

## Transfer of Alcohol Notification Requirements

### Transfer of Alcohol Requires Actions by Sellers

Effective June 1, 2021, a retailer licensed under Tenn. Code Ann. §§ 57-3-204, 57-3-803, or 57-4-101 that sells or closes its licensed establishment (“seller”) may sell or transfer its alcohol inventory to the purchaser of the establishment or another licensed establishment. The purchaser or establishment receiving the inventory must hold the same type of license held by the seller.

The following requirements must be met prior to the completion of the inventory transfer or sale:

- The seller must provide both the Alcoholic Beverage Commission (“ABC”) and the Department of Revenue with written notice at least 10 days prior to the sale or transfer of the inventory. The written notice must identify the person or entity receiving the inventory, the date of the sale or transfer, and the quantity, types, and brands of alcohol being sold or transferred.
- Invoices and debts relating to the alcoholic beverages or wine sold or transferred must be paid in full prior to the sale or transfer.
- The purchaser or transferee must be licensed prior to the completion of the sale or transfer.

### Notification by Sellers

The information below explains the process that the seller must go through to notify the appropriate entities regarding the sale or transfer of alcohol inventory.

Sellers must contact the ABC 10 days prior to the

transfer of inventory. Then, the ABC will send the retailer a form to complete.

The seller must also contact the Department of Revenue 10 days prior to the transfer of inventory. A Department of Revenue employee will then contact the seller to verify the inventory information and to determine if any tax is due for the closing businesses.

Please note that the verification of the transfer for the Department of Revenue requires a signed transfer form along with an inventory listing that is verified either in-person or virtually. The transfer statement and inventory form may be found on the Department of Revenue’s website under the Alcohol Tax, other forms or through the link [here](#).

### Contacting the Department of Revenue

Sellers should notify the Department of Revenue of transfers and/or closings by emailing the following address:

[Audit.Communications@tn.gov](mailto:Audit.Communications@tn.gov)

The retailer will be contacted by an employee to verify the inventory information and if any tax is due when the business is closing.

### For More Information

Visit [www.tn.gov/revenue](http://www.tn.gov/revenue). Click on Revenue Help to search for answers or to submit an information request to one of our agents.

### References

Tenn. Code Ann. §§ 57-3-204, 57-3-803 and 57-4-101; Public Chapter 76 (2021).