# ADVISORY #2025-2

Subject: Multiple Wholesale Licenses at the Same Premises – ABCL § 104(1)(a))

This advisory partially rescinds and modifies the application of Bulletin #254.

In maintaining a commitment to promoting efficient business operations that support evolving and innovative business practices while ensuring an orderly market for alcoholic beverages, and aligning regulation with statutory intent, the New York State Liquor Authority ("SLA") is clarifying its modernized policy regarding wholesale licensees who hold more than one wholesale license at the same location. This Advisory replaces the previous structural-separation policy and affirms that physical walls or partitions are no longer required between wholesale operations, provided operational separation is maintained.

## STATUTES AND REGULATIONS INVOLVED

- ABCL § 104(1)(a): "No wholesaler shall be engaged in any other business on the premises to be licensed."
- ABCL § 53, § 62, § 78: Wholesale licenses for beer, liquor, and wine.
- SLA current policy: Bulletin #254 (1953).

## BACKGROUND AND CLARIFICATION OF STATUTORY INTENT

ABCL § 104(1)(a) has historically been read, as interpreted through the 1953 issued Bulletin #254 - to require structural separation (walls/partitions) when a licensee holds multiple wholesale licenses at the same location(for example, a business that holds both a beer wholesaler and liquor wholesaler license). The legislative history and application of the statute indicate that the "any other business" prohibition was aimed at preventing licensed premises from being used for unrelated or unlicensed businesses, such as retail sales of unrelated goods or general warehousing of unrelated products, rather than prohibiting multiple wholesale licenses at the same location.

The statute, in § 53, § 62 § 78, or § 104, does not explicitly prohibit a wholesaler from holding more than one wholesale license at a single premises. The flexibility in those provisions, combined with the general language of § 104(1)(a), supports an interpretation that focuses on regulation through books, records, and operational controls - rather than mandated physical infrastructure, no longer necessary to maintain operational independence with modern-day technological business record keeping models that allow for ease of separation.

AGENCY PRACTICE AND PRECEDENT

For over a decade SLA precedent has recognized operational – separation as sufficient for regulatory oversight when multiple licenses exist at one location, without the imposition of the antiquated physical separation requirement. For example:

- Advisory 2014-12 authorizes a single vehicle, operated by a wholesaler or manufacturer with multiple licenses, to transport beer, wine, and spirits together provided it carries copies of the relevant licenses, demonstrating that co-handling of inventory across license classes is permissible with proper documentation.
- Advisory 2012-10 allows licensing of businesses with multiple manufacturing licenses at one location, or multiple businesses with separate licenses at one location - with separation achieved through operational controls (e.g., records, labels) rather than walls.
- Declaratory Ruling 2022-00652A authorized a wholesale license and importer's license at the same premises with separate books and records, emphasizing cost savings and oversight through books and records, not physical barriers.

These examples reflect SLA's reliance on operational controls (distinct books and records, invoicing, labeling) rather than structural segregation.

DETERMINATION AND NEW POLICY

The SLA hereby confirms that physical separation (walls, partitions) between wholesale operations at the same premises is no longer required, provided that the licensee maintains full operational separation and accountability for each individual wholesale license.

By eliminating the prior requirement to construct permanent walls or separate facilities, the SLA is removing a costly mandate, especially challenging for smaller wholesalers. These construction and compliance expenses proved difficult for new businesses entering the market or for existing licensees seeking to expand into additional product classes. Streamlining this requirement reduces unnecessary barriers to growth while maintaining full regulatory oversight through existing recordkeeping and traceability obligations.

To satisfy § 104(1)(a), the following operational standards must be met:

1. Separate books, records and invoicing for each license - each wholesale license must be treated as a standalone accounting entity for regulatory purposes.
2. Compliance with all existing statutory and regulatory requirements for each license- including but not limited to price-posting, delivery/vehicle rules, tax obligations, signage and reporting.
3. On site availability of records for inspection by the SLA to ensure traceability and transparency of transactions by each license class.

Provided these operational standards are maintained, the licensee may operate multiple wholesale licenses at the same premises without physical partitions. The SLA retains the authority to impose conditions tailored to the nature or complexity of operations at any given location.

EFFECTIVE DATE

This Advisory supersedes and rescinds Bulletin #254 (1953) as it pertains to physical separation for multiple wholesale licenses at the same location, and shall take effect immediately upon approval by the Members of the SLA.

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This matter was heard and determined by the Members of the Authority at a Full Board meeting held on December 10, 2025 Chair Lily Fan, Commissioner Edgar De Leon, and Commissioner John Maya. The above written advisory was approved by the Members of the Authority on December 10, 2025.

Dated: 12/11/25

Donald Roper
Secretary to the Authority