Demo 1: Application - Original License

Background Materials:

1. License application specific rules – Forms Required per transaction – find on website
   https://www.abc.ca.gov/licensing/license-forms/new-license-application/

2. License Type Matrix
   See *1. License Type Matrix*

3. Entity Types and Rules – Forms Required for applicant types
   https://www.abc.ca.gov/licensing/license-forms/new-license-application/

4. Tied House – 3 tiered system – Overview
   See 2. *Non-Retail Licensing Guide 10-19*

Workflow Stages for the Demo:

1. User Account Creation

2. Application for Original License

a) Core Original Application Data

   i) Applicant & Entity Information

      - Applicant name and contact info
      - Entity type (individual, corporation, LLC, LP, Trust, partnership)
      - Ownership percentages
      - Required corporate/LLC/LP/Trust documentation (questionnaires, articles, agreements, updates)

   ii) Premises Information

      - Business address
      - Licensing history
      - Zoning information
      - Diagrams and Planned Operation (ABC-253, ABC-257, ABC-258, or ABC-259)
      - Proximity details to residences and consideration points, i.e. schools, churches, etc.
      - Undue Concentration-Over concentration and/or high crime (Public Convenience or Necessity)

   iii) License Information

- License type being applied for (can include secondaries)
- Generate new license number
- Search for existing entity or existing address

iv) Forms to Model in the Demo

You can find these here: https://www.abc.ca.gov/licensing/license-forms/

- ABC-217 – Application Questionnaire (Notarized document)
- ABC-253 – Diagram of the premises
- ABC-247- 61. 4 residences
- ABC-251- Consideration points
- ABC-255- Zoning Affidavit
- ABC-257- Licensed Premises Diagram
- ABC-258- Planned Operation Retail
- ABC-259- Planned Operation Non-Retail
- ABC-208A-Individual Personal Affidavit (Notarized document)
- ABC-208B-Individual Personal Financial Affidavit (Notarized document)
- ABC-211sig- Application Signature Sheet Sign On (Notarized document)
- ABC-140- Tied House Restrictions
- ABC-243, 256, or 256LLC-Entity documents based on applicant type
- ABC-246-Interim Operating Permit (for protested applications)

b) Applicant Upload / Enter Required Forms & Documents

- Diagrams, zoning affidavits, entity paperwork.
- Recorded Notice and Escrow

c) System Field Validations & Rule Checks

- License Types – See License Type Matrix
- Valid USPS Address
- Moratorium City
- Ownership Percentage Validation – Ownership percentage = 100%
- Required fields per form type
- Assignment to district office based on table provided by ABC

d) Payment

- Echeck – no service fee
- Credit card – service charge

3. ABC Staff Review

a) Application time frames:

- Standard applications: 55–65 days

- Protested applications: 95+ days

b) ABC Staff Initial Compliance Review

See *3.ABC-279 (11-24)_Temp Application Checklist*

c) ABC Investigation Phase

i) System should display investigation checklists

See *4.ABC-279A (12-08) Investigation Checklist*

See *5.ABC-229 Licensing Investigation Status Report*

ii) Background Check Submission – happens out of the system

- Fingerprints via Live Scan (state and federal fees)
- Review DOJ/FBI fingerprint clearance
- Prior ABC Disciplinary History

iii) Compliance Review

- Review that application meets ABC Act requirements, restrictions, and conditions example:
  - Zoning compliance
    ABC-255 Zoning Affidavit
    Applicant completes zoning affidavit, with information from the city or county planning department certifying whether the zoning allows the intended use and whether a conditional use permit (CUP) is required. Staff contact the planning departments to confirm, especially when a CUP is involved.
  - Proximity
    Rule 61.4 of the California Code of Regulations and Section 23789 of the Business and Professions Code - 2026 California Alcoholic Beverage Control Act
  - 500 foot mailing notification
    Section 23985.5 of the Business and Professions Code - 2026 California Alcoholic Beverage Control Act
  - Overconcentration and high crime
    Section 23958.4 of the Business and Professions Code - 2026 California Alcoholic Beverage Control Act

- System generated conditions
  Conditions – Restrictions on a license meant to protect the health and safety of the general public. Conditions may relate to employment of certain persons or the conduct of the business. For example, limits on hours of alcoholic beverage sales, type of entertainment allowed or required security or lighting.

  See 5.Sample Conditions Letter

- System generated letters and forms

Letter/Form	Description
205 Contact Letter *See 6.205 contact letter*	Generated and completed by licensing staff when a license application is filed. Contains information on the intended operation of the premises and is sent to affected parties (i.e. nearby residents, consideration points, local law enforcement, etc).
220 Face *See 7.220 face*	Report of licensing investigation face page that is generated and completed by licensing staff. Contains information related to the proposed licensed premises (i.e. applicant information, license types, address and location, etc).
239 Form *See 8.239 form*	Additional License/Permit Application. Generated by licensing staff and completed by applicant/licensee and staff for an additional license needed for premises operation (i.e. secondary licenses, permits, etc).
P-22 Letter *See 9.P-22 letter*	A notice to produce required information to complete a license application or face denial of said application. Generated and completed by licensing staff for a pending license application.

4. Protests

a) https://www.abc.ca.gov/information-regarding-alcoholic-beverage-license-applications-and-protests/

b) Issue License Interim Operating Permit

   - ABC-275 interim operating permit generation
     https://www.abc.ca.gov/wp-content/uploads/forms/ABC-275.pdf

5. Issue/Deny License

- Printable License

Features to highlight in Demo:

- Online Submission.
- Staff should also be able to manually enter applications received on paper.
- Application Status changes

  Application Status:

  - NEW – App is first created
  - VOIDED – app voided with the Void Application process or Change Status process
  - PENDING – after Enter Application is completed
  - WITHDRAWN – Staff must do this process
  - DENIED – only a specific unit can change do this status
  - ISSUED – after Issue License process is completed

- Applicant dashboard showing pending tasks (fingerprints pending, zoning verification, escrow docs missing).
- ABC staff dashboard and task lists
- Conditional branching depending on license type
- Integration mockups (e.g., zoning, planning)
- Mapping functionality to aid staff in field checks
- Messaging system between user and ABC staff
- Updates to application by applicant or ABC staff
- Accounting functionality – daily reconciliation, refunds
- Record Tracking & Audit Logging
  - Change history, document versions

Demo 1 - Attachment Listing

A	License Type Matrix
B	Non-Retail Licensing Guide
C	Application Checklist (ABC-279)
D	Investigation Checklist (ABC-279-A)
E	Petition for Condition License
F	Contact Letter
G	Report of Application for License (ABC-220)
H	Additional License/Permit Application (ABC-239)
I	Notice to Produce or Denial of Application (P-22)

Demo 1 - Attachment A

Demo 1 - Attachment A

License Type	Description	Classification	Multiples Allowed
01	Beer Manufacturer	Branch	Yes
02	Winegrower	Branch	Yes
03	Brandy Manufacturer	Secondary	Yes
06	Still	Secondary	Yes, but it counts as additional primary licenses
09	Beer and Wine Importer	Secondary	No
11	Brandy Importer	Secondary	No
12	Distilled Spirits Importer	Secondary	No
14	Public Warehouse	Secondary	Yes
23	Small Beer Manufacturer	Branch	Yes
47	On-Sale General - Eating Place	Secondary	Yes
48	On-Sale General - Public Premises	Secondary	Yes
49	On-Sale General - Seasonal	Secondary	Yes
53	On-Sale General Train	Secondary	Yes
55	On-Sale General Airplane	Secondary	Yes
56	On-Sale General Vessel 1000 Tons	Secondary	Yes
57	Special On-Sale General	Secondary	Yes
58	Caterer's Permit	Secondary	No
66	Controlled Access Cabinet Permits	Secondary	No
68	Portable Bar License	Secondary	Yes
71	Special On-Sale General for a For-Profit Theater within the City and County of San Francisco	Secondary	Yes
72	Special On-Sale General for a For-Profit Theater within the county of Napa	Secondary	Yes
75	Brewpub-Restaurant	Secondary	Yes
77	Event Permit	Secondary	No
78	On-Sale General for Wine, Food and Art Cultural Museum, and Educational Center	Secondary	Yes
79	Certified Farmers' Market Permit	Branch	Yes

License Type	Description	Classification	Multiples Allowed
81	Wine Sales Event Permit	Branch	No
83	General On-Sale License to Caterer	Secondary	No
84	Certified Farmer's Market Beer Sales Permit	Branch	Yes
87	Special On-Sale General License for Specified Census Tracts in the City/County of San Francisco	Secondary	
88	Special On-Sale General License for a For-Profit Cemetery with Specified Characteristics	Secondary	
90	On-Sale General - Music Venue	Secondary	
99	On-Sale General for Special Use	Secondary	

Demo 1 - Attachment B

NON-RETAIL LICENSING GUIDE

1. GENERAL INFORMATION

Applications for non-retail licenses are in most respects processed similarly to those for retail licenses.

After a license has issued, the applicant must put it into use within 30 days as is the case with retail licenses (Section 24040). This does not necessarily mean that sales must be made within 30 days. For example, beer manufacturers and winegrowers may not necessarily have a product satisfactory for sale until several weeks or months after their production starts. Wholesale licenses, however, require bona fide sales to retailers with the penalty of possible revocation for failure to make sales at least every 45 days (Section 23779).

Section 23800 permits the Department to impose conditions on non-retail as well as retail licenses. With respect to non-retail licenses, the Department may only restrict the exercise of retail privileges of those licenses.

Non-retail licenses may be transferred inter-county. The restrictions in Section 24070 apply only to transfers of retail licenses (See Section 24077 regarding transfer of any license).

Posting of the premises is not required for Type 06, 09, 11, 12, 14, 15 and 16 licenses as their privileges do not include the sale of alcoholic beverages.

In considering the need for a license and the type necessary, there are three statutes of a general nature in the ABC Act that should be kept in mind:

(1) **Section 23300.** This statute states the following: "No person shall exercise the privilege or perform any act which a licensee may exercise or perform under the authority of a license unless the person is authorized to do so by a license issued pursuant to this division." (Emphasis added.) Several activities other than the sale~~s~~ of alcoholic beverages may create a need for licensing.

(2) **Section 23355.** In essence, this section states that a license authorizes the person to whom issued to exercise the rights and privileges specified in the Act and no others at the premises for which issued during the year for which issued. This section does not say a licensee may do anything not prohibited by the Act. To the contrary, it says if a privilege is not specifically provided for in the Act for a particular type of license, the holder ofthat license is not permitted to exercise it.

Holders of non-retail licenses are generally permitted to hold other non-retail licenses at the same premises provided there are no tied-house or other restrictions involved.

As a general rule, the holder of a non-retail license need not exercise all the privileges of a license. He/she may exercise only some of the privileges. For example, the holder of a beer and wine importer's general license may act as a sales representative and not exercise the importation privilege. However, the Act may require the holder of a particular type of license to perform a certain kind of activity. For example, to qualify for a new winegrower license, the applicant must have facilities and equipment for conversion of fruit into wine and engage in the production of wine. Certain winegrower licenses issued before 1965 are exempt from this provision, but the licensees holding them must operate bonded wine cellars if they do not make wine. These so-called "grandfathered" licenses are transferable.

(3) **Section 23025.** This statute defines "Sell;" "Sale;" "To Sell" but includes other activities that may require a license. For instance, "sale" not only includes transfer of title of alcoholic beverages from one person to another, but also includes the delivery of alcoholic beverages pursuant to an order placed for the purchase of such beverages, and soliciting or receiving an order for such beverages. Many licensees engage in soliciting sales without ever directly engaging in transferring title to alcoholic beverages but still must be properly licensed.

2. Tied-House Laws

"Tied-House" refers to a system of laws establishing separation between the three basic levels of the alcoholic beverage industry: manufacturing, importing/wholesaling and retailing. There are three statutes that impose limits on cross-ownership and financial relationships between non-retail and retail licensees. These are Sections 25500, 25501 and 25502. In addition, there are statutes that either prohibit or otherwise limit certain activities between licensees as well as create numerous exceptions to these broad prohibitions.

3. Brokers

The Department issues only one true broker's license (i.e., Type 16 "Wine Broker") but there are a number of other kinds of non-retail licenses that allow broker-type activities. For instance, the distilled spirits manufacturer's agent license (Type 05) and a distilled spirits importer's general (Type 13) or beer and wine importer's general licenses (Type 10) permit the licensees to engage in broker activities.

4. Zoning

Per Section 23790 of the ABC Act, the Department cannot issue a retail license if it would violate a valid zoning ordinance. The statute does not apply to non-retail licenses.

5. California Department of Tax and Fee Administration Registration Requirements

The California Department of Tax and Fee Administration (cdtfa.ca.gov) requires applicants for most types of non-retail licenses to register with their Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

6. Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov)

The Alcohol and Tobacco Tax and Trade Bureau (TTB), a unit of the U.S. Treasury Department, has its own requirements for many kinds of non-retail operations. Many non-retail applicants must have a basic permit issued by TTB. Sometimes, additional federal permits are also required. TTB regulations often require permit holders to have certain equipment and facilities.

The Department will not withhold license issuance of the ABC license for failure to obtain a federal basic permit. It is not necessary for an applicant to provide the Department with copies of the federal paperwork. It remains the applicant's responsibility to fully comply with all federal requirements.

Applicants for Winegrower and Wine Blender licenses (Types 02 and 22) must hold either a Bonded Winery ("BW") permit or Bonded Wine Cellar ("BWC") permit issued by TTB. The issuance of either of these two license types will be withheld until TTB issues the appropriate permit. There is one exception for the BW permit for Type 02 applicants who intend to manufacture only *sake* ("Japanese rice wine"). Under federal law, sake manufacturers are treated in a manner similar to beer manufacturers. They are required to file only a Brewer's Notice with TTB. Sake manufacturers are not issued BW permits.

7. SPECIFIC LICENSE TYPES: Definitions, Privileges and Limitations

BEER MANUFACTURER - TYPE 01 (over 60,000 barrels per year)

Introduction

A beer manufacturer license is a type required by makers of beer in this State. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

"Beer manufacturer" means any person that has facilities and equipment for the purposes of, and is engaged in, the commercial manufacture of beer (Section 23012).

Beer is defined as "... any alcoholic beverage obtained by the fermentation of any infusion or decoction of barley, malt, hops, or other similar product, or any combination thereof in water...." (Section 23006). Beer sold in this state must be properly labeled with a statement of alcoholic strength if the contents exceed 5.7 percent alcohol by volume (Section 25200(b)(1)(D)).

Privileges and Limitations

A beer manufacturer license is not limited in number. There is no limitation on the amount of beer produced by a beer manufacturer who may also sell beer packaged for him/her by other beer manufacturers (Section 23356). A beer manufacturer may sell beer to any beer licensee (Section 23357) and may sell such beer from trucks operated by him to licensees authorized to sell beer without a prior order (Section 23388). A beer manufacturer may sell tax-paid beer to certain non-licensed individuals located upon military reservations, national parks or veterans' homes (Section 23384). A beer manufacturer may also sell its own brand(s) of beer to consumers for consumption on or off the premises without the need for any additional license. A Type 20 license is required if the manufacturer sells other beer manufacturers' brands of beer to consumers for consumption off the manufacturer's premises (Section 23357). Without any additional license, a beer manufacturer may sell beer and wine, regardless of source, to consumers for consumption at a bona fide public eating place within the manufacturer's licensed premises or on property contiguous to the premises (Section 23357).

Notwithstanding any other provision of this division, a licensed beer manufacturer that produces more than 60,000 barrels of beer a year may manufacture cider or perry at the licensed premises of production and may sell cider or perry to any licensee authorized to sell wine (Section 23357(c)) without holding any other license.

A beer manufacturer may export their product in accordance with Rule 54 without holding any other license but must hold a beer and wine importer license (Type 09) to import.

Returns and exchanges of beer from retailers are restrictive (Section 23104.2).

A beer manufacturer may conduct courses of instruction on the subject of beer for licensees and their employees and may furnish beer for use with the instructional course (Section 25503.5).

A beer manufacturer may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more eight (8) ounces of beer per individual in one day. Tastes of beer must be served in an individual glass or cup (Section 25503.55).

A beer manufacturer, or its designated representative, may conduct instructional tasting events for consumers at off-sale licensed premises if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than eight (8) ounces of beer to any individual in one day (Sections 23396.6 and 25503.56).

A beer manufacturer, or any director, partner, officer, agent or representative of that person, may conduct and advertise beer promotional lectures ("Beer Maker Dinners") at on-sale retail licensed premises under specified conditions (Section 25503.45).

A beer manufacturer may serve, for consumption on the premises, beer produced by the licensed beer manufacturer to attendees at a meeting of a bona fide beer manufacturer trade association or brewers' guild held on the premises of a licensed beer manufacturer (Section 25503.3).

A beer manufacturer may give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a).

Hours of delivery of beer to retailers are restricted to 3 a.m. until 8 p.m. Monday through Saturday. Incoming shipments to the licensed premises or transportation of beer to other supplier-type licensees are not restricted and may be made at any time. Sales at the manufacturer's premises may also be made at any time (Section 25633).

Sales records and records of all expenditures incurred in the sale and distribution of beer by the beer manufacturer must be maintained at the licensed premises (Section 25752).

Tied-House

As a general rule, no tied-house restrictions exist that prohibit a beer manufacturer from having an interest in other supplier-type licenses.

A beer manufacturer is generally prohibited from holding any ownership, directly or indirectly, in an on-sale license (Section 25500) or an off-sale license (Section 25502). A beer manufacturer may hold no interest in any business dealing in furnishing equipment, other than signs for interior use, to on-sale licensees (Section 25501).

A beer manufacturer may hold an interest in on-sale licenses under the exceptions provided for in Sections 25503.11, 25503.16, 5503.17, 25503.18, 25503.19, 25503.20, 25503.29 and 25503.37.

Subject to the provisions of Sections 25503.10 and 25503.21, this licensee may lease real property to retail licensees.

Section 23357 allows licensed beer manufacturers to hold off-sale beer and wine licenses provided that beer and wine sold at or from the off-sale premises which are not produced and bottled by, or produced and packaged for, the beer manufacturer shall be purchased by the beer manufacturer only from a licensed wholesaler. If a licensed beer manufacturer also holds a beer and wine wholesaler license then the beer manufacturer may only sell wine, not beer, to consumers under its off-sale beer and wine license.

A licensed beer manufacturer may hold ownership interest in up to six on-sale licenses under specified conditions (Section 25503.28). The six on-sale licenses included in this statute include branch offices (duplicates) issued under Section 23389 that exercise retail privileges.

The applicant for a beer manufacturer license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

Storage of tax-paid beer may be made anywhere in the State (Section 23106) without holding an additional license. Transfer of title (sale) of beer stored away from the licensed premises is only authorized at certain regulated warehouses as specified in Section 23383 although sales may be made directly from trucks (Section 23388). Except as provided in Section 23383, the delivery of beer must occur from the licensed premises of production or from a licensed branch office. Beer cannot be delivered from a licensed public warehouse unless the beer manufacturer holds a branch office license at the public warehouse.

"Common dining areas", where a number of on-sale retail licensees share a large eating area in a shopping mall or similar location to permit their customers to consume food and alcoholic beverages, cannot be shared by licensed beer manufacturers or duplicate licensed beer manufacturers (Section 23784).

Alternating Proprietorships

Federal Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov) regulations permit a beer manufacturer to use the facilities and equipment of another beer manufacturer ("host brewery") to produce beer. This is commonly referred to as an "alternating proprietorship (AP)." The AP uses the facilities and equipment of the host brewery to make its own beer. Typically, the host brewery assists the AP in producing its beer and the AP usually stores its beer on the premises of the host brewery, but the beer may be transferred to another bonded premises. The AP must apply for its own Type 01 or Type 23 license and a brewer's notice from the Alcohol and Tobacco Tax and Trade Bureau (TTB). The privileges of a Type 01 or Type 23 license are the same when operating as an alternating proprietor. The TTB has determined that establishing a physical separation and dedicated premises for each alternating proprietor is not required for every AP application.

Joint Tasting Rooms

A "joint tasting room" is a place where two or more licensed beer manufacturers share space while conducting beer tasting and retail sales activities. Often, participating beer manufacturers retain an agent to perform the activities that beer manufacturers may themselves perform under a duplicate beer manufacturer license. One person may act as the agent for all of the participating beer manufacturers licensed within the joint tasting room. The agreement with the agent should be evaluated to insure the beer manufacturers retain oversight and control of the licensed premises and all licensed activities.

It is not necessary to establish distinct separations among the tasting areas but each beer manufacturer must maintain separate and detailed records of all retail sales made by each licensee from the joint tasting room. Only beer that is produced by or for each beer manufacturer may be sold at retail from the joint tasting room. Each participating beer manufacturer must sign a Petition for Conditional License agreeing to specified conditions, including but not limited to, responsibility for any violation of the ABC Act occurring in the joint tasting room.

Beer Labeling and Brand Registration

Section 25200 requires all beer sold in this state to have a label affixed to the package or container. The label must meet the requirements of federal malt beverage labeling regulations contained in parts 7 and 16 of Title 27 of the Code of Federal Regulations, regardless of whether the label is subject to approval by the federal Alcohol and Tobacco Tax and Trade Bureau or any successor agency. Prior to the first sale of a brand of beer in this state, the manufacturer of that beer shall register the brand with the Department. The manufacturer must register their brand(s) of beer on Form ABC-412 and submit the form to the Price Posting Unit.

Section 25200 outlines beer labeling and brand registration requirements. More information about beer labeling requirements is in Rule 130, California Code of Regulations, Title 4, Division 1.

Price Posting

A beer manufacturer must file prices for beer sold and distributed to customers in California, except for beer sold to consumers (Section 25000). To file price schedules, this licensee must complete Form ABC-701 and submit the form to the Price Posting Unit. If this licensee sells beer to wholesalers, territorial limits must be designated within which those wholesalers may distribute his/her products (Section 25000.5). Beer manufacturers who manufacture beer under contract ("custom brew") for a wholesaler need not execute a territorial agreement with that wholesaler. If this licensee produces draught beer for sale in California, the brand names thereof must be filed with the Department prior to marketing the product(s) in California (Section 25203). The California Department of Resources Recycling and Recovery ("CalRecycle") has specific requirements concerning malt beverage container labeling as mandated by the Beverage Container Recycling and Litter Reduction Act. Applicants should be referred to CalRecycle for additional information: http://www.calrecycle.ca.gov/bevcontainer/

Custom Brew

This is very similar to custom crush contracts for wine. With custom brewing, individuals will contract with a beer manufacturer to have beer made for them. The beer manufacturer will brew the beer, then bottle and label the finished product. The beer manufacturer will obtain label approval from the Alcohol and Tobacco Tax and Trade Bureau and register the brand(s) of beer with the Department on behalf of the person for whom the beer was made. Persons who enter into custom brew contracts with beer manufacturers will generally apply for either a beer and wine importer's general (Type 10) license or a beer and wine wholesaler (Type 17) license, depending who their primary customers will be. This licensee may enter into custom brew contracts with retail licensees only under the following circumstances: (1) the retailer owns the label (brand); (2) the retailer incurs all costs related to the manufacturing of the beer (brewing, bottling, labeling, shipping, etc.); and, (3) the beer is sold solely to the retailer for sale at the retailer's licensed premises. A licensed beer manufacturer cannot sell beer at its licensed premises that is custom brewed for a retailer.

Other Requirements

It is the responsibility of the district office to inform applicants for this license type of the price posting, beer brand registration and territorial agreement requirements. The applicant shall be given Form ABC-579 which sets forth these requirements and provides other useful information. The licensing representative shall check the ABC-579 box and provide their name and the date the form was provided to the applicant on Form ABC-257-NR (Reverse) to show that this information was provided to the applicant.

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

The Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov) requires beer manufacturers to file a Brewer's Notice. TTB has instituted a paperless system for filing applications for their permits. Copies of TTB paperwork need not be filed with ABC. Issuance of the Type 01 will not be withheld if the applicant fails to file a Brewer's Notice with TTB.

Duplicate Licenses for Branch Office Operations

Pursuant to Section 23389, the department may issue to a beer manufacturer a duplicate of its original license for a location or locations other than its licensed premises of production or manufacture. Posting of the branch office premises is required.

A licensed beer manufacturer may exercise all of the privileges under its manufacturer's license at branch offices licensed by the Department, except for production or manufacture; sales to consumers for consumption on or off the branch office premises except as provided in subdivision (c) of 23389 (explained below); and the sale of beer and wine to consumers for consumption on the branch office premises where a bona fide eating place is owned and operated by or for the beer manufacturer, except as provided for in subdivision (c).

Per Section 23389(c), a beer manufacturer shall not sell any alcoholic beverages to consumers for consumption on or off the licensed premises, or provide authorized tastings to consumers, at more than six branch office locations, regardless of how many beer manufacturer licenses are held by the beer manufacturer either alone or under common ownership with any other licensed beer manufacturer, and no more than two of the six branch locations may be bona fide public eating places owned and operated by and for the beer manufacturer.

A branch office location where consumer tastings or sales for on or off premises consumption are authorized shall not sell or serve any alcoholic beverages other than beer that is produced and bottled by, or produced and packaged for, the beer manufacturer.

A branch office location where the sale of beer and wine to consumers for consumption on the premises of a bona fide public eating place is authorized is permitted to sell and serve only the following alcoholic beverages:

- Beer and wine that is produced and bottled by, or produced and packaged for, the beer manufacturer.
- Beer and wine that is purchased by the beer manufacturer from a licensed wholesaler that is not owned, either alone or under common ownership, by the beer manufacturer.

An applicant for a duplicate beer manufacturer license shall complete Form ABC-239. If the applicant intends to exercise retail privileges, then they must check the appropriate box on Form ABC-239 and the application will be processed as a normal original application. If the applicant does <u>not</u> intend to exercise retail privileges, then the applicant must sign Form ABC-172 (Attachment No. 1) and the license <u>shall</u> issue forthwith.

WINEGROWER - TYPE 02

Introduction

The following pertains to new winegrower licenses issued after September 17, 1965. Any differences in regard to winegrower licenses issued before that date will be summarized under "Grandfather Privileges." See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

A winegrower must have facilities and equipment for the conversion of grapes, berries or other fruit into wine and must engage in the production of wine (Section 23013). Wine must be made from the fermentation of agricultural products to which may be added brandy which is distilled from the same agricultural product from which the wine is made. Thus, neutral grain or other distilled spirits cannot be used to fortify wine, only brandy of a specific type. No more than 15% added flavoring or blending material may be added (Section 23007).

Privileges and Limitations

A winegrower may exercise the privileges listed in Section 23356. The licensee may conduct winetastings under prescribed conditions (Section 23356.1; Rule 53). In addition to those privileges, a winegrower may sell both wine and brandy that was produced and packaged by or for him to any person holding a license authorizing the sale of wine or brandy. The winegrower may also sell these products to consumers for consumption off the licensed premises.~~,~~ The winegrower may sell wine produced and packaged by or for him to consumers for consumption on the premises. A winegrower must produce not less than 50% of the wine sold to consumers on any and all of its premises. The winegrower may also operate a bona fide public eating place on the licensed premises or on premises owned by the winegrower that are contiguous to the licensed premises and sell all beers, wines and brandies, regardless of source, in that eating place for consumption on the premises without holding an on-sale license (Section 23358).

The wine and brandy that the winegrower may sell to consumers for consumption off the premises is generally limited to wine or brandy that is produced or bottled by or is produced and packaged for, the winegrower, and which is sold under a brand name owned by such licensee (Section 23358.2). However, a winegrower who sold domestic wine under a brand name or trade name not owned by such licensee prior to July 1, 1970, may continue to sell such wine (Section 23356.1(b)).

A winegrower license authorizes the holder to manufacture grape brandy for fortification purposes (Section 23359). A Still (Type 06) license must be held by the winegrower who produces brandy for such purposes (Section 23367). If a winegrower manufactures brandy for other than fortification purposes, he/she must also hold a brandy manufacturer (Type 03) license. Under federal standards of identity, "brandy" encompasses a large array of various types of brandy including grappa, pomace, and lees brandy. While a winegrower may sell brandy under its Type 02 license, it is not permitted to bottle brandy.

Winegrower licenses are not limited in number. When a winegrower license is applied for, the fee taken should be based on a reasonable estimate of production (Sections 23955 and 23320).

When a winegrower fails to carry on business actively for one year, such winegrower license may only be transferred to a person who qualifies as a winegrower under present laws (Section 24070.5).

A winegrower may sell for export in accordance with Rule 54. A licensee who wants to export wine to another state should check the regulations of the state into which shipment will be made. The regulations of the individual states vary greatly. Many require the shipper to hold an importer license or an out-of-state manufacturer's license in their state before a shipment may be made into it.

Winegrowers may sell to federal areas and veterans' homes in accordance with Section 23384. A winegrower may give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a). Winetasting cannot be conducted on that portion of a winegrower's premises licensed with an off-sale beer and wine or an off-sale general license. There must be a physical separation between the retail premises and the winegrower's premises although they may be joined by a door.

A winegrower may conduct courses of instruction on the subject of wine for licensees and their employees and may furnish wine for use with the instructional course (Section 25503.5).

A winegrower, or its designated representative, may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of wine may not exceed one ounce (Section 25503.57).

A winegrower, or its designated representative, may conduct instructional tasting events for consumers at off-sale licensed premises if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of wine may not exceed one ounce (Sections 23396.6 and 25503.56).

There are certain restrictions as to wine bottle shape and labeling (Sections 25235 to 25246).

The hours of delivery and sale at wholesale by winegrowers are similar to those for beer and wine wholesalers. Deliveries may be made from 3 a.m. until 8 p.m. Monday through Saturday. Sales may be made from the platform at the winery at any time (Section 25633).

It is not necessary that a winegrower keep records of sales of wine. However, various production records are required to be kept (Section 25238). They must do so for brandy (Section 25752). Rule 17 requires recordkeeping of sales invoices.

Returns and exchanges of wine must be handled in accordance with Section 23104.1.

A winegrower may deliver its tax-paid wine from a storage facility holding a public warehouse license to any California licensee authorized to purchase wine without the necessity of a duplicate winegrower license at the public warehouse (Section 24041).

Tied-House

A winegrower is generally prohibited from holding any ownership, directly or indirectly, in an on-sale license (Section 25500) or an off-sale license (Section 25502).

A licensed winegrower may hold both off-sale beer and wine and off-sale general licenses (Section 23362).

A winegrower may have interests in on-sale licenses under conditions specified in Section 25503.15. Additionally, a winegrower may hold an interest in on-sale licenses under the exceptions provided for in Sections 25503.11, 25503.16, 25503.17, 25503.18, 25503.19, 25503.20, 25503.29, 25503.30 and 25503.37.

Subject to the restrictions of Sections 25503.10 and 25503.21, this licensee may lease real property to retail licensees.

There are no tied-house prohibitions against a winegrower holding wholesaler, rectifier, manufacturer or other supplier-type licenses. A licensed winegrower may hold an off-sale general and a distilled spirits wholesaler license at the same time (Section 25507). However, the winegrower may not hold a beer and wine wholesaler or importer license if the winegrower holds an off-sale general license (Section 25502).

The applicant for a winegrower license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

Importations of wine must come to rest at the winegrower premises or the premises of a public warehouse licensee for the account of a winery that holds an importer license (Section 23661). Deliveries of wine sold by a winegrower may be made either from its licensed premises (Section 23355) or the premises of a licensed public warehouse (Section 24041).

Tax-paid wine may be stored any place in the State without the need for a private warehouse permit. If a winery stores brandy off the licensed premises, it must be stored on the premises of a licensed public warehouse or a premises where a private warehouse permit is in effect (Sections 23035 and 23106).

“Common dining areas”, where a number of on-sale retail licensees share a large eating area in a shopping mall or similar location to permit their customers to consume food and alcoholic beverages, cannot be shared by licensed winegrowers or duplicate licensed winegrowers (Section 23784).

Alternating Proprietorships

Federal Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov) regulations permit a winegrower to use the facilities and equipment of another winegrower ("host winery") to produce wine. This is commonly referred to as an "alternating proprietorship (AP)." The AP uses the facilities and equipment of the host winery to make its own wine. Typically, the host winery assists the AP in producing its wine and the AP usually stores its wine on the premises of the host winery, but the wine may be transferred to another bonded premises. The AP must apply for its own Type 02 license from the ABC and a bonded winery permit from the Alcohol and Tobacco Tax and Trade Bureau (TTB). The privileges of a Type 02 license are the same when operating as an alternating proprietor. The TTB has determined that establishing a physical separation and dedicated premises for each alternating proprietor is not required for every AP application.

Joint Tasting Rooms

A "joint tasting room" is a place where two or more licensed winegrowers share space while conducting wine tasting and retail sales activities. Often, participating winegrowers retain an agent to perform the activities that winegrowers may themselves perform under a duplicate winegrower license. One person may act as the agent for all of the participating winegrowers licensed within the joint tasting room. The agreement with the agent should be evaluated to insure the winegrowers retain oversight and control of the licensed premises and all licensed activities.

It is not necessary to establish distinct separations among the tasting areas but each winegrower must maintain separate and detailed records of all retail sales made by each winegrower from the joint tasting room. Only wine that is produced by or for each winegrower may be sold at retail from the joint tasting room. Each participating winegrower must sign a Petition for Conditional License agreeing to specified conditions, including but not limited to, responsibility for any violation of the ABC Act occurring in the joint tasting room.

Custom Crush

The term "custom crush" refers to an agreement entered into between a winegrower and those individuals who have contracted with the winegrower to produce wine for them. Unlike an alternating proprietorship, a person who has a winegrower custom crush wine for him/her does **not** obtain a Type 02 license. Persons who enter into custom crush contracts with winegrowers will generally either apply for a beer and wine importer's general (Type 10) license or a beer and wine wholesaler (Type 17) license, depending on who their primary customers will be. Persons who have wine custom crushed for them often refer to themselves as "wineries" or "virtual wineries"; however, they do **not** have the same license privileges as a winegrower. This licensee may enter into custom crush contracts with retail licensees only under the following circumstances: (1) the retailer owns the label (brand); (2) the retailer incurs all costs related to the manufacturing of the wine (fermenting, bottling, labeling, shipping, etc.); and, (3) the wine is sold solely to the retailer for sale at the retailer's licensed premises. A licensed winegrower cannot sell wine at its licensed premises that is custom crushed for a retailer.

Other Requirements

A winegrower must be issued a Bonded Winery ("BW") permit by the Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov) to produce and blend wine (Section 23770). Because TTB has adopted a "paperless" system for the issuance of permits, the Department no longer requires an applicant for a Type 02 license to submit copies of federal paperwork when applying for this license. However, the Department cannot issue the Type 02 license until the TTB has issued the BW permit. There is one exception to this requirement: Sake producers must apply for a winegrower license. However, TTB treats sake manufacturers like breweries and requires the sake manufacturer to file a Brewer's Notice with TTB. Therefore, TTB will not issue a BW permit to a sake manufacturer.

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

Grandfather Privileges

Before September 17, 1965, winegrower licenses were issued both to persons who operated wineries and to those who operated bonded wine cellars. Winegrowers were permitted to have an unlimited number of duplicate licenses for premises at which they sold wine to consumers. With the changes in the law effective at that time, Section 23356.7 was passed which permitted the holders of winegrower and duplicate winegrower licenses to continue to operate as they had previously and made such licenses transferable with "grandfathered" privileges. An Attorney General's Opinion, dated May 11, 1967, interprets the section to mean that a winegrower holding one or more duplicate winegrower licenses before September 17, 1965, cannot obtain additional duplicate licenses where sales to consumers will be made (Sections 23390 and 23390.5). The opinion also holds that a winegrower who produced more than 50% of the wine sold to consumers on his/her licensed premises before that date must continue to do so (Section 23358).

Duplicate Licenses for Branch Office Operations

Pursuant to Section 23390, the Department may issue to a winegrower a duplicate of its original license for a location or locations other than its licensed premises of production or manufacture. Posting of the branch office premises is required.

A licensed winegrower may exercise all of the privileges under its manufacturer's license at branch offices or warehouses licensed by the Department, except for production or manufacture, the sale of wine or brandy, manufactured by someone else, to consumers for consumption on the premises in a bona fide eating place, and the sale or delivery of wine in containers supplied by the consumer.

No licensed winegrower shall sell wine or brandy to consumers or engage in winetasting activities at more than one licensed branch premises (Section 23390.5). A licensed winegrower may exercise these privileges at one licensed branch premises per active master license.

BRANDY MANUFACTURER - TYPE 03

Introduction

The following pertains to brandy manufacturer licenses, and to duplicate brandy manufacturer licenses issued after September 17, 1965. The differences in regard to duplicate licenses issued before that date will be included in the discussion of duplicate licenses. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

A brandy manufacturer license authorizes the holder to manufacture only brandy and not other distilled spirits (Section 23014). Brandy is made by the distillation of wine or fermented fruit. TTB regulations define "brandy."

Privileges and Limitations

A brandy manufacturer may exercise the privileges listed in Section 23356. In addition to those privileges, the licensee may sell both brandy and wine to any person having a license authorizing the sale of brandy and wine (Section 23360). A brandy manufacturer may also sell these products to consumers for consumption off the licensed premises; provided that the manufacturer is permitted to sell only wine or brandy which is produced or bottled by the manufacturer; or wine or brandy which is produced for, or is produced and packaged for, the manufacturer and is sold under a brand name owned by it when selling to consumers (Section 23358.2). The licensee may conduct tastings of brandy produced or bottled by, or produced and bottled for, the manufacturer to consumers on its licensed premises (Section 23363.3). A brandy manufacturer may sell grape brandy, fruit brandy, or spirits of wine to winegrowers for use in the production of wine; for the manufacture of alcohol for the United States Government; and for sale to consumers for consumption off the premises (Section 23361). This license alone does not authorize the possession of a still. A Still (Type 06) license is necessary (Section 23367). A brandy manufacturer may solicit the sale of brandy on behalf of any licensee authorized to sell brandy for resale (Section 23366.5). The licensee may sell brandy for non-beverage use to the trades, professions and industries (Section 23385).

A brandy manufacturer may sell for export in accordance with Rule 54. A licensee who wants to export brandy to another state should check the regulations of the state into which the licensee will ship because the regulations of individual states vary greatly. Many require the shipper to hold an importer license or an out-of-state manufacturer's license in their state before a shipment may be made into it.

A brandy manufacturer may sell to federal areas and veterans' homes (Section 23384).

A brandy manufacturer may give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a).

A brandy manufacturer, or its designated representative, may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of brandy may not exceed one-fourth of one ounce (Section 25503.57).

A brandy manufacturer, or its designated representative, may conduct instructional tasting events for consumers at premises licensed with an off-sale general license if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of brandy may not exceed one-fourth of one ounce (Sections 23396.6 and 25503.56).

If a brandy manufacturer imports brandy and has no other license permitting the sale of distilled spirits, he/she should apply for a brandy importer license (Type 11).

The hours of delivery and sale of brandy by brandy manufacturers to retailers are between 3 a.m. and 8 p.m. on any day other than Sunday. This licensee may sell wine or brandy at the licensed premises from the platform at any time (Section 25633).

The licensee must keep records of manufacturing, importation, sales, and distribution of brandy for a period of three years from the date of the transaction (Section 25752). Invoices must be prepared and retained in compliance with Rule 17.

Returns and exchanges of wine must be handled in accordance with Section 23104.1. Returns and exchanges of brandy are handled as for other distilled spirits in accordance with Section 23104.3.

Tied-House

A brandy manufacturer is generally prohibited from holding any ownership, directly or indirectly, in an on-sale license (Section 25500) or an off-sale license (Section 25502).

A licensed brandy manufacturer may hold both off-sale beer and wine and off-sale general licenses (Section 23362).

A licensed brandy manufacturer may hold an interest in on-sale licenses under the exceptions provided for in Sections 25503.11, 25503.16, 25503.17, 25503.18, 25503.19, 25503.20, 25503.29 and 25503.37.

Subject to the restrictions of Sections 25503.10 and 25503.2, this type of licensee may lease real property to retail licensees.

There is no tied-house prohibition against a brandy manufacturer holding wholesaler, rectifier, manufacturer, or other supplier-type licenses.

The applicant for a brandy manufacturer license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

Importations of alcoholic beverages must come to rest at the importer's premises or the premises of a licensed public warehouse for the account of a brandy manufacturer who must also hold an importer license (Section 23661). Deliveries of wine to authorized purchasers may be made from his/her licensed premises or from a licensed public warehouse (Section 24041). Deliveries of brandy must be made from the licensed premises. Deliveries of brandy to retailers may also be made from a public warehouse licensed by this Department in the same county as the licensed premises (Section 23355.1).

Tax-paid wine may be stored any place in the State without the need for any additional license. If a brandy manufacturer stores brandy off the licensed premises, it must be stored at a licensed public warehouse or a premises where a private warehouse permit is in effect (Sections 23035 and 23106).

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

Duplicate Licenses for Branch Office Operations

Pursuant to Section 23390, the Department may issue to a brandy manufacturer a duplicate of its original license for a location or locations other than its licensed premises of production or manufacture. Posting of the branch office premises is required.

A licensed brandy manufacturer may exercise all of the privileges under its manufacturer's license at branch offices or warehouses licensed by the Department, except for production or manufacture.

No licensed brandy manufacturer shall sell brandy to consumers or engage in brandy tasting activities at more than one licensed branch premises (Section 23390.5). A licensed brandy manufacturer may exercise these privileges at one licensed branch premises per active master license.

DISTILLED SPIRITS MANUFACTURER - TYPE 04

Introduction

The following pertains to new distilled spirits manufacturer licenses issued after September 18, 1959. Any differences in privileges in regard to licenses originally issued before that date will be found under "Privileges and Limitations" below. See "General Information" for a discussion of non-retail licenses and related topics.

The production of distilled spirits for personal/household use is prohibited by law. The Department will not issue a distilled spirits manufacturer license for this purpose.

Definitions and Functions

The Act defines a distilled spirits manufacturer as "...any person who produces distilled spirits from naturally fermented materials or in any other manner." However, "distilled spirits manufacturer" shall not include a winegrower that produces spirits of wine, provided the spirits of wine are blended into wine produced by the winegrower, are sold to an industrial alcohol dealer, or are destroyed by the winegrower. (Section 23015). The privileges of this type of license, in addition to that of production, include packaging, bottling, rectifying, flavoring and others as found within Section 23356. The privileges apply only to distilled spirits. They do not include wine or beer.

A distilled spirits manufacturer must manufacture distilled spirits at each premises where a Type 04 license is issued. There is no provision in the ABC Act that authorizes the issuance of a duplicate distilled spirits manufacturer license for branch office operations.

Privileges and Limitations

A distilled spirits manufacturer license authorizes the holder to exercise all the privileges found in Section 23356. This license does not automatically include the privilege of possessing a still. A separate Still license (Type 06) is required for each still located upon the premises (Section 23367).

A distilled spirits manufacturer who was licensed in this State prior to September 18, 1959 and was selling distilled spirits to retailers prior to that date may continue to do so (Section 23363). A distilled spirits manufacturer licensed after September 18, 1959, can sell only brandy to retailers. The licensee may sell distilled spirits packaged by or for it only to distilled spirits wholesalers, other distilled spirits manufacturers, distilled spirits manufacturer's agents, rectifiers, and craft distillers (Sections 23502, 23356, and 23363). The manufacturer may <u>not</u> sell to the military (Section 23384). It may, however, sell industrial spirits or non-beverage spirits to non-licensees for use in the trades, professions or industries, and the containers or packages must be larger than one gallon (Section 23385).

A distilled spirits manufacturer may <u>store</u> distilled spirits in a licensed public or approved private warehouse located in the same county as the manufacturer's licensed premises (Section 23106). <u>Deliveries</u> of distilled spirits must be made from the licensed premises. The manufacturer may deal in distilled spirits warehouse receipts and may transfer title of distilled spirits stored in certain specified warehouses located within the State (Sections 23383 and 23356).

Except as provided by Section 23363, a distilled spirits manufacturer may not sell distilled spirits to retail licensees. The licensee may not solicit a consumer to purchase from specific retailers (Section 23366.1). A distilled spirits manufacturer may give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a). The licensee may not accept orders from retailers. The manufacturer's relationship is generally limited to advertising, stocking & shelving activity, providing certain hospitality, and presenting instructional/educational courses (Sections 25503.1, 25503.2, 25503.3, and 25503.5).

A distilled spirits manufacturer may sell for export in accordance with Rule 54.

A distilled spirits manufacturer may conduct courses of instruction on the subject of distilled spirits for licensees and their employees and may furnish distilled spirits for use with the instructional course (Section 25503.5).

A distilled spirits manufacturer, or its designated representative, may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A single tasting of distilled spirits may not exceed one-fourth of one ounce (Section 25503.57).

A distilled spirits manufacturer, or its designated representative, may conduct instructional tasting events for consumers at premises licensed with an off-sale general license if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of distilled spirits may not exceed on-fourth of one ounce (Sections 23396.6 and 25503.56).
A distilled spirits manufacturer may conduct tastings of distilled spirits produced or bottled by, or produced and bottled for, the manufacturer to consumers on the licensed premises of the manufacturer (Section 23363.1).

Records of sale and other expenses incurred within the State must be maintained at the licensed premises (Section 25752).

Tied-House

A distilled spirits manufacturer may hold no interest in any distilled spirits license other than a distilled spirits importer license or a distilled spirits manufacturer's agent's license (Section 23771). This licensee may not hold any interest in a craft distiller's license (Section 23772).

A distilled spirits manufacturer is generally prohibited from having any interest, directly or indirectly, in an on-sale or off-sale license (Sections 25500 and 25502).

A licensed distilled spirits manufacturer may hold an interest in on-sale licenses under the exceptions provided for in Sections 23772, 25500, 25503.11, 25503.16, 25503.17, 25503.18, 25503.19, 25503.20, 25503.29, and 25503.37.

Subject to the restrictions of Sections 25503.10 and 25503.21, this type of licensee may lease real property to retail licensees.

Demo 1 - Attachment B

The applicant for a distilled spirits manufacturer license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

The equipment and materials required of a distilled spirits manufacturer are specified by the Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov).

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

DISTILLED SPIRITS MANUFACTURER'S AGENT - TYPE 05

Introduction

A distilled spirits manufacturer's agent license is most frequently issued to an agent of an out-of-state distillery, although it may be issued in the name of the distillery itself. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

Most commonly, a distilled spirits manufacturer's agent promotes the products and does missionary work for an out-of-state distiller. A licensed distilled spirits manufacturer's agent may also hold a distilled spirits manufacturer license.

Privileges and Limitations

A distilled spirits manufacturer's agent may represent one or more out-of-state distillers and may solicit sales from licensed distilled spirits manufacturers, rectifiers, or distilled spirits wholesalers (Section 23366). In addition to promotional activity, the licensee may also cut, blend, mix, flavor, and bottle distilled spirits at the licensed premises (Section 23366) and may export in accordance with Section 23107 and Rule 54 without the necessity of any additional license. However, the licensee must hold a distilled spirits importer license in order to import (Section 23775). Storage of distilled spirits may be made in any licensed public warehouse or a private warehouse approved by the Department (Sections 23106 & 23366). The licensee may transfer title of distilled spirits stored in certain specified warehouses within the State (Section 23383). Deliveries must be made from the licensed premises. A distilled spirits manufacturer's agent may deal in warehouse receipts for distilled spirits (Sections 23381 & 23382). This license does not authorize sales to military reservations (Section 23384).

A distilled spirits manufacturer's agent may conduct courses of instruction on the subject of distilled spirits for licensees and their employees and may furnish distilled spirits for use with the instructional course (Section 25503.5).

A distilled spirits manufacturer's agent, or its designated representative, may instruct consumers at an on-sale retail licensed premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A sing tasting of distilled spirits may not exceed one-fourth of one ounce (Section 25503.57).

A distilled spirits manufacturer's agent, or its designated representative, may conduct instructional tasting events for consumers at premises licensed with an off-sale general license if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of distilled spirits may not exceed one-fourth of one ounce (Sections 23396.6 and 25503.56).

Distilled spirits manufacturer's agent licensees are restricted as to promotional relationships. Consumers may not be solicited in any way to purchase from a specific retailer (Section 23366.1). The licensee cannot solicit orders, except for California brandy, from retailers and deliver them to wholesalers or rectifiers (Section 23366.5). The licensee may give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a).

This licensee may sell for export in accordance with Rule 54.

A manufacturer's agent must keep records of sales and other expenses incurred within the State at his/her licensed premises (Section 25752).

Tied-House

A distilled spirits manufacturer's agent licensee may hold no interest in any distilled spirits license other than a distilled spirits importer license or distilled spirits manufacturer license. This licensee cannot hold any interest, directly or indirectly, in a craft distillers license (Section 23772).

A distilled spirits manufacturer's agent is prohibited from having any interest in an on-sale or off-sale license (Sections 25500 & 25502).

This licensee may hold interest in on-sale licenses under the exceptions provided for in Sections 23772, 25500, 25503.11, 25503.16, 25503.17, 25503.18, 25503.19, 25503.20, 25503.29, and 25503.37.

Subject to the restrictions of Sections 25503.10 and 25503.21, this type of licensee may lease real property to retail licensees.

The applicant for a distilled spirits manufacturer's agent license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

The type of premises will vary with the type of businesses the licensee will conduct. Nothing more than office space may be necessary if the licensee engages only in sales work. If the distilled spirits manufacturer's agent intends to bottle, cut, blend, etc., then all the facilities of a rectifier will be needed. If a residence will be the licensed premises, the license must be issued conditionally to allow Department employees to make inspections as for any other licensed business.

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

STILL - TYPE 06

Introduction

The following applies to still licenses used for the making of alcoholic beverages or capable of such use. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

The Act defines a still as "...any apparatus capable of being used for separating alcohol, or alcoholic vapors or solutions from alcohol or alcoholic solutions or mixtures ...." Stills used for laboratory purposes or stills used solely for producing distilled water or non-alcoholic beverages are exempt from licensing (Section 23034). A still license is not required to produce fuel alcohol. Check federal regulations (www.ttb.gov) if the still will be used to make fuel alcohol.

Privileges and Limitations

The license only authorizes ownership or possession of an alcoholic beverage still. It does not authorize the sale of the finished product or use of the still for making alcoholic beverages or industrial alcohol. The Department does not issue still licenses to a person who does not also hold one of the below-listed "manufacturing-type" licenses.

As a practical matter, stills are used in connection with brandy manufacturer, distilled spirits manufacturer, rectifier, rectifier's general, and winegrower licenses (for the production of fortification brandy).

If a licensee possesses more than one still at the licensed premises a separate license is required for each still. In addition to manufacturing fortification brandy, a winegrower may possess a still to remove alcohol from wine.

Tied-House

There are no tied-house prohibitions against the holding of a still license itself. See the restrictions for other types of licenses held by a still licensee.

Other Requirements

Posting of the premises is not required for a still license.

The California Department of Tax and Fee Administration does not require an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit").

NOTE: Federal law requires every person having possession, custody or control of any still to register the still, except if the still is not used or intended for use in the distillation, redistillation or recovery of distilled spirits.

RECTIFIER - TYPE 07

Introduction

This license is required for the rectification of distilled spirits. This license also permits the rectification of wine. See “General Information” for a discussion of non-retail licenses and related topics.

Definitions and Functions

This licensee is authorized to cut, blend, rectify, mix, flavor and color distilled spirits and wine upon which excise tax has been paid and, whether rectified by the licensee or another person, to package, label, export and sell the products to persons holding licenses authorizing the sale of distilled spirits (Section 23368). This licensee may not sell wine to a person who does not hold a license that authorizes the sale of distilled spirits. “Rectifier” does not include an on-sale licensee that colors, flavors, or blends distilled spirits or wine products on the on-sale licensed premises to be consumed on the licensed premises. (Section 23016).

A rectifier may also elect to perform the functions of a distilled spirits wholesaler, but when doing so must comply with all of the provisions applicable to a distilled spirits wholesaler (Section 23371 and Rule 28).

Privileges and Limitations

A rectifier may sell to military reservations (Section 23384). The licensee may sell for export in accordance with Rule 54.

A rectifier may sell industrial spirits for use in the trades, professions, or industries and not for beverage use (Section 23385).

A rectifier may give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a).

A new license must be obtained for each additional premises (Section 24041).

A rectifier, or its designated representative, may instruct consumers at on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A single taste of distilled spirits may not exceed one-fourth of one ounce. A single taste of wine may not exceed one ounce (Section 25503.57).

A rectifier, or its designated representative, may conduct instructional tasting events for consumers at off-sale licensed premises if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A single taste of distilled spirits may not exceed one-fourth of one ounce. A single tasting of wine may not exceed one ounce (Sections 23396.6 and 25503.56).

Deliveries must be made from the licensed premises. There is an exception in Section 23355.1 that permits the delivery of distilled spirits to retailers from a licensed public warehouse which is located in the county in which the rectifier is licensed (Section 23355.1).

This licensee may deal in warehouse receipts (Section 23381). A rectifier may not keep cash deposits from retailers for future delivery of distilled spirits (Section 23780) and may not store distilled spirits for a retailer. This licensee must maintain records at the licensed premises of all importation, sale and distribution of distilled spirits (Section 25752). Such records shall include invoices for every sale of distilled spirits to another licensee (Rule 17).

Tied-House

A rectifier's license may not be held by any person who manufacturers distilled spirits. This licensee may not hold any interest in a distilled spirits manufacturer, distilled spirits manufacturer's agent or craft distiller's license (Sections 23771, 23772 and 23502). A rectifier may not hold a wine rectifier's license (Section 23372).

A rectifier is prohibited from holding any interest in any retail on-sale or off-sale license (Sections 25500 and 25502).

A licensed rectifier may hold interest in on-sale licenses as under the exceptions provided for in Sections 25503.11, 25503.16, 25503.17, 25503.18, 25503.19, 25503.20, 25503.29 and 25503.37.

Subject to the restrictions of Sections 25503.10 and 25503.21, this licensee may lease real property to retail licensees.

The applicant for a rectifier license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

The premises must contain tanks for holding distilled spirits and must be equipped with bottling machinery.

In order to qualify for this type of license, an applicant must actually be engaged in bottling at the time the license is issued or within 30 days thereafter. This license may not be renewed if the licensee is not actively engaged in bottling. A rectifier must own 50% of the total distilled spirits that it bottles (Section 23369).

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

WINE RECTIFIER - TYPE 08

Introduction

Historically, the wine rectifier license is one of very limited use. A rectifier license (Type 07) includes wine rectification privileges in addition to allowing distilled spirits rectification privileges. A wine blender license allows most of the same privileges as the wine rectifier license. It is important to note that a wine rectifier may deal only in "tax-paid" wine, unlike a wine blender who may possess "in-bond" (non-tax paid) wine. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

A wine rectifier license authorizes the person to whom issued to cut, blend, mix, flavor, or color wine upon which excise tax has been paid, and whether so cut, blended, rectified, mixed, flavored, or colored by the licensee, or any other person, to package, label, export, and sell the products to persons holding licenses authorizing the sale of wine (Section 23372).

Privileges and Limitations

A wine rectifier may exercise the privileges set forth in Section 23372. This licensee may give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a). A wine rectifier may not engage in winetastings (Section 23355 and Rule 53).

A wine rectifier may sell for export in accordance with Rule 54 (Section 23372).

Wine rectifiers may sell to federal areas and veterans' homes in accordance with Section 23384.

There are certain restrictions regarding wine bottle shape and labeling (Sections 25235 to 25246).

The hours of sale and delivery by wine rectifiers to retailers are between 3 a.m. and 8 p.m. Monday through Saturday. Delivery of wine may be made at the platform of the licensed premises to on-sale or off-sale licensees at <u>any time</u> (Section 25633).

Returns and exchanges of wine must be handled in accordance with Section 23104.1.

A wine rectifier, or its designated representative, may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of wine may not exceed one ounce (Section 25503.57).

A wine rectifier, or its designated representative, may conduct instructional tasting events for consumers at off-sale licensed premises if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of wine may not exceed one ounce (Sections 23396.6 and 25503.56).

Tied-House

A wine rectifier may hold no interest in any off-sale or on-sale license (Section 23372).

A licensed wine rectifier may hold interest in on-sale licenses under the exceptions provided for in Sections 25503.11, 25503.16, 25503.17, 25503.18, 25503.19, 25503.20, 25503.29 and 25503.37.

Subject to the restrictions of Sections 25503.10 and 25503.21, this type of licensee may lease real property to retail licensees.

The supplier-type licenses which a wine rectifier may hold are limited to a beer and wine importer license, a distilled spirits manufacturer license, or a distilled spirits manufacturer's agent license (Sections 23355 and 23372).

The applicant for a wine rectifier license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

Importations of wine must come to rest at the licensee's premises or the premises of a licensed public warehouse for the account of the wine rectifier who must also hold an importer license (Section 23661). Deliveries of wine sold by a wine rectifier must be made only from the licensed premises. Wine may also be delivered from a licensed public warehouse if the wine rectifier holds an importer license (Section 24041).

The equipment required by the Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov) for this type of license will satisfy the requirements of the Department.

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

BEER AND WINE IMPORTER - TYPE 09

Introduction

This license is only issued to a person who holds another type of license which permits the sale of beer and/or wine <u>for resale</u>. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

An importer is defined as any consignee of alcoholic beverages brought into the State for use in this State, or any person to whom delivery of an importation is made, or any person bringing alcoholic beverages into this State for use in this State (Section 23017). This license has no sale privileges. It only permits the holder to import and export alcoholic beverages and to transfer the beverages to itself under another license (Section 23374).

Privileges and Limitations

This license may only be issued to a person who holds a license authorizing the sale for resale of the type of alcoholic beverages mentioned in the license (Section 23775). A person who only holds a retail license <u>does not</u> qualify for an importer license.

All importations of alcoholic beverages must be brought into this State by a common carrier and must be consigned to the importer at the licensed premises, or to the importer or customs broker at the premises of a licensed public warehouse (Section 23661).

This licensee may have an importation of beer or wine reconsigned to them by the consignor or consignee while the shipment is still in the possession of the common carrier (Section 23662).

An importer, upon receiving an importation of beer or wine, must show their license to the common carrier and must furnish the common carrier with a receipt for the imported shipment (Section 23667 and Rule 8). Refusal to comply shall result in seizure of the importation by the State (Section 23668).

Tied-House

This license, in general, has the same tied-house restrictions as all other supplier-type licenses. However, a winegrower or brandy manufacturer who holds an off-sale general license may not hold an importer license because of the provisions of Section 25502.

Premises

The premises requirements are those of the other supplier-type licenses which the licensee must hold.

Other Requirements

No posting of the premises is necessary if only an application for this type of license is made.

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

Applicants who intend to import beer should be aware of the provisions of Section 23671 which requires all out-of-state vendors of beer to hold a Certificate of Compliance. It is illegal to receive a shipment of beer from outside this state unless the shipper holds a valid Certificate of Compliance.

Additionally, if the beer to be imported is manufactured by a brewery located in the United States, which does not also manufacture beer in California, that manufacturer must hold a valid Out-of-State Beer Manufacturer's Certificate (Section 23357.1 and Rule 132).

It is the responsibility of the district office to properly inform applicants for this license type of the restrictions on importing beer from outside the State. The applicant shall be given Form ABC-579 which sets forth these requirements and provides other useful information. The licensing representative shall check the ABC-579 box and provide their name and the date the form was provided to the applicant on Form ABC-257-NR (Reverse) to show that this information was provided to the applicant.

BEER AND WINE IMPORTER'S GENERAL - TYPE 10

Introduction

This type of license is one frequently issued to agents for out-of-state breweries or wineries who refer to themselves as "brokers." Such agents differ greatly from true brokers as is shown in the functions they perform. This license should also be held by companies representing manufacturers/suppliers where such companies have a physical presence in California. This presence may consist of a regional sales office or one person/employee working out of his/her home while performing general missionary work. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

Section 23374.6 authorizes the person to whom this license is issued to become an importer of beer or wine and to sell State tax-paid beer and wine to beer manufacturers, winegrowers, beer and wine wholesalers, wine rectifiers, and other beer and wine importer's general licensees. Importing beer and wine is a privilege, not a requirement, of this license type.

Privileges and Limitations

A beer and wine importer's general licensee may <u>not</u> sell to retailers or non-licensees. The licensee may <u>not</u> sell to military reservations since this license type is not included in Section 23384. The licensee may deal in warehouse receipts. In limited circumstances, the licensee need not take delivery of any alcoholic beverages but may take orders and have shipments made to importers directly from outside California. If the holder of this license sells beer and/or wine to authorized customers in this state then this licensee must take title to, and physical possession of, the alcoholic beverages.

This licensee may sell for export in accordance with Rule 54.

A beer and wine importer's general license may be issued to a person who enters into a custom brew contract with a licensed beer manufacturer or a custom crush contract with a licensed winegrower. The licensee may refer to themselves as a "brewery", "winery" or "virtual" brewery or winery; however, the privileges of this license are significantly different than those of a beer manufacturer or winegrower license.

A beer and wine importer's general licensee may give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a). This licensee may not conduct winetastings per Rule 53. The licensee may conduct beer tastings in accordance with Section 25503.55 at on-sale licensed premises. The licensee may also conduct instructional tasting events at off-sale licensed premises that hold a Type 86 license provided such events comply with Section 25503.56.

A beer and wine importer's general licensee may instruct consumers on the subject of <u>beer</u> at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more eight (8) ounces of beer per individual in one day. Tastes of beer must be served in an individual glass or cup (Section 25503.55).

A beer and wine importer's general, or its designated representative, may instruct consumers on the subject of wine at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings of wine per individual in one day. A taste of wine shall not exceed one ounce (Section 25503.57).

A beer and wine importer's general, or its designated representative, may conduct instructional tasting events for consumers at off-sale licensed premises if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than eight (8) ounces of beer to any individual in one day or not more than three tastings of wine per individual in one day. A taste of wine shall not exceed one ounce (Sections 23396.6 and 25503.56).

The holder of a beer and wine importer's general license, or any director, partner, officer, agent or representative of that person, may conduct and advertise beer promotional lectures ("Beer Maker Dinners") at on-sale retail licensed premises under specified conditions (Section 25503.45).

Tied-House

In general, a beer and wine importer's general licensee may not have any interest, directly or indirectly, in any on-sale license or off-sale license (Sections 25500 & 25502). There is no prohibition against a beer and wine importer's general licensee holding any other supplier-type license. If this licensee applies for a Type 17 license, the Type 10 license should be relinquished and a Type 09 license obtained.

A beer and wine importer's general licensee may hold a retail package off-sale beer and wine license provided that the importer sells wine and no other alcoholic beverages at or from the retail premises (Section 23378.2).

A beer and wine importer's general licensee may hold interest in on-sale licenses under the exceptions provided for in Sections 25503.11, 25503.16, 25503.17, 25503.18, 25503.19, 25503.20, 25503.29 and 25503.37.

Subject to the restrictions of Sections 25503.10 and 25503.21, this type of licensee may lease real property to retail licensees.

The applicant for a beer and wine importer's general license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

A warehouse location is necessary if this licensee is taking title to alcoholic beverages in this State. Storage of tax paid beer and wine may be made anywhere in the State without holding an additional license (Section 23106). Except as provided in Section 23383, the delivery of beer must occur from the licensed premises. The delivery of wine may be made from the licensed premises or from a licensed public warehouse (Section 24041).

If an applicant for this type of license is solely conducting missionary type activities in California, such as marketing and attending events, then a warehouse is not needed.

Beer Price Posting

A beer and wine importer's general licensee must file prices for beer sold in California (Section 25000). If this licensee sells beer to wholesalers, territorial limits must be designated within which those wholesalers may distribute the beer (Section 25000.5). The California Department of Resources Recycling and Recovery ("CalRecycle") has specific requirements concerning malt beverage container labeling as mandated by the Beverage Recycling and Litter Reduction Act. Applicants should be referred to CalRecycle for additional information: http://www.calrecycle.ca.gov/bevcontainer/

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

Applicants who intend to import beer must be apprised of the provisions of Section 23671 which requires all out-of-state vendors of beer to hold a Certificate of Compliance. It is illegal to receive a shipment of beer from outside this state unless the shipper holds a valid Certificate of Compliance.

Additionally, if the beer to be imported is manufactured by a brewery located in the United States, which does not also manufacture beer in California, that manufacturer must hold a valid Out-of-State Beer Manufacturer's Certificate (Section 23357.1, Rule 132).

It is the responsibility of the district office to properly inform applicants for this license type of the price posting, beer brand registration and territorial agreement requirements if the applicant intends to deal in beer. The applicant shall be given Form ABC-579 which sets forth these requirements and provides other useful information. The licensing representative shall check the ABC-579 box and provide their name and the date the form was provided to the applicant on Form ABC-257-NR (Reverse) to show that this information was provided to the applicant.

BRANDY IMPORTER - TYPE 11

Introduction

This license is only issued to a person who holds another type of license which permits the sale of brandy for resale. However, this license may not be issued to a California Brandy Wholesaler (Type 25) licensee (Section 23378.1). See “General Information” for a discussion of non-retail licenses and related topics.

Definitions and Functions

Brandy is included in the definition of distilled spirits (Section 23005). Brandy is an alcoholic beverage distilled from wine or fermented fruit juices.

An importer is defined as any consignee of alcoholic beverages brought into the State for use in this State, or any person to whom delivery of an importation is made, or any person bringing alcoholic beverages into this State for use in this State (Section 23017). This license has no sale privileges. It only permits the holder to import and export alcoholic beverages and to transfer the beverages to itself under another license (Section 23374).

Privileges and Limitations

Section 23775 authorizes issuance of an importer license only to a person or manufacturer who holds a license authorizing the sale for resale of the types of alcoholic beverages mentioned in the importer license. This license <u>cannot</u> be held alone.

This license is usually issued to the holder of a brandy manufacturer license and, less frequently, to a winegrower.

All importations of alcoholic beverages must be brought into this State by a common carrier and must be consigned to the importer at his licensed premises or to the importer or customs broker at the premises of a public warehouse licensed by this Department (Section 23661).

This licensee may have an importation of brandy reconsigned to it by the consignor or consignee while the shipment is still in the possession of the common carrier (Section 23662).

Such importation must come to rest at the importer’s premises or the premises of an authorized warehouse before delivery is made to a retailer (Section 23672).

A brandy importer, or its designated representative, may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of brandy may not exceed one-fourth of one ounce (Section 25503.57).

A brandy importer, or its designated representative, may conduct instructional tasting events for consumers at premises licensed with an off-sale general license if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of brandy may not exceed one-fourth of one ounce (Section 25503.56).

Tied-House

This license, in general, has the same tied-house restrictions as the other supplier-type licenses which the licensee must have. However, a winegrower or brandy manufacturer who holds an off-sale general license may not hold a brandy importer license because of the provisions of Section 25502.

Premises

The premises requirements are the same as for the other supplier-type licenses which the licensee must hold.

Other Requirements

If only a brandy importer license is applied for no posting notice is necessary.

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

Applicants for brandy importer licenses should be aware of the provisions of Sections 23366.2 and 23366.3 which require all out-of-state shippers of distilled spirits to hold a Type 28, Out-of-State Distilled Spirits Shipper's Certificate. It is unlawful for a distilled spirits importer to import distilled spirits from a person or company that does not hold a valid shipper's certificate. It is the responsibility of the district office to provide an applicant for this license type with Form ABC-413 and Form ABC-414. The licensing representative shall check the ABC-413 and ABC-414 boxes and provide their name and the date the forms were given to the applicant on Form ABC-257-NR (Reverse) to show that this information was provided to the applicant.

DISTILLED SPIRITS IMPORTER - TYPE 12

Introduction

This license is only issued to a licensee who has another type of non-retail distilled spirits license. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

An importer is defined as any consignee of alcoholic beverages brought into this State for use in this State, or any person to whom delivery of an importation is made, or any person bringing alcoholic beverages into the State for use in this State (Section 23017). This license has no sale privileges. The license only permits the holder to import and export alcoholic beverages, and to transfer the beverages to itself under another license (Section 23374).

Privileges and Limitations

This license may only be issued to a person or manufacturer who holds a license authorizing the sale for resale of the type of alcoholic beverages mentioned in the license (Section 23775).

All importations of alcoholic beverages must be brought into this State by a common carrier and must be consigned to the importer at the licensed premises or to the importer or customs broker at the premises of a public warehouse licensed by this Department (Section 23661).

This licensee may have an importation of distilled spirits reconsigned to it by the consignor or consignee while the shipment is still in the possession of the common carrier (Section 23662).

Upon receiving an importation of distilled spirits an importer must show his/her license to the common carrier and must furnish the common carrier with a receipt for the imported shipment (Section 23667, Rule 8). Refusal to comply shall result in the forfeiture of the distilled spirits to the State (Section 23668).

Distilled spirits imported into this State must come to rest at the importer's premises or the premises of an authorized warehouse before delivery is made to a retailer (Section 23672).

Tied House

This license, in general, has the same tied-house restrictions as the other distilled spirits licenses which the license holder must also have.

A licensed craft distiller may hold a Type 12 license provided the distilled spirits imported by the licensee shall only be used by the craft distiller to manufacture or produce distilled spirits pursuant to Section 23502 (Section 23771.5).

Premises

The premises requirements are the same as for the other type of license(s) which the licensee must hold.

Other Requirements

If an application for this type of license is made by the current holder of a distilled spirits license, no posting of the premises is necessary.

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

Applicants for distilled spirits importer licenses should be aware of the provisions of Sections 23366.2 and 23366.3 which require all out-of-state shippers of distilled spirits to hold a Type 28, Out-of-State Distilled Spirits Shipper's certificate. The applicant should be familiar with Forms ABC-413 and ABC-414. It is unlawful for a distilled spirits importer to import distilled spirits from a person or company that does not hold a valid shipper's certificate.

It is the responsibility of the district office to provide an applicant for this license type with Form ABC-413 and Form ABC-414. The licensing representative shall check the ABC-413 and ABC-414 boxes and provide their name and the date the forms were given to the applicant on Form ABC-257-NR (Reverse) to show that this information was provided to the applicant.

DISTILLED SPIRITS IMPORTER'S GENERAL - TYPE 13

Introduction

This type of license is one most frequently issued to agents for out-of-state rectifiers, distilleries, or distilled spirits import companies. Such agents differ greatly from true brokers as is shown in the functions they perform. This license may also be held by companies representing manufacturers/suppliers where such companies have a physical presence in California. This presence may consist of a regional sales office or one person/employee working out of his/her home while performing general missionary work. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

A distilled spirits importer's general license authorizes the person to whom issued to become an importer of distilled spirits and to sell distilled spirits to distilled spirits manufacturers, distilled spirits manufacturer's agents, distilled spirits wholesalers, rectifiers and to other distilled spirits importer's general licensees (Section 23374.5). Importing distilled spirits is a privilege, not a requirement, of this license type.

Privileges and Limitations

A distilled spirits importer's general licensee may not sell to retailers or non-licensed persons. This licensee may not sell to military reservations since he/she is not included in Section 23384. The licensee may deal in warehouse receipts. If the holder of this license sells distilled spirits to authorized customers in this state then this licensee must take title to, and physical possession of, the alcoholic beverages.

This licensee may sell for export in accordance with Rule 54.

The licensee may give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a).

This licensee is not restricted as to hours or days of delivery since no sales are made to retailers (Section 25633).

Sales records and records of all expenditures incurred in the sale and distribution of distilled spirits must be maintained at the licensed premises (Section 25752).

The holder of this license may conduct courses of instruction for licensees and their employees on the subject of distilled spirits and may furnish distilled spirits for use with the instructional course (Section 25503.5).

A distilled spirits importer's general, or its designated representative, may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A single tasting of distilled spirits may not exceed one-fourth of one ounce (Section 25503.57).

A distilled spirits importer's general, or its designated representative, may conduct instructional tasting events for consumers at premises licensed with an off-sael general license if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A single tasting of distilled spirits may not exceed one-fourth of one ounce (Section 25503.56).

Tied-House

Generally, this type of license cannot be issued to any person who holds an interest, directly or indirectly, in an on-sale or off-sale general license (Section 23375.5).

A distilled spirits importer's general licensee may hold an off-sale beer and wine license provided that the importer sells wine and no other alcoholic beverages at or from the retail premises (Section 23378.2).

A distilled spirits importer's general licensee may hold interest in on-sale licenses under the exceptions provided for in Sections 25503.11, 25503.16, 25503.17, 25503.18, 25503.19, 25503.20, 25503.29 and 25503.37.

Subject to the restrictions of Sections 25503.10 and 25503.21, this type of licensee may lease real property to retail licensees.
If this licensee applies for a Type 18 license, the Type 13 license should be relinquished and a Type 12 obtained.

The applicant for a distilled spirits importer's general license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

A warehouse location is necessary if this licensee is taking title to alcoholic beverages in this State. Storage of distilled spirits may be made at the licensed premises, a licensed private warehouse, or a licensed public warehouse located within the same county as the licensed premises (Section 23106). Except as provided in Section 23383, the delivery of distilled spirits must occur from the licensed premises.

If an applicant for this type of license is solely conducting missionary type activities in California, such as marketing and attending events, then a warehouse is not needed.

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

Applicants for a distilled spirits importer's general license should be aware of the provisions of Section 23366.2 and 23366.3 which require all out-of-state shippers of distilled spirits to hold a Type 28, Out-of-State Distilled Spirits Shipper's certificate. It is unlawful for a distilled spirits importer's general to import distilled spirits from a person or company that does not hold a valid shipper's certificate.

It is the responsibility of the district office to provide an applicant for this license type with Form ABC-413 and Form ABC-414. The licensing representative shall check the ABC-413 and ABC-414 boxes and put their name and the date the forms were provided on Form ABC-257-NR (Reverse) to show that this information was provided to the applicant.

PUBLIC WAREHOUSE - TYPE 14

Introduction

A public warehouse license is required for a warehouseman who provides warehouse service for alcoholic beverage licensees. This is different from private warehouse permits. With a private warehouse permit, a licensee generally has a leasehold or ownership interest in the property and provides their own help at the private warehouse.

Definitions and Functions

The Act defines a public warehouse as "...any place licensed for the storage of, but not for sale of, alcohol, or alcoholic beverages, for the account of other licensees..." (Sections 23036 and 23375).

A public warehouse is one of the types of premises where importations may come to rest (Section 23661). It is also a place from which a distilled spirits wholesaler may make deliveries to retail licensees if the public warehouse is in the same county where the wholesaler is licensed (Section 23355.1). If the wholesaler's licensed premises is located in a different county, then the wholesaler must hold a second Type 18 license at the public warehouse to make deliveries of distilled spirits to retailers.

Privileges and Limitations

A public warehouse licensee stores alcoholic beverages for other licensees, not for itself. An application for a Type 14 must be taken on Form ABC-211. Posting of the premises is not required but a full and complete investigation is required.

The department may issue to the holder of a public warehouse license a duplicate of the original public warehouse license for each additional warehouse operated by the licensee, which authorizes the exercise of all privileges of the original public warehouse license at the additional warehouse or warehouses. The fee for a duplicate public warehouse license shall be one dollar ($1).

Tied-House

No tied-house prohibitions apply to this license per se. However, tied-house violations could occur if the Type 14 licensee holds other licenses. For example, a retail licensee holding a Type 14 license and storing alcoholic beverages for a non-retail licensee could result in prohibited activities, such as the retailer receiving something of value.

Premises

When a public warehouse licensee holds other licenses at the same location, the Type 14 premises must be physically separated from the premises where privileges of other licenses are exercised. No alcoholic beverages belonging to the Type 14 licensee, which are imported or sold under other licenses, may be stored within the Type 14 designated area.

Other Requirements

No federal basic permit is required but federal approval is necessary if the applicant also intends to become a U.S. Customs Bonded or I.R.S. Bonded warehouse.

CUSTOMS BROKER - TYPE 15

Introduction

Customs brokers are usually located near ports, airline facilities, or international borders. See "General Information" for a discussion of non-retail licenses and related topics.

Special Note

The Department's position concerning the need for a Type 15 license is as follows: Where a customs broker makes either entry or withdrawal in the licensee's own name, is identified as the responsible person, and has a possessory right, the possibility of unlawful diversion into the internal commerce of the State exists. Under these circumstances, the Department believes the licensee should be subject to State control and, therefore, licensed with the Type 15.

On the other hand, if the customs broker is solely engaged as an agent for licensed importers and if all entries and/or withdrawal documents disclose the licensed importer as the principal, the broker need not be licensed by this Department. However, the Department recommends that such persons apply for and hold Type 15 licenses to permit the flexibility needed to handle unforeseen circumstances requiring licensure.

Definitions and Functions

"Customs broker" means every person who is authorized to act as agent or broker for a person licensed as an importer or for a person whose place of business is without the State, in regard to the importing of alcoholic beverages into the State in United States internal revenue bond or in United States customs bond (Section 23019).

The principal function of a customs broker is handling the paperwork and paying the duty and excise taxes on behalf of his/her principals on imported merchandise.

Privileges and Limitations

This license authorizes the transfer to licensed importers of alcoholic beverages brought into this State in U.S. Internal Revenue bond or Customs bond and the exportation of the beverages. The holder may receive delivery of, possess, export and transfer such beverages to licensed importers.

This license also authorizes the possession and exportation of alcoholic beverages acquired from licensed manufacturers or winegrowers for export (Section 23376). A customs broker is required to show the license and issue a receipt to any common carrier delivering an importation of alcoholic beverages to him/her as a consignee at an authorized warehouse (Section 23667). Failure to comply with the above shall result in forfeiture of the shipment (Section 23668).

When a customs broker makes a withdrawal in its own name, and such withdrawal is <u>not</u> for transfer to a licensed importer, the customs broker must also hold an importer license.

Tied-House

This licensee's activities are directly related to importers. Importers are classified as suppliers. Therefore, a tied-house situation may exist if a customs broker also holds a retail license since suppliers are prohibited from giving money or other things of value (i.e., payments for broker services rendered) to retail licensees (Sections 25500 and 25502).

The applicant for a customs broker license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

The premises will generally consist of office space only. Warehouse space is not required. A posting notice is not required. Some customs brokers may also hold public warehouse licenses and operate customs bonded warehouses. If so, the premises must comply with the requirements of the particular license.

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

WINE BROKER - TYPE 16

Introduction

A wine broker is an independent contractor who acts as the agent in the sale of wine products. Typically, wine broker services are contracted by smaller wineries and wholesalers who cannot maintain their own in-house marketing representatives. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

A wine broker means every person, other than a sales representative who is regularly employed by a licensee, who engages as an agent in the sale or purchase of wine for or on behalf of another person for a fee or commission (Section 23020).

Privileges and Limitations

A wine broker may act in the purchase of wine on behalf of any person inside or outside the State authorized to buy wine for purposes of resale. A wine broker may act for any licensee in this State in the sale of wine, other than a retail licensee. A wine broker cannot act for a non-licensee in the sale of wine. The seller must be licensed in California before a wine broker may represent him/her (Section 23377).

A wine broker cannot buy or sell wine for its own account; take delivery or title to wine; or receive or store any wine in its own name in this State (Section 23377). The licensee may not import or export in its own name.

A wine broker is not authorized to furnish samples of wine or conduct winetastings (Rules 52 and 53).

A wine broker shall not sell or attempt to sell wine without first obtaining a bona fide authorization to do so from a person, other than a retail licensee, licensed to sell wine in this State (Section 23377).

A wine broker shall not buy or attempt to buy wine unless the licensee first has a bona fide offer to do so from a person within or without this State authorized to buy wine for resale (Section 23377).

Tied-House

This licensee's activities are usually directly related to supplier-type licensees. Therefore, a tied-house situation may exist if a wine broker also held a retail license since suppliers are prohibited from giving money or other things of value (i.e., payment for broker services rendered) to retail licensees (Sections 25500 and 25502). Wine brokers are not necessarily prohibited from holding other "supplier-type" licenses. Keep in mind that since a wine broker cannot take title to or possess wine in its own name, holding a beer and wine wholesaler license is problematic. Beer and wine wholesalers must take title to, and possession of, wine and engage in sales to retailers per Section 23779.

The applicant for a wine broker license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

In some jurisdictions, a wine broker may be permitted to operate out of their own residence.

Other Requirements

The California Department of Tax and Fee Administration does not require an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit").

BEER AND WINE WHOLESALER - TYPE 17

Introduction

The following pertains to beer and wine wholesalers generally. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

"Wholesale sale" means a sale of alcoholic beverages to any licensee for the purpose of resale (Section 23027). This license allows sales of beer and/or wine to other supplier-type licensees who are authorized to sell beer and/or wine for resale. A beer and wine wholesaler must operate in good faith a bona fide wholesale business by selling beer and/or wine to retail licensees in this State (Section 23779).

Privileges and Limitations

A beer and wine wholesaler license may be issued to a person who enters into a custom brew contract with a licensed beer manufacturer or a custom crush contract with a licensed winegrower. The licensee may refer to themselves as a "brewery", "winery" or "virtual" brewery or winery; however, the privileges of this license are significantly different from those of a beer manufacturer or winegrower license.

The licensee may sell and deliver beer and/or wine to non-licensees on federal reservations (Section 23384).

This type of license authorizes the holder to label, package and bottle wine, but <u>not</u> beer (Section 23379). The holder may also solicit orders for California wine on behalf of a licensee for sales to other licensees (Section 23366.5).

This licensee may deal in warehouse receipts (Section 23381). The licensee may distribute samples of beer and wine to licensees authorized to sell their product pursuant to Section 23386 and Rule 52(a).

This licensee must maintain records at his/her licensed premises of all importations, sales and distributions of beer (Section 25752). The licensee must also maintain invoice records of all sales of beer and wine to other licensees (Rule 17).

The licensee may also accept the return of beer and wine from retail licensees (Sections 23104.1 and 23104.2.)

This licensee may sell for export in accordance with Rule 54.

A licensed beer and wine wholesaler may conduct courses of instruction on the subject of beer to licensees and their employees and may furnish beer for use with the instructional course (Section 25503.5).

A beer and wine wholesaler may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than eight (8) ounces of beer per individual in one day. Tastes of beer must be served in an individual glass or cup (Section 25503.55).

A beer and wine wholesaler, or its designated representative, may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of wine may not exceed one ounce (Section 25503.57). This section shall not apply to a beer and wine wholesaler who also holds an off-sale beer and wine license.

A beer and wine wholesaler, or its designated representative, may conduct instructional tasting events for consumers at off-sale licensed premises if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than eight (8) ounces of beer to any individual in one day. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of wine shall not exceed one ounce (Sections 23396.6 and 25503.56). This section shall not apply to a beer and wine wholesaler who also holds an off-sale beer and wine license.

Tied-House

In general, a beer and wine wholesaler may not have any interest, directly or indirectly, in any on-sale or off-sale license (Sections 25500 and 25502).

A licensed beer and wine wholesaler may not have any interest in a craft distiller’s license (Section 23502).

A licensed beer and wine wholesaler may hold a retail package off-sale beer and wine license provided that the wholesaler sells wine and no other alcoholic beverages at or from the retail premises (Section 23378.2).

A licensed beer and wine wholesaler may hold an interest in on-sale licenses under the exceptions provided for in Sections 25503.11, 25503.16, 25503.17, 25503.18, 25503.19, 25503.20, 25503.22, 25503.29 and 25503.37.

Subject to the restrictions of Sections 25503.10 and 25503.21, this type of licensee may lease real property to retail licensees.

The applicant for a beer and wine wholesaler license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

As a general rule, the premises should contain warehouse space for storage.

The premises may consist of office space alone if the applicant elects to store the alcoholic beverages in a warehouse. Tax-paid beer and wine may be stored anywhere in the State without a license by the person furnishing or providing the storage space or any additional license or permit by the licensee (Section 23106).

The delivery of beer must be made from the licensed premises. The delivery of wine may be made from the licensed premises or from a licensed public warehouse (Section 24041).

Price Posting

A beer wholesaler must file schedules of selling prices for beer sold and distributed to customers in California, except for beer sold to consumers (Section 25000). A beer and wine wholesaler must have a territorial agreement with the manufacturer or brand owner prior to selling beer in this State (Section 25000.5). Territorial agreements and price schedules must be filed with Department Headquarters (Price Posting Unit). The California Department of Resources Recycling & Recovery (CalRecycle) also has specific requirements concerning malt beverage container labeling as mandated by the Beverage Container Recycling and Litter Reduction Act. Applicants should be referred to CalRecycle for additional information: http://calrecycle.ca.gov/bevcontainer/

It is the responsibility of the district office to properly inform applicants for a beer and wholesaler license of the price posting and territorial agreement requirements if the applicant intends to handle beer. The applicant shall be given Form ABC-579 which sets forth these requirements and provides other useful information. The licensing representative shall check the ABC-579 box and provide their name and the date the form was provided to the applicant on Form ABC-257-NR (Reverse) to show that this information was provided to the applicant.

Other Requirements

The California Department of Tax and Fee Administration does not require registration for this type of license.

DISTILLED SPIRITS WHOLESALER - TYPE 18

Introduction

The following pertains to distilled spirits wholesalers generally. However, specific mention will be made of certain "grandfather" privileges with regard to tied-house situations and in regard to sales of merchandise other than alcoholic beverages. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

"Wholesale sale" means a sale of alcoholic beverages to any licensee for the purpose of resale (Section 23027). This license allows sales of distilled spirits to other supplier-type licensees who are authorized to sell distilled spirits for resale. A distilled spirits wholesaler must operate in good faith a bona fide wholesale business by selling distilled spirits to retail licensees in this State (Section 23779).

Privileges and Limitations

This licensee may sell and deliver distilled spirits to non-licensees on federal reservations (Section 23384).

A distilled spirits wholesaler may give samples to licensees who are authorized to sell their product in accordance with Section 23386 and Rule 52(a). Deliveries to retailers are prohibited on Sundays. On all other days, deliveries must be made between 3:00 a.m. and 8:00 p.m. (Section 25633).

This licensee may deal in warehouse receipts (Section 23381). The licensee may not keep cash deposits from retailers for future deliveries of distilled spirits (Section 23780) and may not store distilled spirits for a retailer.

A distilled spirits wholesaler may conduct courses of instruction on the subject of distilled spirits for licensees and their employees and may furnish distilled spirits for use with the instructional course (Section 25503.51).

A distilled spirits wholesaler, or its designated representative, may instruct consumers at an on-sale retail licensed premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A single tasting of distilled spirits may not exceed one-fourth of one ounce (Section 25503.57).

A distilled spirits wholesaler, or its designated representative, may conduct instructional tasting events for consumers at off-sale premises licensed with an off-sale general license if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single tasting of distilled spirits may not exceed one-fourth of one ounce (Sections 23396.6 and 25503.56).

This licensee must maintain records at his/her licensed premises of the importation, sale and distribution of all distilled spirits (Section 25752). Such records shall include invoices for every sale of distilled spirits to another licensee (Rule 17).

This licensee may accept the return of distilled spirits from retail licensees (Section 23104.3).

Tied-House

This licensee may not hold any interest in a distilled spirits manufacturer license, a distilled spirits manufacturer's agent license or a craft distiller's license (Sections 23771 and 23772). In general, a distilled spirits wholesaler is prohibited from holding an interest in any retail on-sale license (Section 25500) or any off-sale license (Section 25502).

Generally, a distilled spirits wholesaler may hold an off-sale beer and wine license provided the wholesaler sells wine and no other alcoholic beverages at or from the retail premises (Section 23378.2).

An off-sale general license may be renewed or issued to a distilled spirits wholesaler in cities having populations of less than 50,000 by the 1940 federal census (Section 23777).

An on-sale license may be issued to a distilled spirits wholesaler in counties having a population of 15,000 or less (Sections 23776 and 23784). A distilled spirits wholesaler may hold interest in on-sale licenses under the exceptions provided for in Sections 25503.11, 25503.16, 25503.17, 25503.18, 25503.19, 25503.20, 25503.29 and 25503.37.

Subject to the restrictions of Sections 25503.10 and 25503.21, this type of licensee may lease real property to retail licensees.

The applicant for a distilled spirits wholesaler license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

The premises must have warehouse space large enough to maintain a reasonable stock of distilled spirits. However, the licensed premises may consist of office space alone when the licensee has leased space in a warehouse licensed by this Department and such space is sufficient to store 10% of the licensee's annual case volume or $100,000 worth of distilled spirits (Rules 28 and 76).

A new license must be obtained for each additional premises (Section 24041).

Deliveries of distilled spirits must be made from the wholesaler's licensed premises. There is an exception in Section 23355.1 that permits the delivery of distilled spirits to retailers from a licensed public warehouse in the same county in which the distilled spirits wholesaler is licensed.

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

INDUSTRIAL ALCOHOL DEALER - TYPE 19

Introduction

An industrial alcohol dealer sells alcohol for use in the trades, professions, and industries, but not for beverage use. See “General Information” for a discussion of non-retail licenses and related topics.

Definitions and Functions

An industrial alcohol dealer is one who sells ethyl alcohol or distilled spirits in packages of more than one gallon for use in the trades, professions, or industries, but not for beverage use (Sections 23022 and 23380). Undenatured ethyl alcohol is alcohol that is fit for beverage purposes as differentiated from *denatured* alcohol which is not fit for beverage purposes. Importation of distilled spirits is a privilege of this license. A separate Type 12 or Type 13 license is not required.

Privileges and Limitations

An industrial alcohol dealer may sell to off-sale licensees which are also pharmacies for use in prescriptions.

An industrial alcohol dealer may make deliveries at any time.

Tied-House

There are no tied house restrictions prohibiting an industrial alcohol dealer from holding retail licenses.

There are no tied-house restrictions prohibiting an industrial alcohol dealer from having interests in any other supplier-type licenses. If an industrial alcohol dealer has interest in a non-retail license, it could affect the holding of retail license interests.

The applicant for an industrial alcohol dealer license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

Generally, the licensee will sell and make deliveries from the licensed premises.

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

WINE BLENDER - TYPE 22

Introduction

The following pertains to new wine blender licenses issued on and after February 3, 1968. Any differences in regard to licenses issued before that date will be summarized under the heading of Grandfather Privileges. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

A wine blender is a person authorized to operate a bonded wine cellar pursuant to a basic permit issued by the Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov) who does not have facilities or equipment for the conversion of fruit into wine and does not engage in the production of wine (Section 23013.5). Wine must be made from the fermentation of agricultural products to which may be added brandy which is distilled from the same agricultural product from which the wine is made. No other type of distilled spirits may be used to fortify wine. No more than 15% added flavoring or blending material may be added (Section 23007).

A wine blender is not required to engage in blending, processing, or bottling wine. He/she may elect to operate only a warehouse facility for the storage of non-tax paid ("in-bond") wine. This activity requires a bonded wine cellar ("BWC") permit from TTB in addition to the wine blender license (Section 23770).

Normally, the application fee for a wine blender license varies according to the total wine gallonage blended. However, an applicant who intends to operate only a bonded warehouse pays only the minimum license fee.

Privileges and Limitations

A wine blender may exercise all the privileges specified in Section 23356. A wine blender may exercise all the privileges of a winegrower except:

(1) Crushing and fermenting fruit, and the production of wine;
(2) Holding duplicate license privileges;
(3) Buying, selling, receiving, or delivering wine from persons other than authorized licensees;
(4) Exercising on-sale privileges on his/her premises;
(5) Selling to consumers for consumption off the premises (Section 23356.5).

A wine blender may sell for export in accordance with Rule 54.

Wine blenders may sell to federal areas and veterans' homes in accordance with Sections 23384 and 23356.5.

A wine blender may not engage in wine tastings unless qualified to do so under a "grandfathered" status as of February 2, 1968 (Section 23356.9 and Rule 53).

A wine blender may hold warehouse receipts on wine (Sections 23381 and 23356.5).

A wine blender may give samples to licensees in accordance with Section 23386 and Rule 52(a).

A wine blender may hold a beer and wine importer license.

There are certain restrictions as to wine bottle shape and labeling (Sections 25235-25241).

The hours of delivery and sale at wholesale by wine blenders are similar to those for beer and wine wholesalers. Deliveries may be made from 3 a.m. until 8 p.m. Monday through Saturday. Sales may be made from the platform at his/her premises at any time (Section 25633).

Returns and exchanges of wine must be handled in accordance with Section 23104.1.

Tied-House

A wine blender cannot hold an interest in a retail license (Section 23356.8).

Subject to the restrictions of Sections 25503.10 and 25503.21, this type of licensee may lease real property to retail licensees.

The applicant for a wine blender license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

Unless a wine blender also holds an importer license, all deliveries of wine sold by a wine blender may only be made from their licensed premises. If a wine blender holds an importer license then deliveries of wine may also be made from a licensed public warehouse (Section 24041).

Other Requirements

A wine blender license cannot be issued prior to the Alcohol and Tobacco Tax and Trade Bureau issuing either a Bonded Winery (BW) permit or a Bonded Wine Cellar (BWC) permit (Section 23770). The BW or BWC permit number must be entered on the ABC-257-NR.

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

Grandfather Privileges

A wine blender licensed before February 2, 1968, with a retail license or who had an application for a retail license pending on that day may continue to hold such retail license (Section 23356.8). The types of retail licenses permitted before that date were off-sale beer and wine and off-sale general licenses; the same as for winegrowers (Sections 23356.5, 23356.6 and 23362).

A wine blender licensed on or before February 2, 1968, may conduct wine tastings in accordance with Rule 53 (Section 23356.9).

SMALL BEER MANUFACTURER - TYPE 23 (under 60,000 barrels per year)

Introduction

A beer manufacturer license is a type required for makers of beer in this State. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

"Beer Manufacturer" means any person that has facilities and equipment for the purposes of, and is engaged in, the commercial manufacture of beer (Section 23012).

Beer is defined as "…any alcoholic beverage obtained by the fermentation of an infusion or decoction of barley, malt, hops, or other similar product, or any combination thereof in water…." (Section 23006). Beer sold in this state must be properly labeled with a statement of alcoholic strength if the contents exceed 5.7 percent alcohol by volume (Section 25200(b)(1)(D)).

Privileges and Limitations

A beer manufacturer license is not limited in number. There is no limitation on the amount of beer produced by a beer manufacturer who may sell beer packaged by him/her by other beer manufacturers (Section 23356). A beer manufacturer may sell beer to any licensee authorized to sell beer (Section 23357) and may sell such beer from trucks operated by him to licensees authorized to sell beer without a prior order (Section 23388). A beer manufacturer may sell tax-paid beer to certain non-licensed individuals located upon military reservations, national parks or veteran's homes (Section 23384). A beer manufacturer may also sell its own brand(s) of beer to consumers for consumption on or off the premises without the need for any additional license. A Type 20 license is required if the manufacturer sells other beer manufacturer's brands of beer to consumers for consumption off the manufacturer's licensed premises (Section 23357). Without any additional license, a beer manufacturer may sell beer and wine, regardless of source, to consumers for consumption at a bona fide eating place within the manufacturer's licensed premises or on property contiguous to the premises (Section 23357).

A beer manufacturer may sell for export in accordance with Rule 54.

A beer manufacturer may conduct courses of instruction on the subject of beer for licensees and their employees and may furnish beer for use with the instructional course (Section 25503.5)

A beer manufacturer may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than eight (8) ounces of beer per individual in one day. Tastes of beer must be served in an individual glass or cup (Section 25503.55).

A beer manufacturer, or its designated representative, may conduct instructional tasting events for consumers at off-sale licensed premises if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than eight (8) ounces of beer to any individual in one day (Sections 23396.6 and 25503.56).

A beer manufacturer, or any officer, director, partner, officer, agent or representative of that person, may conduct and advertise beer promotional lectures ("Beer Maker Dinners") at on-sale retail licensed premises under specified conditions (Section 25503.45).

A beer manufacturer may serve, for consumption on the premises, beer produced by the licensed beer manufacturer to attendees at a meeting of a bona fide beer manufacturer trade association or brewers' guild held on the premises of a licensed beer manufacturer (Section 25503.3).

A beer manufacturer may give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a).

Hours of delivery of beer to retailers are restricted to 3 a.m. until 8 p.m. Monday through Saturday. Incoming shipments to the licensed premises or transportation of beer to other supplier-type licensees are not restricted and may be made at any time. Sales at the manufacturer's premises may also be made at any time (Section 25633).

Sales records and records of all expenditures incurred in the sale and distribution of beer by the beer manufacturer must be maintained at the licensed premises (Section 25752).

Tied-House

As a general rule, no tied-house restrictions exist that prohibit a beer manufacturer from having an interest in other supplier-type licenses.

A beer manufacturer is generally prohibited from holding any ownership, directly or indirectly, in an on-sale license (Section 25500) or an off-sale license (Section 25502). A beer manufacturer may hold no interest in any business dealing in furnishing equipment, other than signs for interior use, to on-sale licensee (Section 25501).

A licensed beer manufacturer may hold an interest in on-sale licenses under the exceptions provided for in Sections 25503.11, 25503.16, 5503.17, 25503.18, 25503.19, 25503.20, 25503.29 and 25503.37.

Subject to the provisions of Sections 25503.10 and 25503.21, this licensee may lease real property to retail licensees.

Section 23357 allows licensed beer manufacturers to hold off-sale beer and wine licenses provided that beer and wine sold at or from the off-sale premises which are not produced and bottled by, or produced and packaged for, the beer manufacturer shall be purchased by the beer manufacturer only from a licensed wholesaler. If a licensed beer manufacturer also holds a beer and wine wholesaler license then the beer manufacturer may only sell wine, not beer, to consumers under its off-sale beer and wine license.

A licensed beer manufacturer may hold ownership interest in up to six on-sale licenses under specified conditions (Section 25503.2). The six on-sale licenses included in this statute include branch offices (duplicates) issued under Section 23389 that exercise retail privileges.

The applicant for a beer manufacturer license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

Storage of tax-paid beer may be made anywhere in the State (Section 23106) without holding an additional license. Transfer of title (sale) of beer stored away from the licensed premises is only authorized at certain regulated warehouses as specified in Section 23383 although sales may be made directly from trucks (Section 23388). Except as provided in Section 23383, the delivery of beer must occur from the licensed premises of production or from a licensed branch office. Beer cannot be delivered from a licensed public warehouse unless the beer manufacturer holds a branch office license at the public warehouse.

"Common dining areas", where a number of on-sale retail licensees share a large eating area in a shopping mall or similar location to permit their customers to consume food and alcoholic beverages, cannot be shared by licensed beer manufacturers or duplicate licensed beer manufacturers (Section 23784).

Alternating Proprietorships

Federal Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov) regulations permit a beer manufacturer to use the facilities and equipment of another beer manufacturer ("host brewery") to produce beer. This is commonly referred to as an "alternating proprietorship (AP)." The AP uses the facilities and equipment of the host brewery to make its own beer. Typically, the host brewery assists the AP in producing its beer and the AP usually stores its beer on the premises of the host brewery, but the beer may be transferred to another bonded premises. The AP must apply for its own Type 01 or Type 23 license and a brewer's notice from the Alcohol and Tobacco Tax and Trade Bureau (TTB). The privileges of a Type 01 or Type 23 license are the same when operating as an alternating proprietor. The TTB has determined that establishing a physical separation and dedicated premises for each alternating proprietor is not required for every AP application.

Joint Tasting Rooms

A "joint tasting room" is a place where two or more licensed beer manufacturers share space while conducting beer tasting and retail sales activities. Often, participating beer manufacturers retain an agent to perform the activities that beer manufacturers themselves perform under a duplicate beer manufacturer license. One person may act as the agent for all of the participating beer manufacturers licensed within the joint tasting room. The agreement with the agent should be evaluated to insure the beer manufacturers retain oversight and control of the licensed premises and all licensed activities.

It is not necessary to establish distinct separations among the tasting areas but each beer manufacturer must maintain separate and detailed records of all retail sales made by each licensee from the joint tasting room. Only beer that is produced by or for each beer manufacturer may be sold at retail from the joint tasting room. Each participating beer manufacturer must sign a Petition for Conditional License agreeing to specified conditions, including but not limited to, responsibility for any violation of the ABC Act occurring in the joint tasting room.

Beer Labeling and Brand Registration

Section 25200 requires all beer sold in this state to have a label affixed to the package or container. The label must meet the requirements of federal malt beverage labeling regulations contained in parts 7 and 16 of Title 27 of the Code of Federal Regulations, regardless of whether the label is subject to approval by the federal Alcohol and Tobacco Tax and Trade Bureau or any successor agency. Prior to the first sale of a brand of beer in this state, the manufacturer of that beer shall register the brand with the Department. The manufacturer must register their brand(s) of beer on Form ABC-412 and submit the form to the Price Posting Unit.

Section 25200 outlines beer labeling and brand registration requirements. More information about beer labeling requirements is in Rule 130, California Code of Regulations, Title 4, Division 1.

Price Posting

A beer manufacturer must file prices for beer sold and distributed to customers in California, except for beer sold to consumers (Section 25000). To file price schedules, this licensee must complete Form ABC-701 and submit the form to the Price Posting Unit. If the licensee sells beer to wholesalers, territorial limits must be designated within which those wholesalers may distribute the licensee's products (Section 25000.5). Beer manufacturers who manufacture beer under contract ("custom brew") for a wholesaler need not execute a territorial agreement with that wholesaler. If the beer manufacturer produces draught beer for sale in California the brand names thereof must be filed with the Department prior to marketing the product(s) in California (Section 25203). The California Department of Resources Recycling and Recovery ("CalRecycle") has specific requirements concerning malt beverage container labeling as mandated by the Beverage Container Recycling and Litter Reduction Act. Applicants should be referred to CalRecycle for additional information: http://www.calrecycle.ca.gov/bevcontainer/

Custom Brew

This is very similar to custom crush contracts for wine. With custom brewing, individuals will contract with a beer manufacturer to have beer made for them. The beer manufacturer will brew the beer, then bottle and label the finished product. The beer manufacturer will obtain label approval from the Alcohol and Tobacco Tax and Trade Bureau and register the brand(s) of beer with the Department on behalf of the person for whom the beer was made. Persons who enter into custom brew contracts with beer manufacturers will generally apply for either a beer and wine importer's general (Type 10) license or a beer and wine wholesaler (Type 17) license, depending on who their primary customers will be. This licensee may enter into custom brew contracts with retail licensees only under the following circumstances: (1) the retailer owns the label (brand); (2) the retailer incurs all costs related to the manufacturing of the beer (brewing, bottling, labeling, shipping, etc.); and, (3) the beer is sold solely to the retailer for sale at the retailer's licensed premises. A licensed beer manufacturer cannot sell beer at its licensed premises that is custom brewed for a retailer.

Other Requirements

It is the responsibility of the district office to inform applicants for this license type of the price posting, beer brand registration and territorial agreement requirements. The applicant shall be given Form ABC-579 which sets forth these requirements and provides other useful information. The licensing representative shall check the ABC-579 box and provide their name and the date the form was given to the applicant on Form ABC-257-NR (Reverse) to show that this information was provided to the applicant.

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

The Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov) requires beer manufacturers to file a Brewer's Notice. TTB has instituted a paperless system for filing applications for their permits. Copies of TTB paperwork need not be filed with ABC. Issuance of the Type 23 will not be withheld if the applicant fails to file a Brewer's Notice with TTB.

Duplicate Licenses for Branch Office Operations

Pursuant to Section 23389, the department may issue to a beer manufacturer a duplicate of its original license for a location or locations other than its licensed premises of production or manufacture. Posting of the branch office premises is required.

A licensed beer manufacturer may exercise all of the privileges under its manufacturer's license at branch offices licensed by the Department, except for production or manufacture; sales to consumers to consumption on or off the branch office premises except as provided in subdivision (c) of 23389 (explained below); and the sale of beer and wine to consumers for consumption on the branch office premises where a bona fide eating place is owned and operated by or for the beer manufacturer, except as provided for in subdivision (c).

Per Section 23389(c), a beer manufacturer shall not sell any alcoholic beverages to consumers for consumption on or off the licensed premises, or provide authorized tastings to consumers, at more than six branch office locations, regardless of how many beer manufacturer licenses are held by the beer manufacturer either alone or under common ownership with any other licensed beer manufacturer, and no more than two of the six branch locations may be bona fide public eating places owned and operated by and for the beer manufacturer.

A branch office location where consumer tastings or sales for on or off premises consumption are authorized shall not sell or serve any alcoholic beverages other than beer that is produced and bottled by, or produced and packaged for, the beer manufacturer.

Demo 1 - Attachment B

A branch office location where the sale of beer and wine to consumers for consumption on the premises of a bona fide public eating place is authorized is permitted to sell and serve only the following alcoholic beverages:

- Beer and wine that is produced and bottled by, or produced and packaged for, the beer manufacturer.
- Beer and wine that is purchased by the beer manufacturer from a licensed wholesaler that is not owned, either alone or under common ownership, by the beer manufacturer.

An applicant for a duplicate beer manufacturer license shall complete Form ABC-239. If the applicant intends to exercise retail privileges, then they must check the appropriate box on Form ABC-239 and the application will be processed as a normal original application. If the applicant does not intend to exercise retail privileges, then the applicant must sign Form ABC-172 (Attachment No. 1) and the license shall issue forthwith.

DISTILLED SPIRITS RECTIFIER'S GENERAL - TYPE 24

Introduction

A distilled spirits rectifier's general license is similar to a rectifier (Type 07) license except that a distilled spirits rectifier's general licensee may <u>not</u> rectify wine or sell distilled spirits to retailers. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

A distilled spirits rectifier's general license authorizes the person to whom issued to cut, blend, rectify, mix, flavor, and color distilled spirits, and whether so cut, blended, mixed, flavored, or colored by him or any other person, to package, label, export, and sell the distilled spirits to distilled spirits manufacturers, distilled spirits manufacturer's agents, distilled spirits wholesalers, distilled spirits general importers, rectifiers, and distilled spirits general rectifiers (Section 23368.1).

Section 23005 defines "distilled spirits" as an alcoholic beverage obtained by the distillation of fermented agricultural products, and includes alcohol for beverage use, spirits of wine, whiskey, rum, brandy, and gin, including all dilutions and mixtures thereof.

Privileges and Limitations

A distilled spirits rectifier's general license may not sell to retailers. This licensee may rectify only distilled spirits.

This type of license does not authorize sales to veterans' homes or military reservations (Section 23384).

A distilled spirits rectifier's general licensee may give samples in accordance with Sections 23386 and Rule 52(a).

Since a holder of this license does not sell to retailers, he is not restricted on hours or days of delivery (Section 25633).

Sales records and records of all expenditures incurred in the sale and distribution of distilled spirits must be maintained at the licensed premises (Section 25752; Rule 17).

This license does <u>not</u> authorize the sale of distilled spirits for use in the trades, professions and industries.

A distilled spirits rectifier's general may conduct courses of instruction on the subject of distilled spirits for licensees and their employees and may furnish distilled spirits for use with the instructional course (Section 25503.5).

A distilled spirits rectifier's general, or its designated representative, may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A single tasting of distilled spirits may not exceed one-fourth of one ounce (Section 25503.57).

A distilled spirits rectifier's general, or its designated representative, may conduct instructional tasting events for consumers at off-sale general licensed premises if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A single tasting of distilled spirits may not exceed one-fourth of one ounce (Sections 23396.6 and 25503.56).

Tied-House

No distilled spirits rectifier's general license shall be issued to any person who holds an interest, directly or indirectly, in an <u>on-sale</u> or <u>off-sale</u> license (Sections 25500 and 25502). A holder of this license may <u>not</u> hold an interest, either directly or indirectly, in a distilled spirits manufacturer license, a distilled spirits manufacturer's agent, or a craft distiller's license (Section 23771).

The applicant for a distilled spirits rectifier's general license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

The equipment and materials required of a holder of a distilled spirits rectifier's general license are specified by the Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov). This type of license may be located on the premises of a manufacturer, manufacturer's agent, importer, rectifier, or wholesaler whether issued to the same or another person (Section 23368.1).

A distilled spirits rectifier's general licensee may <u>store</u> distilled spirits at the licensed premises or in a licensed public or approved private warehouse located in the same county as the licensed premises (Section 23106). The licensee must <u>deliver</u> distilled spirits from their licensed premises.

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

CALIFORNIA BRANDY WHOLESALER - TYPE 25

Introduction

This license is one that is very seldom used. It was created to enable a beer and wine wholesaler to handle brandy produced by or for a winery whose wine the wholesaler handled, without obtaining a distilled spirits wholesaler license. Prior to 1984, distilled spirits wholesaler licenses were limited in number according to an established ratio similar to limitations on new on-sale and off-sale general licenses. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

A California brandy wholesaler license may be issued only to the holder of a beer and wine wholesaler's license (Type 17). It authorizes the person to whom issued to sell only brandy produced in California to persons holding licenses authorizing the sale of brandy, and to export such brandy.

Privileges and Limitations

This licensee may exercise all of the privileges specified in Section 23378.1.

A holder of this license may sell tax-paid brandy to non-licensees having a fixed place of business or residence upon territory within this State which is maintained by the United States Government as a military or naval reservation or national park or veterans' home, and veterans' homes maintained by the State of California (Section 23384).

A holder of this license may not give instruction on the subject of brandy.

A holder of this license may give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a).

A California brandy wholesaler, or its designated representative, may instruct consumers at an on-sale general retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A single tasting of brandy may not exceed one-fourth of one ounce (Section 25503.57).

A California brandy wholesaler, or its designated representative, may conduct instructional tasting events for consumers at off-sale general retail premises if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A single tasting of brandy may not exceed one-fourth of one ounce (Section 25503.57).

The holder of a California brandy wholesaler license is subject to the provisions of Section 25633 and can only deliver between 3:00 a.m. and 8:00 p.m., Monday through Saturday.

Sales records and records of all expenditures incurred in the sale and distribution of brandy must be maintained at the licensed premises (Section 25752 and Rule 17).

Tied-House

A holder of this license may not hold any interest, directly or indirectly, in any on-sale or off-sale license (Sections 25500 and 25502). This licensee may not have an interest in a distilled spirits manufacturer license, a distilled spirits manufacturer's agent license, or a craft distiller's license (Section 23771).

The applicant for a California brandy wholesaler license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

This licensee must maintain warehouse space and comply with inventory requirements in accordance with the provisions of Section 23378.1.

A California brandy wholesaler may store brandy at the licensed premises or in a licensed public or approved private warehouse located in the same county as the licensed premises (Section 23106). The licensee must deliver brandy from their licensed premises.

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit"). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax Unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

CALIFORNIA WINEGROWER'S AGENT - TYPE 27

Introduction

This license was first authorized by 1973 legislation. There have been relatively few of these licenses issued. See "General Information" for a discussion of non-retail licenses and related topics.

Definitions and Functions

A California winegrower's agent acts as the sole representative for a California winegrower or brandy manufacturer (Section 23373.2). This license authorizes the holder to possess wine and brandy produced in this State in public and private warehouses; to sell only to wholesalers for his/her own account or to solicit and make sales of wine or brandy made in California only to wholesalers for their principal, and to invoice and collect payments for orders solicited by the licensee (Section 23373). This license does not authorize the holder to represent an out-of-state winegrower or brandy manufacturer.

Privileges and Limitations

A California winegrower's agent may hold winetastings on behalf of his/her principal (Sections 23373 and 23356.1; Rule 53).

A California winegrower's agent is authorized to give samples to licensees authorized to sell their product in accordance with Section 23386 and Rule 52(a).

A California winegrower's agent may conduct courses of instruction on the subject of wine for licensees and their employees and may furnish wine for use with the instructional course (Section 25503.5).

A California winegrower's agent, or its designated representative, may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of wine may not exceed one ounce (Section 25503.57).

A California winegrower's agent, or its designated representative, may conduct instructional tasting events for consumers at off-sale licensed premises if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of wine may not exceed one ounce (Sections 23396.6 and 25503.56).

If a California winegrower's agent violates a statute, the Department may take disciplinary action against that license or their principal's, or both (Section 23373.5).

While a California winegrower or brandy manufacturer may be represented by only one California winegrower's agent, there is no restriction on the number of California winegrowers or brandy manufacturers that an agent may represent.

Tied-House

A California winegrower's agent may not hold any retail license (Sections 25500 and 25502). He/she may have no interest in any wholesale license nor may a wholesaler hold an interest in the business conducted under a California winegrower's agent license except that a wholesaler who had been the primary distributor for a winegrower for 20 years before January 1, 1974, may continue to hold both a wholesaler and a California winegrower's agent license (Section 23373.1).

The applicant for a California winegrower's agent license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

The storage of wine and brandy may be made at the licensed premises or at private or public warehouses. The delivery of wine and brandy must be made from the licensed premises.

WINE GRAPE GROWER'S STORAGE - TYPE 29

Introduction

This license was initially authorized by legislation in 1982 to enable wine grape growers to more effectively deal with unpredictable market conditions that periodically cause an oversupply of grapes. Subsequent legislation in 1985 expanded the number of licensees to whom a wine grape grower may sell wine.

Definitions and Functions

A wine grape grower's storage license authorizes the holder to store bulk wine, made from grapes produced by the holder, on the premises of a licensed winegrower and to sell that wine, within this State to winegrowers, distilled spirits manufacturers, brandy manufacturers, wine blenders, and vinegar producers. (Section 23358.3).

Privileges and Limitations

This license confers very limited privileges. Essentially, the licensee may sell only wine produced from grapes grown by him/her to those persons specifically named in Section 23358.3.

A wine grape grower's storage license does not authorize sales of wine produced from grapes not grown by the licensee.

This licensee may not sell wine to other supplier-type licensees, except as provided in Section 23358.3; to retail licensees; or to unlicensed persons—except vinegar producers.

Premises

This license may be issued at the premises of a licensed winegrower, the licensee's business office, personal residence, or elsewhere subject to applicable restrictions. The storage of untaxed wine, however, is generally limited to bonded wineries or bonded wine cellars.

Tied-House

This licensee's activities are directly related to specified supplier-type licensees. Therefore, a tied-house situation would exist if a wine grape grower's storage licensee also held a retail license since suppliers are prohibited from giving money or other things of value (i.e., payments for wine sold by the wine grape grower) to retail licensees (Sections 25500 and 25502).

The applicant for a wine grape grower's storage license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

CRAFT DISTILLER - TYPE 74

Introduction

The craft distiller license is a type required for distilled spirits manufacturers that manufacture or produce no more than 150,000 gallons of distilled spirits.

Definitions and Functions

Craft distiller means any person that has the facilities and equipment for the purpose of, and is engaged in, the commercial manufacture of distilled spirits (Section 23502).

Distilled spirits means an alcoholic beverage obtained by the distillation of fermented agricultural products, and includes alcohol for beverage use, spirits of wine, whiskey, rum, brandy, and gin, including all dilutions and mixtures thereof (Section 23005).

Manufacture means the actual distillation of distilled spirits from naturally fermented materials or the redistillation of distilled spirits obtained from another manufacturer of distilled spirits (Section 23502).

Produce means to mix, color, flavor, or blend distilled spirits whether manufactured by the craft distiller or another manufacturer of distilled spirits (Section 23502).

A craft distiller must manufacture or produce distilled spirits at each location where a Type 74 license is issued. There is no provision in the ABC Act that authorizes the issuance of a duplicate craft distiller’s license for branch office operations.

Privileges and Limitations

A craft distiller license is not limited in number. The maximum amount of distilled spirits that can be manufactured or produced is 150,000 gallons per fiscal year. The amount reported is the actual liquid volume manufactured not proof gallons. The calculation of the 150,000 gallon limit excludes brandy that the craft distiller manufactures or has manufactured for them under a brandy manufacturer license (Section 23502).

At least 65 percent of the total volume of distilled spirits manufactured or produced shall be actually manufactured by the craft distiller (Section 23502).

A craft distiller may manufacture or produce distilled spirits and sell only those distilled spirits to a wholesaler, manufacturer, winegrower, manufacturer’s agent, or rectifier (Section 23502).

A craft distiller may sell up to the equivalent of 2.25 liters in any combination of prepackaged containers per day per consumer of distilled spirits manufactured or produced by the licensee to a consumer at the licensed premises (Section 23504).

A craft distiller may have upon its licensed premises all beer, wines, and distilled spirits, regardless of source, for sale or service only to guests during private event or private functions not open to the general public. Alcoholic beverages sold at the premises that are not manufactured or produced and bottled by the licensee shall be purchased from a licensed wholesaler (Section 23508).

A craft distiller may sell all beer, wines, brandies, or distilled spirits to consumers for consumption on the premises in a bona fide eating place as defined in Section 23038, which is located on the licensed premises or on premises owned by the licensee that are contiguous to the licensed premises and which is operated by and for the licensee. Any alcoholic beverages not produced by the licensee must be purchased from a licensed wholesaler (Section 23508).

A craft distiller may sell for export in accordance with Rule 54.

A craft distiller may conduct tastings of distilled spirits produced or bottled by, or produced and bottled for, the manufacturer to consumers on the licensed premises of the manufacturer (Section 23363.1).

A craft distiller may conduct courses of instruction on the subject of distilled spirits for licensees and their employees and may furnish distilled spirits for use with the instructional course (Section 25503.5).

A craft distiller, or its designated representative, may instruct consumers at an on-sale retail premises authorized to sell its product with the permission of the retail on-sale licensee. The instruction of consumers may include the furnishing of not more than three tastings to any individual in one day. A single tasting of distilled spirits may not exceed one-fourth of one ounce (Section 25503.57).

A craft distiller, or its designated representative, may conduct instructional tasting events for consumers at premises licensed with an off-sale general license if the off-sale licensee also holds a Type 86 license. The instruction of consumers may include the furnishing of not more than three tastings per individual in one day. A single taste of distilled spirits may not exceed on-fourth of one ounce (Sections 23396.6 and 25503.56).

Tied-House

A licensed craft distiller may not hold any interest, directly or indirectly, in a distilled spirits manufacturer, a distilled spirits manufacturer's agent, or a rectifier license (Section 23772). This licensee cannot hold any interest in an out-of-state distillery that manufactures more than 150,000 gallons of distilled spirits nor can it have any interest in a wholesaler license (Section 23502). A licensed craft distiller may hold a distilled spirits importer license provided that any distilled spirits imported shall only be used by the licensee to manufacture or produce distilled spirits (Section 23771.5).

A craft distiller is generally prohibited from holding any ownership, directly or indirectly, in an on-sale license (Section 25500) or an off-sale license (Section 25502).

A licensed craft distiller may hold interest in no more than two on-sale licenses for either bona fide eating places or public premises. The on-sale licensee must purchase all alcoholic beverages only from wholesalers. The sale of distilled spirits items by brand offered for sale by the on-sale licensee that are manufactured, produced, bottled, processed, imported or sold by the licensed craft distiller cannot exceed 15 percent of the total distilled spirits items by brand listed and offered for sale by the on-sale licensee (Section 23506).

The applicant for a craft distiller's license must complete Form ABC-140, Certification Re Chapter 15 Tied-House Restrictions. The applicant must disclose all potential tied-house interests held, directly or indirectly, by shareholders, directors, officers, LLC members and managers, limited and general partners, or a sole proprietor, regardless of the percentage of interest held by any of those persons. Failure to fully disclose said interests is grounds for denial of the application.

Premises

Storage of distilled spirits maybe done at the licensed premises, at a licensed public warehouse in the same county as the licensed premises, or at a private warehouse approved by the Department in the same county as the licensed premises (Section 23106).

Delivery of distilled spirits may only be made from the licensed premises.

Other Requirements

The California Department of Tax and Fee Administration requires an applicant for this type of license to register with the Special Taxes & Fees Division, Registration & Licensing Section ("Excise Tax Unit). No security deposit (or "surety bond") will be necessary. After the ABC license application is filed, the Excise Tax unit will send a registration packet to the applicant. If the applicant fails to properly register with the California Department of Tax and Fee Administration, it will affect issuance of the ABC license.

Alcohol and Tobacco Tax and Trade Bureau (www.ttb.gov) requires craft distillers to obtain a Distilled Spirits Plant (DSP) permit from the federal government. TTB has instituted a paperless system for filing applications for their permits. Copies of TTB paperwork need not be filed with ABC. Issuance of the Type 74 will not be withheld if the applicant fails to obtain a DSP permit.

BEFORE THE
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
OF THE STATE OF CALIFORNIA

IN THE MATTER OF THE APPLICATION OF

LICENSEE NAME DBA ADDRESS	} FILE XX-XXXXX } } REG.
For Issuance of a Beer Manufacturer -or- a Small Beer Manufacturer - License	} **<u>PETITION FOR CONDITIONAL LICENSE</u>**

Under the Alcoholic Beverage Control Act

WHEREAS, petitioner(s) has/have filed an application for the issuance of the above-referred-to license(s) for the above-mentioned premises; and,

WHEREAS, pursuant to Business and Professions Code Section 23389 the duplicate beer manufacturer licensee may exercise all the privileges of the beer manufacturer license except for producing or manufacturing beer, and;

WHEREAS, applicant does not intend to exercise any retail privileges at this duplicate license permits, and;

WHEREAS, the issuance of an unrestricted license would be contrary to public welfare and morals;

NOW, THEREFORE, the undersigned petitioner(s) do/does hereby petition for a conditional license as follows, to-wit:

1 The retail privileges of the duplicate license, including but not limited to, retail sales of alcohol directly to the public for on or off site consumption and authorized tastings are prohibited at the licensed premises. If the licensee seeks to exercise retail privileges, the licensee must apply for a new license with the Department. The licensee is prohibited from exercising retail privileges until the new license is issued by the Department.

This petition for conditional license is made pursuant to the provisions of Sections 23800 through 23805 of the Business and Professions Code and will be carried forward in any transfer at the applicant-premises.

Petitioner(s) agree(s) to retain a copy of this petition on the premises at all times and will be prepared to produce it immediately upon the request of any peace officer.

____
Initials

The petitioner(s) understand(s) that any violation of the foregoing condition(s) shall be grounds for the suspension or revocation of the license(s).

DATED THIS ____________________ DAY OF ______________________________________, 20_______.

___________________________________ ___________________________________
Applicant/Petitioner Applicant/Petitioner

Demo 1 - Attachment C

Department of Alcoholic Beverage Control

State of California
www.abc.ca.gov

APPLICATION CHECKLIST

DATE: ____________________

PREPARED BY: ____________________

Instructions to Applicant:

Please submit all checked items at the time you file your application. When completing forms, print in ink or type.

Notice: After the application has been filed with the Department it will be reviewed by a representative. The representative will notify you what additional information is necessary for the investigation. ***Failure to respond to the requests for additional information will be considered an abandonment of the application and it will be administratively withdrawn.***

For an appointment to file your license application, please call: ____________________

PART 1 - Applicant and Fee Information:

APPLICANT ENTITY: ____________________

ORIGINAL OR TRANSFER FEE $ ________

ANNUAL FEE $ ________

PREMISES: ____________________

TEMPORARY PERMIT FEE $ ________

OTHER FEES $ ________

LICENSE TYPE: ________ FILE NUMBER: ________

STATE FINGERPRINTS ____ @ $39.00 EACH = ________

TRANSACTION TYPE: ____________________

FEDERAL FINGERPRINTS ____ @ $24.00 EACH = ________

ESTIMATED TOTAL: ________

PART 2 - Items Needed are Checked Below:

- ☐ Payment of Fees - Personal/business/cashier's check or money order; no cash please. Blank check is advisable.
- ☐ ABC-211-SIG, Application Signature Sheet ("Sign On") - Signature page for applicants. Signatures must be witnessed by an ABC employee or notarized.
- ☐ ABC-211-A, License Transfer Request ("Sign Off") - Signatures must be witnessed by an ABC employee or notarized. Includes separate instruction page.
- ☐ ABC-217, Application Questionnaire - Signatures must be witnessed by an ABC employee or notarized. See form instructions.
- ☐ ABC-227, Notice of Intended Transfer (Section 24073 or 24074) - Required for transfers. Obtain the blank form from ABC or your escrow company. Must be recorded and certified. See form instructions.
- ☐ ABC-227-A, Notice of Intended Transfer (Section 24071.1 or 24071.2) - Required on transfers of 50% or more involving corporations, limited partnerships, and limited liability companies. Must be recorded and certified. See form instructions.
- ☐ State-issued identification, driver's license or passport for person(s) appearing at ABC to sign application.
- ☐ ABC-69, Statement of Citizenship, Alien and Immigration Status and supporting document (e.g., certified copy of birth certificate or passport; see List A and B) - Required if you are applying as sole owner (includes U.S. citizens, U.S. Nationals and Aliens).
- ☐ ABC-140, Certification re Chapter 15 Tied-House Restrictions - Required for all applicants.
- ☐ ABC-208-A/B, Individual Personal Affidavit/Individual Financial Affidavit - Must be completed by (a) sole owners and their spouses; (b) each general partner and their spouses; (c) officers of a corporation and a majority of the board of directors; and (d) persons holding 10% or more of the capital or stock of a corporation and their spouses; persons holding 10% or more of the capital or stock of a limited liability company or limited partnership. Signatures must be witnessed by an ABC employee or notarized.

APPLICATION CHECKLIST (Cont.)

- [ ] ABC-253, Supplemental Diagram - Drawing of the real property you own or otherwise control. An exterior view of the premises and surrounding area, including cross streets.
- [ ] ABC-257, Licensed Premises Diagram - Drawing of your floor plan, including overall dimensions and patios to be licensed.
- [ ] ABC-258, Planned Operations (Retail) - Description of proposed operation.
- [ ] ABC-259, Planned Operations (Non-Retail) - Description of proposed operation.
- [ ] ABC-255, Zoning Affidavit - Contact your city or county planning department for information to complete the form.
- [ ] Copy of Conditional Use Permit - Or receipt showing that CUP application has been submitted. Obtain from your city or county planning department.
- [ ] ABC-245, Information and Instructions re: Section 23958.4 (Public Convenience or Necessity).
- [ ] ABC-247, Statement re: Residences (Rule 61.4, Residences Within 100 feet).
- [ ] ABC-251, Statement re: Consideration Points (Schools, Hospital, Churches, Public Playgrounds, Parks and Youth Facilities).
- [ ] Certified Copy of Court Order: [ ] Appointing Bankruptcy Trustee [ ] Approving Transfer [ ] Appointing Receiver
- [ ] Trust Agreement
- [ ] Certified Copy of Death Certificate [ ] Letters Testamentary or Letters of Administration.
- [ ] Power of Attorney.
- [ ] **ABC-243, Corporate Questionnaire**
  - [ ] Copy of Articles of Incorporation.
  - [ ] Copy of Minutes Showing the Election of Current Officers and Directors ***or*** corporate secretary's Certificate of Incumbency.
  - [ ] Copy of Stock Register ***or*** Copies of Stock Certificates that are issued and next sequential blank/unissued certificate. (Copies of certificates may be required if stock register is questionable.)
  - [ ] Copy of Certificate of Qualification - Required for out-of-state corporations. Obtain from Secretary of State, Business Programs Division, (916) 653-2318.
  - [ ] ABC-140, Certification re Chapter 15 Tied-House Restrictions - Required for all applicants.
  - [ ] ABC-527, Instructions to Corporate Applicant and Licensees. Information only; please read.
- [ ] **ABC-256, Limited Partnership Questionnaire**
  - [ ] Copy of Form LP-1, Certificate of Limited Partnership - Obtain from Secretary of State, (916) 653-3365.
  - [ ] Copy of Form LP-5, Application for Registration as Foreign Limited Partnership (endorsement file stamped by Secretary of State) - Required for out-of-state limited partnerships.
  - [ ] Copy of Limited Partnership Agreement and any amendments (LP-2, Amendment to Certificate of Limited Partnership).
  - [ ] ABC-140, Certification re Chapter 15 Tied-House Restrictions - Required for all applicants.
  - [ ] ABC-523, Limited Partnership Applications - Information only; please read.

Demo 1 - Attachment C

APPLICATION CHECKLIST (Cont.)

- [ ] **ABC-256-LLC, Limited Liability Company Questionnaire**
  - [ ] Copy of Form LLC-1, Articles of Organization - Obtain from Secretary of State, (916) 653-3365.
  - [ ] Copy of Form LLC-5, Application for Registration as Foreign Limited Liability Company (endorsement file stamped by Secretary of State) - For out-of-state limited liability companies.
  - [ ] ABC-140, Certification re Chapter 15 Tied-House Restrictions - Required for all applicants.
  - [ ] Copy of written Operating Agreement and any amendments, if any (if Designated LLC Manager, Managing Member or Designated Officer to sign on behalf of all parties, that person/company must be listed in the agreement).
- [ ] ABC-282, Declaration Re: Temporary Permit.
- [ ] ABC-283, Information Concerning Temporary Permit - Information only; please read.
- [ ] Copy of Menu. [ ] Food Lessee Agreement.
- [ ] Copy of By-laws for Club.
- [ ] Non-retail applicant: Contact Tax and Trade Bureau National Revenue Center, to find out if a Federal Basic Permit is needed (no need to furnish copy of it to ABC). National Revenue Center, 550 Main St., Cincinnati, OH 45202-3263. Phone: (800) 398-2282; email: ttbquestions@ttb.gov; website: www.ttb.gov/alcohol/permits.htm.
- [ ] For Types 01, 10 (beer only), 17 (beer only), 23 and 75 applicants: Contact ABC Headquarters, (916) 419-2571, concerning the need for: Malt Beverage Price Schedule (ABC-701), Territorial Agreements, Label Approval Application (ABC-412), Certificate of Compliance (ABC-578 and ABC-410).
- [ ] For Types 12 and 13 applicants: Contact ABC Headquarters, (916) 419-2571, concerning the need for an Out-of-State Distilled Spirits Shipper's Certificate (ABC-413 and ABC-414)
- [ ] For non-retail applicants (except Types 06, 08, 14, 16, 17, 27 and 29): Contact the Board of Equalization, Excise Tax Division, concerning registration requirements, (916) 327-4208.
- [ ] Retail applicant: Contact the Tax and Trade Bureau National Revenue Center, (800) 937-8864, about the Alcohol Dealer Registration TTBF-5630.5d
- [ ] You may need to provide verification (proof) of the source of your funds (e.g., bank statements, savings passbooks, loan papers, real estate papers, financial statement, gift/loan letters, etc.).
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________

Visit www.calgold.ca.gov. CalGOLD provides businesses with information on permits and other requirements at all levels of government.

Demo 1 - Attachment D

Department of Alcoholic Beverage Control

State of California
www.abc.ca.gov

INVESTIGATION CHECKLIST

Instructions to Applicant:

DATE: ______________

FILE NUMBER: ______________

TYPE: ______________

Thank you for filing your application. The application will be assigned to a representative for investigation. After the application is initially reviewed, the representative will notify you if additional information is necessary for the investigation. ***Failure to respond to the requests for additional information will be considered an abandonment of the application and it will be administratively withdrawn.*** The items needed for our investigation are checked below. *Please furnish them to this office as soon as possible to avoid delays or denial of your application.* When completing forms, print in ink or type. For questions or help, please call and ask to speak with your assigned investigator or licensing representative at ______________________ .

- [ ] Post your premises with Form ABC-207, Public Notice. . . (white poster), or ABC-207-B, Public Notice. . . (yellow poster). Your 30-day statutory waiting period begins when you post the notice. Make sure to date the notice.
- [ ] ABC-293, Affidavit of Posting - Sign, date and return.
- [ ] ABC-207-A, Notice of Application - Publish one time in a newspaper of general circulation in the city where the licensed premises will be located. If none, publish in a newspaper of general circulation in the city nearest the premises.
- [ ] ABC-207-C, Notice of Application to Sell Alcoholic Beverages - Publish once a week for three consecutive weeks. Publish in a newspaper of general circulation in the city where the licensed premise will be located. If none, publish in a newspaper of general circulation in the city nearest the premises.
- [ ] ABC-207-D, Notice of Application for Change in Ownership of Alcoholic Beverage License - Publish one time in a newspaper of general circulation in the city where the licensed premises will be located. If none, publish in a newspaper of general circulation in the city nearest the premises.
- [ ] ABC-528, Instructions to Applicants. . . Section 23985.5, 500' law.
- [ ] ABC-207-E, Notice of Intention to Engage in the Sale of Alcoholic Beverages - Mail to certain addresses within 500' of the premises. Follow instructions on Form ABC-528.
- [ ] ABC-207-F, Declaration of Service by Mail (Section 23985.5, 500' law). Complete, sign, date and return with a copy of the ABC-207-E.
- [ ] Copy of Conditional Use Permit - Obtain from your city or county planning department.
- [ ] Verification (proof) of Funds (e.g., bank statements, savings passbooks, loan papers, real estate papers, financial statement, gift/loan letters, etc.).
- [ ] ABC-208-A/B, Individual Personal/Financial Affidavit - The following person(s) must complete the form:

  ____

  ____

- [ ] Live Scan (fingerprints) for the following person(s) - Please provide second copy of BCII 8016 signed by Live Scan operator:

  ____

  ____

- [ ] Re-record and provide certified copy of ABC-227 or ABC-227-A, Notice of Intended Transfer, to include corrections:

  ____

- [ ] ABC-245, Information and Instructions re: Section 23958.4 (Public Convenience or Necessity).
- [ ] ABC-282, Declaration re Temporary Permit - Required if applicant is not available to sign Form ABC-280, Temporary Retail Permit.

Department of Alcoholic Beverage Control

INVESTIGATION CHECKLIST (Cont.)

- [ ] ABC-283, Information Concerning Temporary Permit - Information only; please read.
- [ ] Copy of Menu
- [ ] Food Lessee Agreement
- [ ] Agreement:
- [ ] Manager
- [ ] Franchise
- [ ] Non-retail applicant: Contact Bureau of Alcohol, Tobacco and Firearms National Revenue Center, to find out if a Federal Basic Permit is needed (no need to furnish copy of it to ABC). ATF National Revenue Center, 550 Main St., Cincinnati, OH 45202-3263. Phone: (800) 398-2282; email: natlrevctr@cinc.atf.treas.gov; website: www.atf/treas.gov/alcohol/permits/htm.
- [ ] Non-retail applicant: Contact ABC Headquarters, (916) 419-2571, concerning the need for: Malt Beverage Price Schedule (ABC-701), Territorial Agreements, Label Approval Application (ABC-412), Certificate of Compliance (ABC-578 and ABC-410), and Out-of-State Distilled Spirits Shipper's Certificate (ABC-413 and ABC-414).
- [ ] Non-retail applicants, except Type 06, 08, 14, 16, 17, 27 and 29, will be contacted directly by the Board of Equalization, Excise Tax Division concerning registration requirements for excise tax due on alcoholic beverages.
- [ ] Retail applicant: Contact the Bureau of Alcohol, Tobacco and Firearms Distribution Center, (877) 882-3277, about the Special Tax Registration; ATF-5630.5, Annual Special Tax Registration and Return; ATF-5170.2, Liquor Laws and Regulations for Retail Dealers.
- [ ] Petition for Conditional License.
- [ ] ABC-203, Acknowledgment of ABC Laws, Rules or Regulations.
- [ ] Rule 60(j) or (l) affidavit.
- [ ] ABC-226, Statement re Consideration Deposited in Escrow - Date mailed to escrowholder: ______________
  Escrowholder must sign and mail to ABC.
- [ ] You may need to provide verification (proof) of the source of your funds (e.g., bank statements, savings passbooks, loan papers, real estate papers, financial statement, gift/loan letters, etc.).
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________
- [ ] ______________________________

Demo 1 - Attachment E

BEFORE THE
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
OF THE STATE OF CALIFORNIA

IN THE MATTER OF THE APPLICATION OF

TEST CONDITIONS	}	FILE 41-678458
TEST RESTAURANT	}	REG.
12345 MAIN STREET	}	
SAN JOSE, CA 95118	}	
	}	
	}	**PETITION FOR CONDITIONAL**
	}	**LICENSE**

For Issuance of an On-Sale Beer And Wine - Eating Place - License

Under the Alcoholic Beverage Control Act

WHEREAS, petitioner(s) has/have filed an application for the issuance of the above-referred-to license(s) for the above-mentioned premises; and,

WHEREAS, pursuant to Section 23958 of the Business and Professions Code, the Department may deny an application for a license where issuance would result in or add to an undue concentration of licenses; and,

WHEREAS, the proposed premises are located in a crime reporting district that has a 20% greater number of reported crimes, as defined in subdivision (c) of Section 23958.4 of the Business and Professions Code, than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency; and,

WHEREAS, the proposed premises are located in Census Tract # where there presently exists an undue concentration of licenses as defined by Section 23958.4 of the Business and Professions Code; and

WHEREAS, the proposed premises are located within the immediate vicinity of a church or hospital, to wit: (NAME OR DESCRIPTION OF FACILITY), and issuance of the applied-for license without the below-described conditions would interfere with the normal operation of said facility and constitute grounds for the denial of the application under the provisions of Section 23789 of the Business and Professions Code; and

WHEREAS, the proposed premises and/or parking lot, operated in conjunction therewith, are located within 100 feet of residences(s), and issuance of the applied-for license without the below-described conditions would interfere with the quiet enjoyment of the property by nearby residents and constitute grounds for the denial of the application under the provisions of Rule 61.4, of Chapter 1, Title 4, of the California Code of Regulations; and,

WHEREAS, the issuance of an unrestricted license would be contrary to public welfare and morals;

____
Initials

NOW, THEREFORE, the undersigned petitioner(s) do/does hereby petition for a conditional license as follows, to-wit:

1 Sales and service of alcoholic beverages shall be permitted only between the hours of (TIME and TIME) each day of the week.

2 Entertainment provided shall not be audible beyond the area under the control of the licensee(s) as depicted on the most recently certified ABC-257 form.

3 No alcoholic beverages shall be consumed on any property adjacent to the licensed premises under the control of the licensee(s) as depicted on the most recently certified ABC-257.

4 The sale of alcoholic beverages for consumption off the premises is prohibited.

5 Between the hours of (TIME and TIME) or at any time the premises are providing (TYPE OF ENTERTAINMENT) , the petitioner(s) shall provide (NUMBER) uniformed security guard(s) in the parking lot and/or premises and shall maintain order therein and prevent any activity which would interfere with the quiet enjoyment of their property by nearby residents or the surrounding community. The licensed uniform security guard must be licensed by the State of California, Department of Consumer Affairs.

This petition for conditional license is made pursuant to the provisions of Sections 23800 through 23805 of the Business and Professions Code and will be carried forward in any transfer at the applicant-premises.

Petitioner(s) agree(s) to retain a copy of this petition on the premises at all times and will be prepared to produce it immediately upon the request of any peace officer.

The petitioner(s) understand(s) that any violation of the foregoing condition(s) shall be grounds for the suspension or revocation of the license(s).

DATED THIS ____________________ DAY OF ______________________________________, 20_______.

_______________________________ _______________________________

Applicant/Petitioner Applicant/Petitioner

Demo 1 - Attachment F

STATE OF CALIFORNIA — BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY Gavin Newsom, *Governor*

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
SAN JOSE DISTRICT OFFICE
224 AIRPORT PARKWAY, SUITE 620
SAN JOSE, CA 95110
(408) 346-2417

May 26, 2026

To whom it may concern:

An application has been made for a license to sell alcoholic beverages near you:

TEST CONDITIONS
Applicant(s) Name(s)

TEST RESTAURANT
Doing Business As

12345 MAIN STREET, SAN JOSE, CA 95118
Premises Address

Type of Business:

☐ Restaurant ☐ Bar/Tavern ☐ Deli
☐ Mini Mart ☐ Liquor Store ☐ Gas Station
☐ Other:

Entertainment: ☐ Yes ☐ No

____
Type of Entertainment

Proposed hours of alcoholic beverage sales/service: to

(Hours and entertainment are decided by the business owner and may change.)

Type(s) of alcoholic beverages to be sold:

☐ Beer ☐ Wine ☐ Beer & Wine ☐ All Types
(Beer, Wine and Distilled Spirits)

If you have any questions or require additional information concerning the issuance of the license, please contact me on or before________________.

Sincerely,

Licensing Representative

Demo 1 - Attachment G

Demo 1 - Attachment G

State of California

Department of Alcoholic Beverage Control

REPORT ON APPLICATION FOR LICENSE

			1. PENDING NUMBER 41-678458
2. DIVISION Northern	3. DISTRICT/BRANCH SAN JOSE		4. DATE May 26, 2026
5. APPLICANT NAME(s) TEST CONDITIONS			
6. MAILING ADDRESS (Street number and name, city, zip code) (If different from premises address) 12345 MAIN STREET, SAN JOSE, CA 95118			7. ☐ Temp ☑ Perm
8. DBA TEST RESTAURANT			9. CENSUS TRACT
10. PREMISES ADDRESS (Street number and name, city, zip code) 12345 MAIN STREET, SAN JOSE, CA 95118			11. GEOGRAPHICAL CODE 4313
12. LICENSES APPLIED FOR 41		13. TRANSACTION TYPE (If inter-county transfer, show transferor's county) Original	
14. TEMPORARY PERMIT ISSUED ☐ No ☐ Yes Effective		15. LICENSES ALREADY HELD None	16. EFFECTIVE DATE/ESTD COMPLETION DATE Issuance
17. COPIES MAILED DATE	18. DATE PREMISES POSTED	19. 23985.5 DATE	20. DATE PREMISES INSPECTED
21. WHERE POSTED			
22. TRANSFEROR NAME			23. TRANSFEROR LICENSE NUMBER
24. TRANSFEROR ADDRESS (If Prem-to-Prem or Double Transfer)			
25. ALIEN VERIFICATION ☐ No ☐ Yes ☐ N/A	26. DATE CLEARED	27. FORM NUMBER/NOTATION	28. LIMITED VERIFICATION DATE
29. PENDING DISCIPLINARY ACTION AGAINST TRANSFEROR			
30. TRANSFEROR'S LICENSE ORIGINALLY ISSUED DURING LAST 5 YEARS ☐ No ☐ Yes ☐ N/A If yes, date:		31. MAIL LICENSE TO D. O. ☐ Yes ☑ No	32. HEARING TIME N/A
33. CURRENT OR FORMER LICENSEE AT THESE PREMISES Enter None or See Line #22			34. LICENSE NUMBER Enter None or See Line #23
35. ATTACHMENTS ☐ Conditions ☐ ABC-256 ☐ ABC-243 ☐ ABC-226 ☐ ABC-231 ☐ ABC-140 ☐ ABC-253 ☑ ABC-257 ☐ Other:			
36. REMARKS			

37. RECOMMENDATION	LICENSING REPRESENTATIVE/AGENT	DATE May 26, 2026	
RECOMMENDATION	SSM I/SUPERVISING AGENT	DATE	
RECOMMENDATION	STAFF SERVICE MANAGER II STEPHEN HOGATE	DATE	DIVISION REVIEW ☐ No ☐ Yes
RECOMMENDATION	ASSISTANT DIRECTOR	DATE	

SEE PAGE 2 FOR REPORT: 1. MORAL CHARACTER 2. PREMISES 3. FINANCIAL

Demo 1 - Attachment H

Department of Alcoholic Beverage Control State of California

ADDITIONAL LICENSE/PERMIT APPLICATION

SECTION 1: Licensee(s) Information

1. License Number

678458

2. Licensee's Name (If an individual: first name, middle name, last name. If a corporation, limited partnership, or limited liability company: name of entity)

CONDITIONS, TEST

3. Doing Business As (DBA)

TEST RESTAURANT

4. Licensed Premises Address

12345 MAIN STREET, SAN JOSE, CA 95118

5. Business Mailing address

12345 MAIN STREET, SAN JOSE, CA 95118

6. Licensee's Phone number

7. Licensee's Email Address

SECTION 2: Application for Permit/License

8. Additional Permit or License Type Requested

☐Caterer's Permit (Type 58)
☐Beer Manufacturer Caterer's Permit (Type 91)
☐Event Permit (Type 77)
☐Wine Sales Event Permit (Type 81)
☐Certified Farmer's Market (Type 79)
☐Certified Farmer's Market (Type 84)
☐Controlled Access Cabinet (Type 66)
☐Portable Bar (Type 68) - Quantity: _______
☐Still (Type 06) – Quantity : _________________
☐Beer & Wine Importer (Type 09)
☐Brandy Importer (Type 11)
☐Distilled Spirits Importer (Type 12)
☐Duplicate (Type 47) – Quantity : ___________
☐Duplicate (Type 48) – Quantity : ___________
☐Other : ___________________________________

SETION 3: Signature (Only one signature required)

9. Certification for Signature of a Licensed Principal
I declare under penalty of perjury that I am authorized to sign for licensed entity identified in Item 2, above. I have read the foregoing and know the contents thereof.

Signature Printed Name and Title Date

FOR ABC USE ONLY

Receipt Number	Fee Paid	Copies Mailed Date	District Code	Geo code
	$			

Recommendation	ABC Employee Signature (If Investigation required)	Date Signed
Recommendation	Supervisor's Signature	Date Signed

Demo 1 - Attachment I

STATE OF CALIFORNIA — BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY Gavin Newsom, *Governor*

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
SAN JOSE DISTRICT OFFICE
224 AIRPORT PARKWAY, SUITE 620
SAN JOSE, CA 95110
(408) 346-2417

May 26, 2026

NOTICE TO PRODUCE OR DENIAL OF APPLICATION

TEST CONDITIONS
12345 MAIN STREET
SAN JOSE, CA 95118

MAIL CERTIFICATION REQUESTED

Location: 12345 MAIN STREET
SAN JOSE, CA 95118
CMD:
File No.: 41-678458

Dear Applicant(s):

This office has several times requested you to furnish the following information in connection with the above application:

1.

You have either failed or refused to furnish the required information so that a full and complete investigation of your application could be made.

You are hereby notified that if you fail or refuse to furnish the information required herein within twenty (20) days of the date of this letter, the Department will have no choice but to deny your application.

Sincerely,

Staff Service Manager II

Enter DA initials/user initials

cc:

Demo 2: License Renewal

Background Materials:

Annual Fees Overview - https://www.abc.ca.gov/licensing/license-fees/

Annual Fee Schedule - https://www.abc.ca.gov/licensing/license-fees/upcoming-license-fees/annual-fee-schedule/

Workflow Stages for the Demo:

1. Fee Calculation
2. Renewal Notice Generation
3. Payment Submission
4. Automatic Penalty Assignment
5. License Status Update

Features to Highlight:

- Staff should be able to manually enter payments received in the office
- Licensee dashboard
- Licensee selection of renewal fees to pay
- Auto generation of notices
- Accounting functionality – daily reconciliation, refunds

Demo 3: Enforcement Action

Background Materials:

General Information on applicable Laws and Liability:

https://www.abc.ca.gov/education/licensee-education/laws-and-liability/

https://www.abc.ca.gov/law-and-policy/penalty-guidelines/

Workflow Stages for the Demo:

1. Complaint on a License
    a. Complaint is received and an ABC-61 assignment is generated in the system; or,
    b. On view cases, where a violation is observed without having a complaint

    See 1.ABC-61

2. Investigation Process
    a. Cursory investigation
        - Agents will do an initial review of the complaint and the related licensee and premises.
        - Will access system to verify license type, licensee of record, licensed premises and to determine if the license has operating conditions
    b. Field investigation
        - Agents will visit the premises, usually in an undercover capacity to determine if the violations are occurring.
        - If violations are observed, Agents will document their visit and findings in the system and in most cases make multiple visits before closing assignment out.
        - Agents may issue a citation or make an arrest during the course of the investigation.
          Information from a citation/arrest includes:
            - Last name
            - First name
            - Middle Name
            - Race
            - Birth Date
            - Gender
            - Arrest Date

- Violation Level
- Charges
- If the person is a minor
- Violation Status
- Citation number
- Arresting Investigator

c. Reporting
   - Citation/Arrest Log

   - An ABC-333 Report of Investigation is generated in the system and a signed copy of the report and the attachments are uploaded to the system.

     See 2.ABC-333

   - An ABC-320 is generated to document evidence seized during the investigation

     See 3.ABC-320

3. Outcome
   a. Criminal
      - Cases where an arrest was made or a citation issued, will be filed with the local district attorney for criminal prosecution.

   b. Administrative Accusation
      - Cases that involve an administrative violation (no criminal violation) where the licensee of record is held responsible, will result in an Administrative Accusation filed against their license.
        1. A Request for Accusation is generated in the system and forwarded to the Office of Legal Services (OLS), along with the report, photos, and attachments for administrative filing
           a. In many instances, a case will have both a criminal and administrative filing.

4. Legal Process
   a. Upon receipt, an Attorney will be assigned the pending case and they will create an ABC-300 Accusation in the system and file the case.

   See 4.ABC-300

   b. OLS will create an accusation package which will be mailed to the licensee or their attorney of record.

  - This package may include the ABC-300, Notice of Defense, Stipulation and Waiver and information pertaining to administrative legal procedures, such as Discovery.
  - How the licensee responds to this information determines whether the case is settled or if it goes to an Administrative Law hearing.

   c. Communication between Department Attorney and the licensee of record or their attorney of record occurs and is documented in the system.
   d. If a hearing is requested, the Administrative Hearing office will set a date and time for the hearing. An Administrative Law Judge (ALJ) will hear the case and ultimately issue a decision.
   e. There is an appeal procedure available to licensees who do not prevail at hearing.

5. Penalty
   a. Whether by ALJ decision or by Stipulation and Waiver settlement, a penalty is imposed.
      - The penalties can range from a letter of warning, fine, suspension, or revocation.
   b. An ABC-61 is issued to an Agent to impose penalties, such as posting a suspension or revocation.

6. Close Out
   a. Once the decision for penalty is final and the penalty has been imposed, the case should be closed out in the system and the evidence connected to the case may be scheduled for destruction.
   b. A close out letter is generated in the system and sent to the licensee at the conclusion of the case.
   c. A record of the Investigation and Accusation should be kept in the system for the life of the license plus the statutory retention period.

Other Features to Highlight:

- Mobile experience for field agents – view License information and fill out reports
- Field Agent Daily Activity report (ABC-22) – reach out to Dave Bickel
- Status changes

  License Status

  - Active
  - Canceled
  - Department Revoked
  - Non-Renewed

- Pending
- Rule 64B
- SLMS Hold
- SLMS Revoked
- Suspended

Demo 3 - Attachment Listing

A	District Office Assignment Sheet (ABC-61)
B	Investigation Report (ABC-333)
C	Evidence Property Receipt Report (ABC-320)
D	Accusation Under ABC Act and State Constitution (ABC-300)

Demo 3 - Attachment A

State of California
ABC-61
9/99

Department of Alcoholic Beverage Control

DISTRIC OFFICE ASSIGNMENT SHEET

As of May 28, 2026

Subject: ABC
DBA:
Address: 123 STREET RD
SACRAMENTO
CA 95834
ABC-61 Assign. Type: ADMINISTRATIVE

No: HQ-1111111
Date: 10-MAY-2026
File: 111111

Origin:
License Type(s): 41

Type: OTHER **Date:** 05-13-26 **Assigned to:** AGENT

ASSIGNMENT DETAILS AND INSTRUCTIONS

Agent: AGENT **Date:** 05/15/26 THU **Time:** 0000 - 0000
Comments: INVESTIGATION COMMENTS BY AGENTS

Disposition:
Date: Supervisor: District Admin.:

Demo 3 - Attachment B

Department of Alcoholic Beverage

State of California

INVESTIGATION REPORT

1. REPORT NUMBER	2. ASSIGNMENT NUMBER	3. PAGE

ATTACHMENTS:

CIRCUMSTANCES/INVESTIGATIONS:

Demo 3 - Attachment C

Demo 3 - Attachment C

Department of Alcoholic Beverage Control | State of California

EVIDENCE/PROPERTY RECEIPT/REPORT

Page ______ of ______

1. REPORT NUMBER

☐ Seizure ☐ Found ☐ Purchase

☐ Deposit/Safekeeping ☐ Search Warrant (PC 1535)

2. DATE EVIDENCE/PROPERTY RECEIVED

Code: S=Suspect, O-Owner, F=Finder, V=Victim, L=Licensee, Ot=Other

3. CODE	4. NAME (Last, first, middle)	5. DATE OF BIRTH

6. SECTION(S) INVESTIGATED	7. ☐ Criminal ☐ Administrative

3. CODE	4. NAME (Last, first, middle)	5. DATE OF BIRTH

6. SECTION(S) INVESTIGATED	7. ☐ Criminal ☐ Administrative

8. ITEM NUMBER	9. QUANTITY	10. INVENTORY DESCRIPTION (Size, serial number, color, markings, open/unopened, where found, etc.)

11. ABC LICENSEE NAME	12. DBA

13. PREMISES ADDRESS OR LOCATION OF OCCURRENCE	14. ABC LICENSE NUMBER

This is a true and complete inventory of material.

15. SEIZEE OR DEPOSITOR SIGNATURE (If applicable)	16. CABIN RECEIPT DATE	17. CABIN RECEIPT NUMBER
18. AGENT NAME (Print)	19. ID NUMBER	20. OFFICE/UNIT
21. AGENT SIGNATURE	22. DATE SIGNED	23. ABC-306 (PC335a) ☐ Posted
24. EVIDENCE CUSTODIAN'S SIGNATURE	25. DATE SIGNED	26. EVIDENCE STORAGE LOCATION

Department of Alcoholic Beverage Control — State of California

EVIDENCE/PROPERTY RECEIPT/REPORT

Page ______ of ______

☐ Seizure ☐ Found ☐ Purchase	1. REPORT NUMBER
☐ Deposit/Safekeeping ☐ Search Warrant (PC 1535)	2. DATE EVIDENCE/PROPERTY RECEIVED

Code: S=Suspect, O-Owner, F=Finder, V=Victim, L=Licensee, Ot=Other

3. CODE	4. NAME (Last, first, middle)	5. DATE OF BIRTH

6. SECTION(S) INVESTIGATED	7. ☐ Criminal ☐ Administrative

3. CODE	4. NAME (Last, first, middle)	5. DATE OF BIRTH

6. SECTION(S) INVESTIGATED	7. ☐ Criminal ☐ Administrative

8. ITEM NUMBER	9. QUANTITY	10. INVENTORY DESCRIPTION (Size, serial number, color, markings, open/unopened, where found, etc.)

11. ABC LICENSEE NAME	12. DBA

13. PREMISES ADDRESS OR LOCATION OF OCCURRENCE	14. ABC LICENSE NUMBER

This is a true and complete inventory of material.

15. SEIZEE OR DEPOSITOR SIGNATURE (If applicable)	16. CABIN RECEIPT DATE	17. CABIN RECEIPT NUMBER
18. AGENT NAME (Print)	19. ID NUMBER	20. OFFICE/UNIT
21. AGENT SIGNATURE	22. DATE SIGNED	23. ABC-306 (PC335a) ☐ Posted
24. EVIDENCE CUSTODIAN'S SIGNATURE	25. DATE SIGNED	26. EVIDENCE STORAGE LOCATION

Department of Alcoholic Beverage Control | State of California

EVIDENCE/PROPERTY RECEIPT/REPORT

Page ________ of ________

1. REPORT NUMBER

2. DATE EVIDENCE/PROPERTY RECEIVED

☐ Seizure ☐ Found ☐ Purchase
☐ Deposit/Safekeeping ☐ Search Warrant (PC 1535)

Code: S=Suspect, O-Owner, F=Finder, V=Victim, L=Licensee, Ot=Other

3. CODE	4. NAME (Last, first, middle)	5. DATE OF BIRTH

6. SECTION(S) INVESTIGATED	7.
	☐ Criminal ☐ Administrative

3. CODE	4. NAME (Last, first, middle)	5. DATE OF BIRTH

6. SECTION(S) INVESTIGATED	7.
	☐ Criminal ☐ Administrative

8. ITEM NUMBER	9. QUANTITY	10. INVENTORY DESCRIPTION (Size, serial number, color, markings, open/unopened, where found, etc.)

11. ABC LICENSEE NAME	12. DBA

13. PREMISES ADDRESS OR LOCATION OF OCCURRENCE	14. ABC LICENSE NUMBER

This is a true and complete inventory of material.

15. SEIZEE OR DEPOSITOR SIGNATURE (If applicable)	16. CABIN RECEIPT DATE	17. CABIN RECEIPT NUMBER
18. AGENT NAME (Print)	19. ID NUMBER	20. OFFICE/UNIT
21. AGENT SIGNATURE	22. DATE SIGNED	23. ABC-306 (PC335a) ☐ Posted
24. EVIDENCE CUSTODIAN'S SIGNATURE	25. DATE SIGNED	26. EVIDENCE STORAGE LOCATION

Demo 3 - Attachment C

Department of Alcoholic Beverage Control — State of California

EVIDENCE/PROPERTY RECEIPT/REPORT

Page ______ of ______

1. REPORT NUMBER

2. DATE EVIDENCE/PROPERTY RECEIVED

☐ Seizure ☐ Found ☐ Purchase
☐ Deposit/Safekeeping ☐ Search Warrant (PC 1535)

Code: S=Suspect, O-Owner, F=Finder, V=Victim, L=Licensee, Ot=Other

3. CODE	4. NAME (Last, first, middle)	5. DATE OF BIRTH

6. SECTION(S) INVESTIGATED	7. ☐ Criminal ☐ Administrative

3. CODE	4. NAME (Last, first, middle)	5. DATE OF BIRTH

6. SECTION(S) INVESTIGATED	7. ☐ Criminal ☐ Administrative

8. ITEM NUMBER	9. QUANTITY	10. INVENTORY DESCRIPTION (Size, serial number, color, markings, open/unopened, where found, etc.)

11. ABC LICENSEE NAME	12. DBA

13. PREMISES ADDRESS OR LOCATION OF OCCURRENCE	14. ABC LICENSE NUMBER

This is a true and complete inventory of material.

15. SEIZEE OR DEPOSITOR SIGNATURE (If applicable)	16. CABIN RECEIPT DATE	17. CABIN RECEIPT NUMBER
18. AGENT NAME (Print)	19. ID NUMBER	20. OFFICE/UNIT
21. AGENT SIGNATURE	22. DATE SIGNED	23. ABC-306 (PC335a) ☐ Posted
24. EVIDENCE CUSTODIAN'S SIGNATURE	25. DATE SIGNED	26. EVIDENCE STORAGE LOCATION

Demo 3 - Attachment D

Demo 3 - Attachment D

BEFORE THE
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
OF THE STATE OF CALIFORNIA

In the Matter of the Accusation Against:

{LicenseeNamesLetter}

DBA: {PrimaryDBA}

PREMISES: {LicensePremAddress4Line}

LICENSE(S): {LicenseTypeDescription}

File: {LicenseTypeAndNumber}

Reg: {RegNumber}

ACCUSATION UNDER ALCOHOLIC BEVERAGE CONTROL ACT AND STATE CONSTITUTION

I hereby complain and accuse the above respondent(s), holding the above license(s), based on the following statement of facts:

COUNT Pleadings.Sort

By reason of the following facts, there is cause for suspension or revocation of the license(s), in accordance with Section 24200 and Sections 24200(a) and (b) of the Business and Professions Code. It is further alleged that the continuance of the license would be contrary to public welfare and/or morals as set forth in Article XX, Section 22 of the California State Constitution and Sections 24200(a) and (b) of the Business and Professions Code. The facts which constitute the basis for the suspension or revocation by the Department are as follows:

Pleadings.PleadingsText

Delete this paragraph and table if not pleading priors. If pleading priors the below is to be placed on the 300 after all counts but before Licensee(s) Previous Record.

For purposes of imposition of penalty, if any arising from this accusation, it is further alleged the respondent-licensee(s) has/have suffered the following disciplinary history:

Viol Date	Violation	Reg. Date	Reg. Number	Penalty
History.ViolationDate	History.Violation	History.RegCreatedDate	History.RegNumber	History.Penalty

Licensee(s) Previous Record: Licensed as above since **LicenseCreatedDateWM**.

WHEREFORE, I recommend that a hearing be held on this accusation.

Dated this _______ day of ______________ 20___.   ____

Supervising Agent In Charge
Department of Alcoholic Beverage Control

Reviewed:

Pursuant to Government Code section 11507.6 discovery is requested to be provided to: Dept. of Alcoholic Beverage Control, 3927 Lennane Drive, Suite 100, Sacramento, CA 95834 (916) 419-2500.

STATEMENT TO RESPONDENT(S)

Unless a written request for a hearing, signed by you, or on your behalf, is delivered, or mailed, to the Department of Alcoholic Beverage Control within fifteen (15) days after the foregoing accusation was personally served on you or mailed to you, the Department of Alcoholic Beverage Control may proceed upon the accusation without a hearing to take action thereon as provided by law. The request for a hearing may be made by delivering or mailing the enclosed form entitled: "Notice of Defense", or by delivering or mailing a Notice of Defense to the **Dept. of Alcoholic Beverage Control, 3927 Lennane Drive, Suite 100, Sacramento, CA 95834** as provided by Section 11506 of the Government Code. The "Notice of Defense" forwarded herewith, if signed and returned to the Department of Alcoholic Beverage Control, shall be deemed a specific denial of all parts of the accusation, but you will not be permitted to raise any objection to the form of the accusation, unless you file a further Notice of Defense as provided, in Section 11506 of the Government Code within said 15 days after service of said accusation upon you. At any or all stages of these proceedings, you have the right to be represented by counsel at your own expense or to represent yourself without legal counsel. You are not entitled to the appointment of an attorney to represent you.

The hearing may be postponed for good cause. If you have good cause, you are obliged to notify this agency within 10 working days after you discover the good cause. Failure to notify this agency within 10 days will deprive you of a postponement.