

**701—1000.27(123) Execution and levy on alcoholic beverages.** Judgments or orders requiring the payment of money or the delivery of the possession of property may be enforced against retail alcohol licensees, beer permittees, and wine permittees by execution pursuant to the provisions of Iowa Code chapter 626.

**1000.27(1)** Definitions.

“*Debtor*,” for the purposes of this rule, means the same as defined in Iowa Code section 554.9102(1).

“*Secured party*,” for the purposes of this rule, means the same as defined in Iowa Code section 554.9102(1).

**1000.27(2)** A secured party may take possession of and dispose of a retail alcohol licensee’s or permittee’s alcoholic beverages inventory in which the secured party has a security interest in such collateral pursuant to the provisions of Iowa Code chapter 554. The secured party may operate under the retail alcohol license or permit of its debtor for the purpose of disposing of the alcoholic beverages inventory. However, if the debtor is a class “E” retail alcohol licensee, the secured party cannot purchase alcoholic liquor from the department to continue to operate its debtor’s business. A secured party operating under the retail alcohol license or permit of its debtor shall dispose of the alcoholic beverages inventory by sale only to persons authorized under Iowa Code chapter 123 to purchase alcoholic beverages inventory from the debtor. When a secured party takes possession of a retail alcohol licensee’s or permittee’s alcoholic beverages inventory, the secured party must notify the department in writing of such action. A secured party must further inform the department of the manner in which it intends to dispose of the alcoholic beverages inventory and shall state the reasonable length of time in which it intends to operate under the retail alcohol license or permit of its debtor. The secured party must notify the department in writing when the disposition of its collateral has been completed, and the secured party must cease operating under the retail alcohol license or permit of its debtor.

**1000.27(3)** A sheriff or other officer acting pursuant to Iowa Code chapter 626 may take possession of a retail alcohol licensee’s or permittee’s alcoholic beverages inventory and may dispose of such inventory according to the provisions of Iowa Code chapter 626; however, the sheriff or other officer must sell the alcoholic beverages inventory only to those persons authorized by Iowa Code chapter 123 to purchase alcoholic beverages inventory from the retail alcohol licensee or permittee whose inventory is subject to the execution and levy. The sheriff or other officer must notify the department in writing at the time the sheriff or officer takes possession of a retail alcohol licensee’s or permittee’s alcoholic beverages inventory and must further notify the department of the time and place of the sale of such property.

This rule is intended to implement Iowa Code sections 123.4, 123.10, and 123.38.

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