

Quick Guide: Exceptions to the Liquor License Requirement

The following Quick Guide addresses instances when an individual or event sponsor is or is not required to obtain a liquor license to authorize the sale, service, consumption, or manufacture of alcoholic beverages on the premises. Please be advised that the rules regarding the consumption, possession, or distribution of alcohol still apply even though a liquor license is not required. For example, even without a liquor license, it is illegal to provide alcohol to a minor or intoxicated person and such actions may be treated as a criminal offense. Therefore, anyone providing alcohol to third parties should ensure that they are familiar with the legal requirements because they do so at their own risk.

RELEVANT LAW

The law regarding whether a liquor license is required may be found in the following provisions:

- D.C. Official Code § 25-102 (Sale of alcoholic beverages without a license prohibited).
- 23 DCMR § 213 (Exemptions from Liquor License Requirement).

ACTIVITIES THAT REQUIRE A LIQUOR LICENSE

The sale or consumption of alcohol at an event will "trigger" the liquor license requirement when any of the following occur at the event:

- Alcohol will be sold at the event (e.g., cash bar);
- Patrons pay any sort of admission fee (e.g., ticket sales, cover charge, membership fee) and have access to alcohol (e.g., open bar, cash bar);
- An application for an on-premises liquor license for the premises has been submitted or is under review by ABRA;
- Payment for services related to the sale, service, or consumption of alcoholic beverages will occur (e.g., bar setup, bartending services, catering, or waitstaff services);

This quick guide is current as of January 2023. It does not include all District of Columbia alcoholic beverage rules and regulations. Title 25 of the D.C. Official Code provides a comprehensive review of all District alcoholic beverage control laws.

- Food, nonalcoholic beverages or entertainment are provided in exchange for compensation;
- The facilities are rented and alcohol related services are provided for compensation (e.g., catering hall, religious institution).

EXAMPLES OF SITUATIONS THAT REQUIRE A LIQUOR LICENSE

The following are examples of events that require a liquor license:

- An individual that has filed a liquor license application for a music venue seeks to hold a BYOB event on the premises named in the application;
- An art gallery charges patrons a \$5 admission fee and provides free wine to attendees;
- A wedding party rents a catering hall without a liquor license and hires a bartender to serve alcohol;
- A fast food restaurant or coffee shop without a liquor license would like to offer customers BYOB privileges; or
- An organization rents office space to members and gives members access to an open bar or beer keg (e.g., shared workspace).

EXAMPLES OF SITUATIONS THAT DO NOT REQUIRE A LIQUOR LICENSE

The following are examples of events that do not require a liquor license:

- A hair salon, nail salon, or spa provides a free glass of champagne to customers;
- A tailor provides a free glass of scotch to a customer attending a fitting in the tailor's shop;
- A home owner or tenant provides wine to family and friends attending a pot-luck dinner in their residence;
- An apartment building hosts a free Superbowl party for residents in its community room and free beer is provided;
- A law firm provides a free weekly happy hour for its employees in the law firm's offices; or
- An art gallery provides free wine to guests attending a free exhibit opening.

Please note that if any of the triggers requiring a liquor license occur, then a liquor license will be required.

EMBASSIES

No liquor license is required for an event occurring on the property of an embassy. This exemption does not extend to embassy events occurring outside the confines of the embassy's property.

FEDERAL GOVERNMENT PROPERTY

The mere fact that an event or alcohol service occurs on federal property does not exempt it from the District's alcohol laws or the requirement to obtain a liquor license. Currently, events solely occurring on the following properties have been recognized as not requiring a liquor license:

Property controlled by the Smithsonian Institution (e.g., National Zoo).

When a federal property is exempted from the District's alcohol laws, it is the responsibility of the event sponsor, alcohol provider, and consumer to ensure that they comply with the controlling agencies' rules and regulations. If you have questions as to whether a federal property is subject to the District's alcohol laws, please contact ABRA.

NEW APPLICANTS FOR LICENSURE

Applicants for licensure at an unlicensed location that want to begin selling, serving, or permitting the consumption of alcohol may begin operations by (1) applying for and receiving a stipulated or temporary license from the Alcoholic Beverage Control Board or (2) having an alcohol licensed caterer host the event by providing food prepared by the caterer and serving the alcohol. If an applicant has a caterer host an event at the unlicensed location, then the caterer must retain responsibility for the event by controlling the means of ingress and egress, bar and security staff, and the service of alcoholic beverages.

HOMEMADE BEER AND WINE

Title 25 of the D.C. Official Code does not prohibit an individual from manufacturing beer and wine for their own personal use and consumption so long as any alcoholic beverages produced are not sold for compensation. Beer and wine produced at home for personal use and consumption may be shared with guests at one's residence, given as gifts to people 21 years of age or older, or consumed at appropriately licensed locations permitting BYOB. Please note that the transportation or importation of alcohol into another jurisdiction may be subject to that jurisdiction's alcohol laws.

Individuals producing alcohol at home should take special care that their activities do not violate federal law, which also governs the manufacture, transportation, and importation of alcoholic beverages and make the production of certain types of beverages without a license or permit a federal crime (e.g., distilled spirits). For more information, please contact the Alcohol and Tobacco Tax and Trade Bureau (TTB). Please see the following link for information on how to contact TTB: http://www.ttb.gov/about/contact.shtml.

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^{1.} This guide does not address making spirits at home, because the production of spirits may be dangerous if conducted improperly (e.g., methanol poisoning) and potentially violates federal law. For example, the mere possession of an unregistered still or production of distilled spirits may be deemed a criminal offense under federal law. 26 U.S.C. § 5601 (a)(1); (a)(8).

ALCOHOL LICENSES ISSUED BY OTHER STATES

Alcohol licenses issued by other jurisdictions or states (e.g., catering license), such as Maryland or Virginia, do not authorize the sale, service, distribution, or consumption of alcohol in the District of Columbia.

CONTACT

For more information or if you need help determining whether an event requires a liquor license, visit <u>ABRA.DC.Gov</u> or contact ABRA at 202-442-4423 or <u>ABRA@DC.Gov</u>.