

# Iowa Municipal Financial Officers Association 2025

All the ins and outs of alcohol licensing in Iowa.



#### Disclaimer

Please be advised that the information in this presentation contains informal opinions and are only applicable to the factual situations referenced and to the statutes in existence as of the date of this presentation.

The Iowa Department of Revenue may take a contrary position in the future to what is stated today. Any oral or written guidance or opinion by Department personnel not pursuant to a Petition for Declaratory Order under Iowa Administrative Code rule 701—7.24 is not binding upon the Department.





## License Types

What am I approving?



## **Retail Licenses**

#### **On Premises:**

Class C Retail Alcohol License (LC) - Allows commercial establishments to sell alcoholic liquor, wine, and beer for on-premises consumption. Allows carry-out sales of liquor, wine, beer, and mixed drinks or cocktails. A Brewpub sub-permit may be added. This license also allows for "Cocktails To-Go" if you meet the qualifications (see link below)

Special Class C Retail Alcohol License (BW) - Allows commercial establishments to sell wine and beer for on-premises consumption. Allows carry-out sales of wine and beer. Allows a Brewpub (beer manufacturing) sub-permit to be added. It is a retail option for native breweries.

Class F Retail Alcohol License (LF) - Allows non-profit clubs to sell alcoholic liquor, wine, and beer for on-premises consumption only; no carry-out sales. Sales are restricted to members and guests only, not the general public.

revenue.iowa.gov/permits-licensing/alcohol/regulation-complaints/go-carryout-cocktails



#### On Premises (Cont.):

Class D Retail Alcohol License (LD) - Allows railroads, air common carriers, and passenger-carrying boats or ships operating inland or on boundary waters to sell alcoholic liquor, wine, and beer for on-premises consumption only. No carry-out sales. (Iowa is Local Authority)

Special Class C Retail Native Wine License (WCN) - Allows the holder to sell native wine and beer for on- or off-premises consumption.



## Retail Licenses

#### **Off Premises:**

Class E Retail Alcohol License (LE) - Allows for the sale of alcoholic liquor, wine, and beer for off-premises consumption. No sales by the drink. Also allows wholesale sales to on-premises class "B", "C", special "C", "D", and "F" retail alcohol licensees but must have a TTB Federal Wholesale Basic Permit.

Class B Retail Alcohol License (LG) - Allows for the sale of beer and wine for off-premises consumption. No sales by the drink. Also allows wholesale sales to on-premises class "C", special "C", "D", and "F" retail alcohol licensees but must have a TTB Federal Wholesale Basic Permit.

Special Class "B" Retail Native Wine License (WBN) - Allows for the sale of Iowa native wine for off-premises consumption. No sales by the drink.



## Sub-Permits/Privileges

Special Class "A" Beer Permit (Brewpub) - Allows for the manufacture of beer, high alcoholic content beer, and canned cocktails on the premises for on- or off-premises consumption.

**Living Quarters Permit** - Separates private living quarters from the licensed premises; protects licensee/permittee from warrantless searches of living quarters.

Outdoor Service Areas - Allows the selling/serving of alcoholic beverages permitted by the licensee/permittee in a designated, adjacent outdoor area.

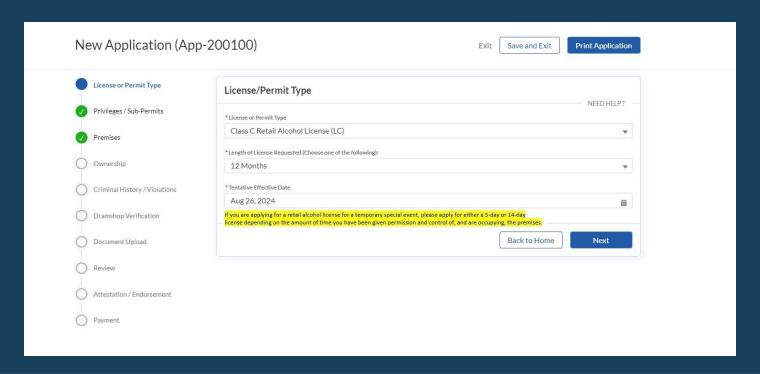


## **Application Process**

What does the applicant see?

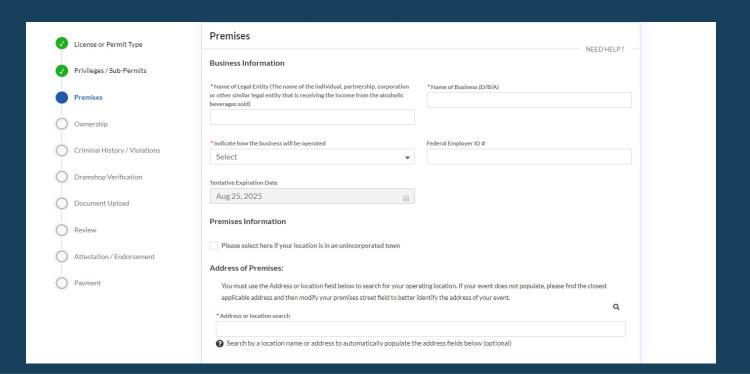


## License Type, Duration and Effective Date



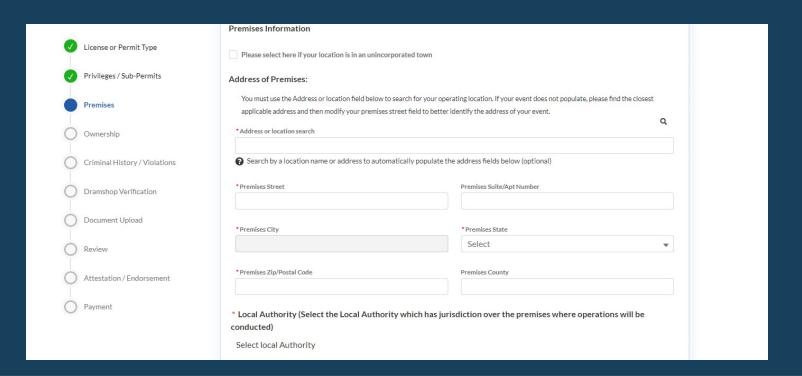


## **Premises: Business Information**



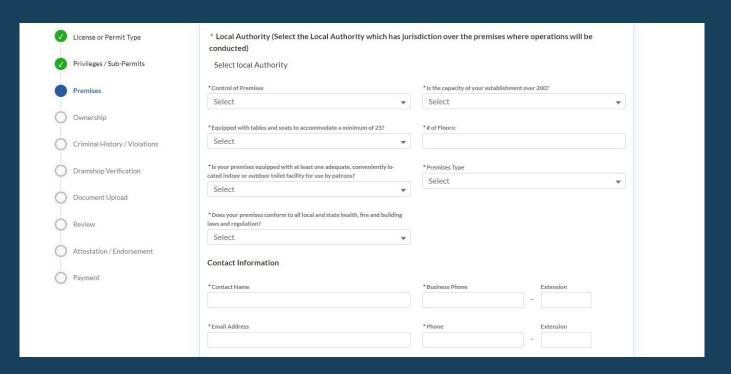


#### **Premises: Address of License**



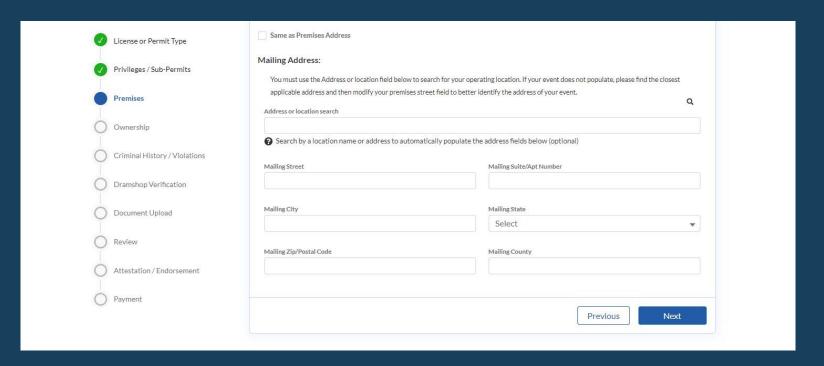


## **Premises: Questions and Contact**





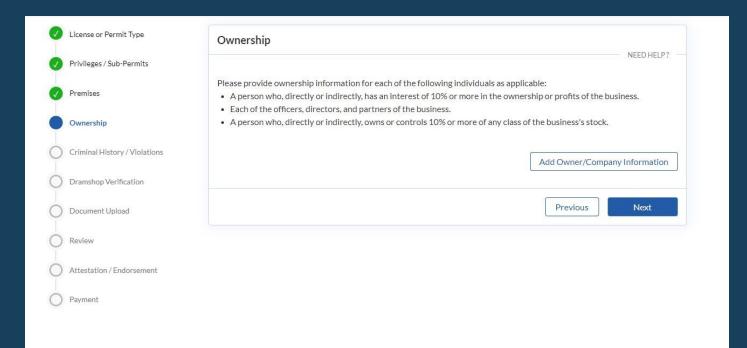
## Premises: Mailing Address





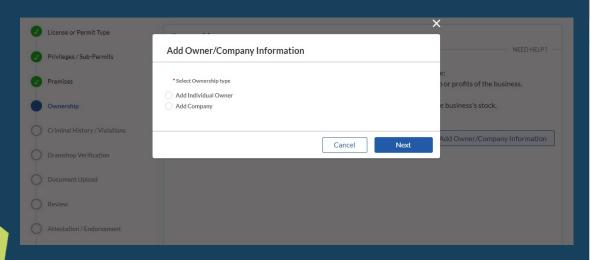
#### **Department of Revenue**

## **Ownership**





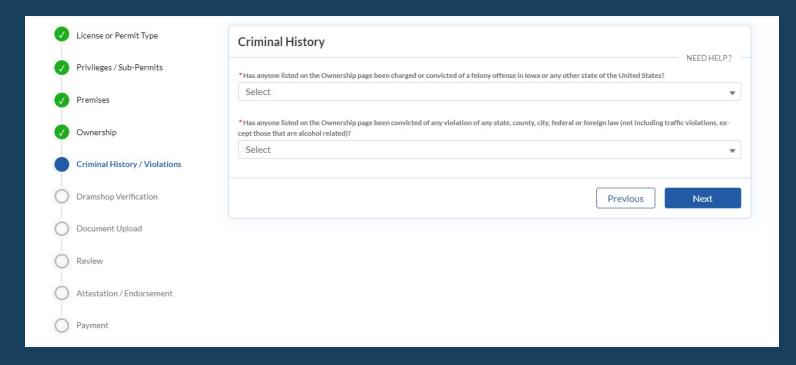
## **Ownership**



First Name	*Last Name
Position	*SSN#
U.S Citizen	Extension Phone number
Select ▼	-
* Date of Birth	Email
ä	
% of Ownership 100	
Idress Details  You must use the Address or location field below event does not populate, please find the closest street field to better identify the address of you	applicable address and then modify your premises
Address or location search	
<ul> <li>Search by a location name or address to aut</li> </ul>	tomatically populate the address fields below



## **Criminal History**





#### Sketches

#### On Premises Applicants:

- Must include all floors where alcoholic beverages will be sold, served, consumed, stored and/or manufactured.
- Must show restroom(s).
- Must show seating for 25 people.
- Indicate alcohol serving locations inside the premises.
- Indicate all entrances and exits. Outdoor service area:
- Must have a designated area and be connected to the premises.
- There must be an entrance directly into the outdoor service area and the outdoor service area must be shown on the sketch and labeled as such.



#### Sketches

#### Off-premises Applicants:

- Sketch must include all floors or buildings where alcoholic beverages will be sold, stored, warehoused and/or manufactured.
- Indicate all entrances and exits, retail sales areas, manufacturing areas (if applicable), or storage areas. Class "E" and Class "B" Retail Alcohol License applicants:
- Indicate Square footage of the entire retail sales and alcoholic beverage storage areas of the business, including areas of walk-in alcoholic beverage coolers that are accessible to the public.



#### Control of Property Document May Include:

- Deed for the area described in your sketch
- Lease for the area described in your sketch
- Permission (from property owner) to serve and sell alcohol in the area described in your sketch.

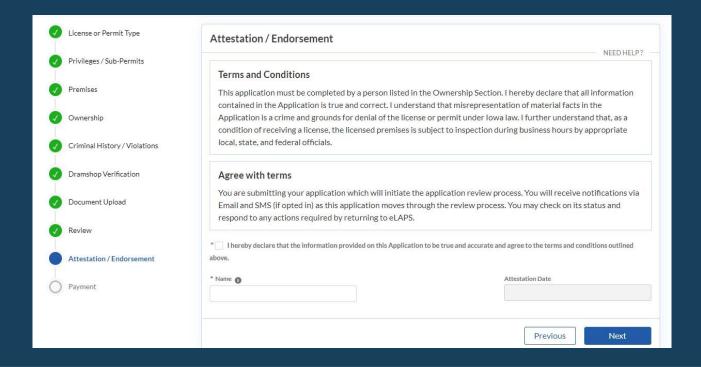
#### The document must include:

- The <u>address</u> of the area described in your sketch as listed on your application
- The <u>dates</u> you are allowed to serve and sell alcohol in the area described in your sketch
- If the permission includes a sketch, the entire area described in your sketch must be included.
- The legal entity name, exactly as listed on the application
- Signed and dated
- Purchase agreements are not acceptable



#### **Department of Revenue**

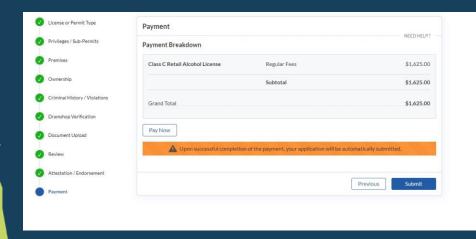
#### **Attestation**

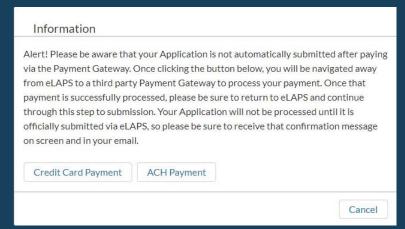




#### **Department of Revenue**

## **Payment**







## **Local Authority Responsibilities**

What you see.



## **Local Authority Checklist**

License or Permit Type	*Outdoor Service Area Approved / Denied		Extension * Daytime Phone for Local Author	ority
License of Fermit Type	Select	•		
Privileges / Sub-Permits	*Sketch on File		*Proof of Control of Property ( Deed / Final Sales Contrac	t/Lease/Writte
Premises	Select	*	Agreement) **Purchase agreements not accepted	
			Select	
Ownership	* Premise's Address Correct?		*Premises Zoned Properly?	
	Select	•	Select	
Criminal History / Violations	* Fire Inspection Completed?		*Health Inspection Completed?	
Dramshop Verification	Select	•	Select	
Document Upload	*Was a DCI background check run?		Previous License Number for this Location	
	Select	•		
Local Authority	*Local Authority Email Address			
Review	- Local Authority Email Address		Comments	
Attestation / Endorsement				
	Amount Owed to Local Authority			
	42.19			
			Previous	Next

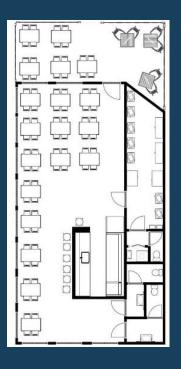


#### **Review Sketch & Control of Property Documents**

- Sketch Ensure that the sketch includes all required elements as previously discussed.
- Control of Property Ensure that the control of property document includes:
  - The address of the area described in the sketch
  - The dates allowed to serve and sell alcohol in the area described in the sketch
  - If the permission includes a sketch, the entire area described in the sketch must be included.
  - The legal entity name, exactly as listed on the application
  - Signed and dated
- The Local Authority has the ability to upload these documents to the application on the Document Upload page at the time of review.



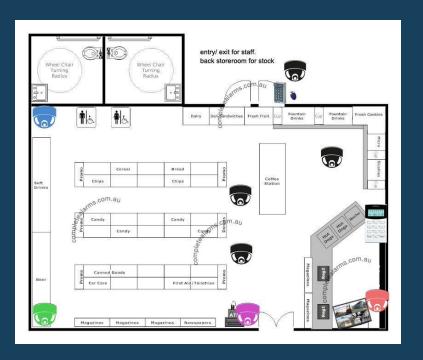
### **On-Premises Sketch**







## **Off-Premises Sketch**





## **Control of Property**

The control of property (COP) agreements can come in a few varieties: leases, deeds, written agreements, etc.

As with all COP agreements, the applicant must show the same information:

- The documentation must be between property owner or current lessee and the applying entity
- The documentation must show that the licensing entity has control of the property through the entirety of the licensing period (exclusions can apply with 5 and 14 day applications)
- The address of the area described in your sketch as listed on your application
- The documentation must be a signed executed document
- If there is an event happening on City or County property, please ensure that the applicant has met all local requirements to use the property.



#### **Control of Property**

This agreement is an example of what kind of City/County documentation needed for licensees having their event on City/County property.

#### **Department of Revenue**



12/2024

Nathan Beyer Mayor and City Clerk 5832 Donovan Road Beyersville, IA 58008

#### City of Beyersville

5832 Donovan Road Beyersville, IA 58008 The City of Beyersville grants control of the city's property located at 2312 Goat Dr in Beyersville to <u>License Applicant</u> for the purposes of obtaining A 5 / 14 day alcohol license effective \_\_\_\_\_

As part of the rental of City property, the applicant has agreed to the following conditions:

The deposit fee shall be \$100.00 and shall be refundable, in full or a part thereof, upon cleanup of the property. All rental fees must be paid in advance of the rental date. The applicant hereby fully releases and discharges the City of Beyersville, its servants, agents, employees, contractors or <u>sub-contractors</u> from any liability whatsoever in any way arising from any and all injuries, losses, and/or damages to persons and/or property sustained or received on or about said property during the term of this agreement.

Additionally, the lessee agrees to save harmless and indemnify the City of Beyersville from any and all expenses arising because of any claim, which may hereafter be presented by anyone for loss or damage or personal injury as a result of use of the City's property. The indemnification obligations set forth herein shall not apply to a loss or claim arising solely out of the negligence or intentional misconduct of a City of Beyersville indemnites seeking indemnification.

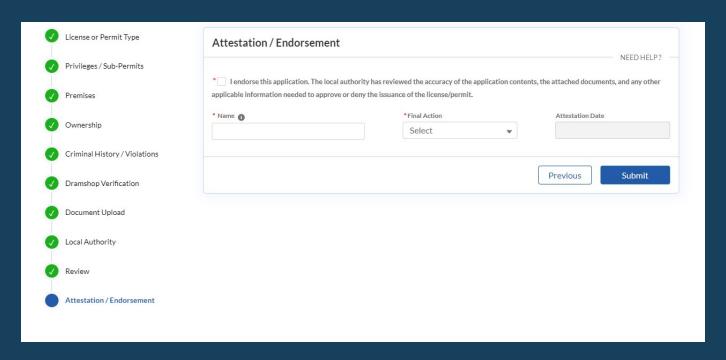
IN TESTIMONY WHEREOF, the parties of this agreement have hereunto set their hands the day and year first above written.

Зу:		Date:
	(License Applicant)	
Ву:	Nathan Beyer	Date:
	•	

Nathan Beyer, Mayor and City Clerk



## **Local Authority Attestation**





## What to do if an Application no longer needed

- 1. Instruct the applicant to log into eLAPS with Withdraw the **New** Application or **Amendment** Application (Renewal applications cannot be withdrawn)
- 2. Send an email to <u>licensing@iowaabd.com</u> with the application number/license number and the reason the application is no longer needed.

Examples an application is no longer needed:

- No longer operating or planning to operate
- Duplicate application



## **Laws and Regulations**



### Alcohol in Public

Alcoholic Liquor - Can only be consumed in a private place or on a licensed premises (Iowa Codes 123.3 and 123.46).

Beer - Can be consumed in public (unless there is a city ordinance), but not on public streets or highways. (Iowa Code 123.46)

Wine - Can be consumed in public (unless there is a city ordinance), but not on public streets or highways. (Iowa Code 123.46)



#### Is a License Needed?

#### Yes

- The premises is rented and the renters are planning on having liquor.
- They have beer or wine available AND admission fees or other kinds of entrance fees, fare, ticket, donation or charges are made or are required of the invited guests to enter the location.

#### NO

• They are giving away beer and wine (no liquor) without payments of any kind (barring any local ordinances that prevent this operation).



## **Special Events**

## Operationally, special events (5 and 14 day licenses) are no different than 12 month bars and restaurants:

- Cocktails or mixed drinks (contain liquor) **cannot** be consumed in public and are NOT allowed to leave the licensed premises.
- Beer in open containers can be consumed in public (check ordinances), but are NOT allowed to leave the licensed premises.
- Wine in open containers can be consumed in public (check ordinances) AND leave the
  licensed premises into another immediately adjacent licensed premises that is covered by a
  license or permit that authorizes the consumption of wine, a temporarily closed public rightof-way, or a private place.
- Class C Retail Alcohol License (LC) Sell beer, wine AND liquor to-go in original unopened containers.
- <u>Special Class C Retail Alcohol License (BW)</u> Sell beer and wine to-go in original unopened containers.





## **QUESTIONS?**

## **Subscribe to Updates**

#### Topics Include:

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- Tax Information
- Law & Policy Updates
- GovConnectIowa

- Electronic Filing
- Economic, Fiscal, and Statistical Information

#### **Subscribe to Revenue Updates**

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#### **Contact Us**

#### **Alcohol Licensing Services:**

- Phone: 515-281-7400, option 1
- Email: licensing@iowaabd.com

#### **Taxpayer Services:**

- Phone: 800-367-3388 or 515-281-3114
- Email: <u>idr@iowa.gov</u>





## Social Media









## **Purpose of this Presentation**

This presentation is intended for general educational purposes only.

Anyone involved in an audit or protest must contact the Department representative they are working with on that issue.





## Thank you!