

BASIC PRINCIPLES OF ALCOHOL BEVERAGE LICENSING IN WISCONSIN: NEW LAWS YOU NEED TO KNOW



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LICENSING BASICS

LICENSE -- A license is a privilege granted by local authorities (city, village or township) to run a particular place for a particular time period.

-may “extend” premises with approval of governing body only

An alcohol license, like a drivers license, can only be used by the person to whom it is issued.

A municipality may refuse to issue licenses as long as it uses good judgment and doesn't discriminate. ₂

ALCOHOL LAWS...

Wisconsin law defines "sale" or "sell" to include **ANY TRANSFER** of alcohol or any shift, scheme, device or transaction to obtain alcohol beverages.

(Buying a cup, buying the mix, trespass fee, providing alcohol at "open house" or other commercial venues.)

SELL = DISPENSE

TYPES OF ALCOHOL LICENSES

- Class A -- “away” Sale for consumption off premises.
 - Current law allows a Class A to permit wine and starting April 10, 2015 other liquor sampling

- Class B -- “bar” Sale for consumption on premises or off premises. (Any sale to go off premise must be in the original, unopened container)

Class A can be for beer only, liquor only or a combination of both (new law authorizes cider only). B liquor only may not be issued

TYPES OF ALCOHOL LICENSES

- Class C -- allows restaurants to sell wine only.
- Temporary Licenses -- allows bona fide clubs, non-profit organizations, churches (and chambers of commerce, with new law change) to sell beer or wine at short duration gatherings.
 - Often referred to as “picnic” license.

Wis. Stats., Chapter 125 set minimum requirements for issuing licenses.

- ✓ Municipalities may adopt additional criteria not in conflict with state law.

For example: No licensed establishments within 1,000 feet of school or park.

Restrictions on outdoor consumption
*beer gardens, patios, volleyball courts, etc.

- ✓ A municipality may refuse to issue or grant license for any reason that is not discriminatory or arbitrary and provided in writing to the applicant.

For example: We don't need another bar in Town of Badger, Wisconsin., we don't issue Class A licenses

ALCOHOL INFORMATION

Community with the highest density of alcohol licenses in the state of WI?

CITY OF WISCONSIN DELLS?

The City of Wisconsin Dells has 1 alcohol license for about every 41 persons– **Not the municipality with the most licenses per capita**

(65 licenses and population of 2678)

ALCOHOL INFORMATION

Community with the highest density of alcohol licenses in the state of WI?

EGG HARBOR

The Village of Egg Harbor has 1 alcohol license for about every 7 persons (*27 licenses and population of 201*)

Approximately 17,000 alcohol licensed outlets in WI (12,500 taverns/restaurants)

Application Process

State Required Steps:

1. Sworn application form filed with municipal clerk 15 days prior to granting the license.
2. Municipal publication of application information in local newspaper. Applicant shall pay the cost of publishing a legal notice (established by state Bureau of Procurement –not an administrative fee set by the municipality)
3. Vote by municipal governing body.

Municipalities may require more

- www.cityofmadison.com/clerk
- Supplemental Class A License Application
- Supplemental Class B License Application
- Must contact the Alder, Neighborhood Association & Police Department Sector prior to the ALRC meeting

Alcohol License Quotas

Wisconsin imposes a quota on the number of "Class B" (taverns, bars restaurants licensed to sell both fermented malt beverages and distilled spirits for on-premises consumption) in each municipality based on population.

There is no state quota on the number or types of retailers selling alcohol for off-premises consumption: grocery stores, gas stations and other retailers.

There is no state quota on the number of establishments licensed to sell and serve only beer and wine.

A municipality may impose more restrictive limits on the number or type of alcohol outlets than the state does.

OPERATOR'S LICENSES

Not everyone tending bar in Wisconsin needs to have a bartending license.

Every licensed premises must have on the premises and in immediate supervision of the sales area, **someone with an operator's license or privilege of an operator's license.**

Who has privilege?

OPERATOR'S LICENSES

A premises licensed to sell alcohol may not be open for business without a licensed operator being present.

Only Exception: Class A beer license, during hours when alcohol sales prohibited by law.

OPERATOR'S LICENSES

A person must be at least 18 years old to sell or serve alcohol

An Operator's License is valid only within the municipality where issued.

-can be used anywhere in that municipality.

Sec. 125.10 Municipal regulation

- Any municipality may enact regulations incorporating any part of this chapter and may prescribe additional regulations for the sale of alcohol beverages, not in conflict with this chapter. The municipality may prescribe forfeitures or license suspension or revocation for violations of any such regulations. Regulations providing forfeitures or license suspension or revocation must be adopted by ordinance.

HOURS OF SALE

- Class A's..... may not sell:
 - Beer Midnight to 6:00am
 - Liquor 9:00pm to 6:00am
- Municipalities MAY impose MORE restrictive hours
- Municipalities MAY NOT impose LESS restrictive hours
- Class B's..... may not sell:
 - Beer & Liquor 2:00am - 6:00am Monday - Friday
 - Beer & Liquor 2:30am - 6:00am Sat. & Sun.
- To-go sales must cease at 12:00am (Sale v Carry out)
- Municipalities MAY impose MORE restrictive carryout hours

License Transfers

Changes in Location

- Licenses are transferred when the **location** changes.
- When the ownership changes it is processed as if it was a new license, although quota or density issues may not be applicable for an existing establishment.

Parental Exception

- **Sec. 125.07(1)(a)**
- An accompanied underage person may legally consume or be served alcohol beverages provided the person is
- Accompanied by his or her parent, guardian or spouse who has attained the legal drinking age

MORE ALCOHOL LAWS...

- No person may “sell” alcohol without holding the appropriate license.
- No person may “give away” alcohol to evade any law relating to the sale of alcohol.

MORE ALCOHOL LAWS...

No owner or person in charge of a public place may permit the consumption of alcohol on the premises unless the person has an appropriate license or permit.

- Spas, Nail Salons serving wine without an alcohol license to customers while services are rendered
- Furniture Stores/Jewelry Stores offering bottles of wine with purchase of new sofa; “Men’s Night” at jewelry stores w/beer

NEW ALCOHOL LAWS...

2015 Wisconsin Act 10

- Authorizes "Class A" licensee to offer free taste samples of intoxicating liquor
- One 0.5 ounce sample per person per day
- To persons who have attained the legal drinking age
- Between the hours of 11:00 am to 7:00 pm

NEW ALCOHOL LAWS...

- 2015 Wisconsin Act 55 (2015-2017 Biennial Budget)
- Municipalities shall issue a "Class A" (liquor) license if both of the following apply:
 1. The "Class A" application is for sales limited to cider
 2. The applicant also holds a Class "A" (beer) license for the same premisesNo fee may be charged for the cider only license, but a publication fee shall be paid

NEW ALCOHOL LAWS...

2015 Wisconsin Act 62 (the wine walks bill)

- Municipalities may issue temporary Class "B" and "Class B" licenses to Chambers of Commerce or similar organizations
- Up to 20 licenses may be issued to the same licensee for a one-day event held at multiple locations within the municipality
- An admission fee is charged for participation, but no additional fee is charged for the service of alcohol at the event

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