18, 2004

To: **Retail Sellers of Beer**

Subject: **Keg Registration Program**

On November 22, 2003 – in a continuing effort to prevent alcoholic beverages from coming into the hands of persons under the legal age – the State of New York embarked upon the Keg Registration Program. Changes to the Keg Registration Program were made by Chapter 274 of the Laws of 2004, and are reflected in this updated bulletin.

A KEG IS ANY CONTAINER
OF FOUR OR MORE GALLONS, IN WHATEVER SHAPE.

ITEMS WHICH MUST BE KEPT ON HAND

In order to comply with the requirements of the Keg Registration Program, a licensee engaged in the sale of kegs at retail will have to keep on hand:

1. a supply of the one-page form **Sales Record, Keg Label, and Keg Purchaser Affirmation (*Revised 10/15/04*);**
2. one or more copies of the two-page form **Laws related to the Underage Purchase and Consumption of Alcohol;**
3. a supply of self-adhesive clear plastic **Keg Label Envelopes** into which the **Keg Label** may be inserted and attached to the keg; and
4. a supply of the one-page form **Notification of Forfeiture of Keg Registration Deposit**.

The **Sales Record, Keg Label, and Keg Purchaser Affirmation form**; the **Laws related to the Underage Purchase and Consumption of Alcohol form**; and the **Notification of Forfeiture of Keg Registration Deposit form** appear on the pages which immediately follow this Bulletin. These forms may be downloaded and reproduced. [1]

You may obtain self-adhesive clear plastic **Keg Label Envelopes** from whatever supplier you choose, so long as the **Keg Label Envelope** is capable of keeping the **Keg Label** dry and intact, and so long as the adhesive is sufficiently strong to keep the **Keg Label** attached to the keg for no fewer than ninety days. The next-to-last page which follows this Bulletin lists one or more suppliers where such self-adhesive clear plastic **Keg Label Envelopes** may be obtained.

OBLIGATIONS OF THE RETAIL KEG SELLER

Compliance with the law requires that the following steps be properly completed by the licensee selling the keg at retail.

1. The keg seller must record at the upper-right-hand corner of the **Sales Record, Keg Label, and Keg Purchaser Affirmation** form the unique identification number which the keg seller has assigned to the keg sale transaction.
2. The keg seller must have available for the keg purchaser's review -- or give to the keg purchaser -- a copy of the **Laws related to the Underage Purchase and Consumption of Alcohol**, which copy sets forth the relevant provisions of sections 65-a, 65-b, 65-c of the Alcoholic Beverage Control Law and section 260.20 of the Penal Law.
3. The keg seller must have the keg purchaser sign and date the **Keg Purchaser Affirmation** in which the purchaser attests that the purchaser will not allow any of the beer from the keg to be consumed in violation of sections 65-a, 65-b, 65-c of the Alcoholic Beverage Control Law and section 260.20 of the Penal Law.

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[1] Alternatively, you may purchase packages of Carbonless Triplicate Sets of **Keg Registration Sales Record, Keg Label, and Keg Purchaser Affirmation** forms directly from the State Liquor Authority by using the one-page Order Form which appears on the last page following this Bulletin.

4. The keg seller must require the keg purchaser to display one of the legally acceptable forms of identification which are specified at the lower-left-hand corner of the **Sales Record, Keg Label, and Keg Purchaser Affirmation** form.

5. The keg seller must carefully review the identification presented by the keg purchaser to confirm that the identification is valid and genuine, and that the identification actually belongs to the person presenting the identification. *Do not accept a form of identification unless you are fully familiar with its characteristics and have carefully compared the photograph on the identification with the person presenting it.*

6. The keg seller must record on the left-hand-side of the **Sales Record, Keg Label, and Keg Purchaser Affirmation** form the Identification Number and the Expiration Date of the identification presented by the keg purchaser, and record the type of identification presented by checking one box in each column at the lower-left-hand corner of the form and specifying any additional information required.

7. The keg seller must make a written record of the sale which contains all of the legally required information by completing the upper-right-hand corner of the **Sales Record, Keg Label, and Keg Purchaser Affirmation** form.

8. The seller must make two copies of the **Sales Record, Keg Label, and Keg Purchaser Affirmation** form once the form has been fully completed, and retain the original. One of the copies will become the **Keg Label**. The other copy is to be given to the keg purchaser.

   Alternatively, if the seller is using a Carbon Triplicate **Sales Record, Keg Label, and Keg Purchaser Affirmation** form, the seller must keep the original top sheet of the **Sales Record, Keg Label, and Keg Purchaser Affirmation** form and keep it with the sellers keg sales records; must use the yellow copy of the **Sales Record, Keg Label, and Keg Purchaser Affirmation** form as the Keg Label; and must give the pink copy of the **Sales Record, Keg Label, and Keg Purchaser Affirmation** form to the purchaser.

9. The keg seller must attach to the keg a **Keg Label** which sets forth the information required by the new law.

   (The keg seller does this by folding into quarters a copy of the completed **Sales Record, Keg Label, and Keg Purchaser Affirmation** form so that the **Keg Label** portion is visible, inserting the form into the clear plastic **Keg Label Envelope** with the **Keg Label** portion of the form facing outward, and then affixing the **Keg Label Envelope** to the keg.)

10. The keg seller must collect from the keg purchaser a $75 State Keg Registration Deposit at the time of the keg sale.

11. At the time of the empty keg's return to the keg seller, the date of the empty keg's return should be entered on the appropriate line of the seller's original **Sales Record, Keg Label, and Keg Purchaser Affirmation** form.

12. At the time of the empty keg's return to the keg seller, the keg seller must EITHER

    (A) refund to the keg purchaser the $75 State Keg Registration Deposit if, within 90 days after the keg sale, the keg purchaser **has returned** to the seller the empty keg with the **Keg Label** attached and undamaged.

    OR

    (B) retain the $75 State Keg Registration Deposit and send to the New York State Liquor Authority a completed **Notification of Forfeiture of Keg Registration Deposit** form if, within 90 days after the keg sale, the keg purchaser **has not returned** to the seller the empty keg with the **Keg Label** attached and undamaged. The completed **Notification of Forfeiture of Keg Registration Deposit** should be sent to the State Liquor Authority within the ten-day period immediately following the expiration of the 90-day keg return period.

    In other words, the **Notification of Forfeiture of Keg Registration Deposit** form should be sent to the New York State Liquor Authority on the 91st, 92nd, 93rd, 94th, 95th, 96th, 97th, 98th, 99th, or 100th day after the keg sale if the empty keg is not returned with the **Keg Label** attached and undamaged within the 90-day keg return period.

13. The **Keg Label** attached to keg should be removed by the seller from the empty keg at the time of the empty keg's return.

    If the $75 State Keg Registration Deposit is being refunded to the keg purchaser, the **Keg Label** from the returned empty keg may be retained or discarded by the seller at the seller's option

    However, the keg seller **must retain** the **Keg Label** as received by the keg seller at the time of the empty keg's return if the keg seller decides to keep the $75 State Keg Registration Deposit for one of the four reasons set forth on the **Notification of Forfeiture of Keg Registration Deposit** form:

    - Keg was not returned.
    - Keg was returned but after 90 days from purchase.
    - Registration label was removed.
    - Registration label was damaged.

14. The Keg Registration law requires that **all records and statements** must be maintained by the licensee for a period of **ninety days** from the date of the keg's return.

    However, because they are records generated in connection with the taxable sale of alcoholic beverages, the keg seller should retain for a period of three years – separate from other business records – each and every original **Sales Record, Keg Label, and Keg Purchaser Affirmation** form prepared at the time of a keg sale, and a copy of each and every completed **Notification of Forfeiture of Keg Registration Deposit** form sent to the New York State Liquor Authority.

15. The licensee must permit law enforcement officers and authorized agents of the State Liquor Authority to inspect all Keg Registration records and statements during normal business hours.

NOTICE TO LICENSEES SELLING KEGS AT RETAIL

THE FAILURE
OF THE LICENSEE OR ANY OF THE LICENSEE'S AGENTS

- **TO HAVE AVAILABLE FOR A KEG PURCHASER'S REVIEW THE LAWS RELATED TO THE UNDERAGE PURCHASE AND CONSUMPTION OF ALCOHOL;**
- **TO COMPLETE ALL PORTIONS OF THE SALES RECORD, KEG LABEL, AND KEG PURCHASER AFFIRMATION FORM;**
- **TO PROPERLY MAINTAIN KEG REGISTRATION RECORDS;**
- **TO PERMIT INSPECTION OF KEG REGISTRATION RECORDS;**

OR

- **TO OTHERWISE FULLY COMPLY WITH THE REQUIREMENTS OF THE KEG REGISTRATION PROGRAM**

MAY RESULT IN THE INSTITUTION OF
DISCIPLINARY PROCEEDINGS
TO REVOKE THE ALCOHOLIC BEVERAGE LICENSE
AND IMPOSE ANY OTHER PENALTY
AUTHORIZED BY LAW.