

123.24 Alcoholic liquor sales by the department — dishonored payments — liquor prices.

1. The department shall sell alcoholic liquor at wholesale only. The department shall sell alcoholic liquor to class “E” retail alcohol licensees only. The department shall offer the same price on alcoholic liquor to all class “E” retail alcohol licensees without regard for the quantity of purchase or the distance for delivery.

2. The price of alcoholic liquor sold by the department shall consist of the following:

a. The manufacturer’s price.

b. A markup of up to fifty percent of the wholesale price paid by the department for the alcoholic liquor. The department may increase the markup on selected kinds of alcoholic liquor sold by the department if the average return to the department on all sales of alcoholic liquor does not exceed the wholesale price paid by the department and the fifty percent markup.

c. A split case charge in an amount determined by the department when alcoholic liquor is sold in quantities which require a case to be split.

d. A bottle surcharge in an amount sufficient, when added to the amount not refunded to class “E” retail alcohol licensees pursuant to [section 455C.2](#), to pay the costs incurred by the department for collecting and properly disposing of the liquor containers. The amount collected pursuant to this paragraph, in addition to any amounts not refunded to class “E” retail alcohol licensees pursuant to [section 455C.2](#), shall be deposited in the beer and liquor control fund established under [section 123.17](#).

3. a. The department may accept from a class “E” retail alcohol licensee electronic funds transferred by automated clearing house, wire transfer, or another method deemed acceptable by the director, in payment of alcoholic liquor. If a payment is subsequently dishonored, the department shall cause a notice of nonpayment and penalty to be served upon the class “E” retail alcohol licensee or upon any person in charge of the licensed premises. The notice shall state that if payment or satisfaction for the dishonored payment is not made within ten days of the service of notice, the licensee’s retail alcohol license may be suspended under [section 123.39](#). The notice of nonpayment and penalty shall be in a form prescribed by the director, and shall be sent by certified mail.

b. If upon notice and hearing under [section 123.39](#) and pursuant to the provisions of [chapter 17A](#) concerning a contested case hearing, the director determines that the class “E” retail alcohol licensee failed to satisfy the obligation for which the payment was issued within ten days after the notice of nonpayment and penalty was served on the licensee as provided in paragraph “a” of [this subsection](#), the director may suspend the licensee’s class “E” retail alcohol license for a period not to exceed ten days.

4. The director may refuse to sell alcoholic liquor to a class “E” retail alcohol licensee who tenders a payment which is subsequently dishonored until the outstanding obligation is satisfied.

[C35, §1921-f20, 1921-f41; C39, §1921.020, 1921.041; C46, 50, 54, 58, 62, 66, 71, §123.20, 123.41; C73, 75, 77, 79, 81, §123.24; 81 Acts, ch 56, §1]

86 Acts, ch 1246, §734; 87 Acts, ch 22, §1, 2; 88 Acts, ch 1158, §29; 88 Acts, ch 1241, §5; 92 Acts, ch 1242, §24; 93 Acts, ch 91, §4, 5; 2013 Acts, ch 35, §21; 2019 Acts, ch 113, §6 – 8; 2022 Acts, ch 1099, §25, 88; 2023 Acts, ch 19, §2374

Referred to in §123.176
Section amended