
When Must a Person Obtain an Alcohol Beverage Retail License?

Alcohol Beverage Laws

Fact Sheet 3111

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This fact sheet provides information about whether a person must hold an alcohol beverage retail license. Alcohol beverage retail licenses are required for a location in which a sale of alcohol beverages takes place OR whenever consumption of alcohol beverages occurs at a public place. This fact sheet provides a more detailed explanation, including examples, of each of these instances.

The requirements described in this fact sheet also apply to retail permits issued by the department (vessels, sports clubs, public facilities and airports) (secs. 125.27, and 125.51(5), Wis. Stats.).

Do Sales of Alcohol Beverages Occur?

Any person that sells alcohol beverages must hold an alcohol beverage retail license describing the location where the alcohol is sold, unless an exception applies (secs. 125.04(1), 125.06, and 125.66(1), Wis. Stats.). Exceptions that may apply are found in sec. 125.06, Wis. Stats.

Example 1: A person owns a liquor store or tavern where alcohol beverages are sold. The person must hold an alcohol beverage retail license for the liquor store or tavern.

Example 2: The operator of a banquet facility sells alcohol beverages at the banquet facility to a couple. The couple will serve the alcohol beverages free of charge to guests at the couple's wedding reception at the banquet facility. The operator must hold an alcohol beverage retail license for the banquet facility.

Example 3: The operator of a banquet facility sells alcohol beverages directly to guests (e.g., cash bar) at a wedding reception at the banquet facility. The operator must hold an alcohol beverage retail license for the banquet facility.

Example 4: A person holds a party in their own apartment or house and sells beer to party-goers. The person must hold an alcohol beverage retail license for their own apartment or house.

See [Fact Sheet 3110](#), *Selling, Donating, and Giving Away Alcohol Beverages*, for additional examples of sales of alcohol beverages.

If Sales Do Not Occur, Are Alcohol Beverages Consumed in a Public Place?

A person that owns, leases, or is in charge of a public place must hold an alcohol beverage retail license describing the location where the alcohol beverages are consumed, unless an exception applies (sec. 125.09(1), Wis. Stats.). This means consumption of alcohol beverages on property open to the public is prohibited unless the owner, lessee, or person in charge of the public place, possesses an alcohol beverage retail license (*Eichenseer v. Madison-Dane County Tavern League, Inc.*, 2008 WI 38, para 57).

A location may be a public place at certain times of the day, week, month, or year, and may not be at other times. A location is not a public place at times when a private event is held at the location where attendance at the event consists solely of personally invited guests known to the host of the event. Examples of private events include traditional wedding receptions, birthday parties, family reunions, holiday parties for

employees, and similar gatherings. A person hosting a private event where consumption of alcohol beverages occurs is encouraged to keep an invitation/guest list, and to continually monitor attendance at the event to make sure that only people who were personally invited to the event are present at the event location.

Example 5: A bank holds an event during business hours and gives free glasses of wine and appetizers to all persons who come into the bank. The bank must hold an alcohol beverage retail license for the location where alcohol beverages are consumed, because the bank is open to the public during the event.

Example 6: A person hosts a party at their home. A public announcement is made on social media that the entire county is welcome to join the event and have a free alcohol beverage. The person must hold an alcohol beverage retail license for the location where alcohol beverages are consumed, because their home is open to the public during the party.

Example 7: A car dealership has a holiday party for its employees after it is closed to the public. The dealership purchases alcohol beverages for service to employees free of charge during the holiday party. The dealership must purchase the alcohol beverages from an alcohol beverage retail licensee (e.g., liquor store that holds a "Class A" license or tavern that holds a "Class B" license). The dealership is not required to hold an alcohol beverage retail license for the location where alcohol beverages are consumed, because the dealership is closed to the public during the holiday party.

Example 8: A person hosts a private wedding reception in their own yard, and only invited friends and family attend. Alcohol beverages are served free of charge to the invited guests. The person is not required to hold an alcohol beverage retail license for the location where alcohol beverages are consumed, because their yard is closed to the public during the wedding reception.

Example 9: A couple rents a local barn for their private wedding reception. The barn is not an alcohol beverage retail licensed premises. The couple purchases all alcohol beverages from an alcohol beverage retail licensee. Only invited friends and family may attend the reception, and alcohol beverages are served free of charge to these guests. Neither the couple nor the barn owner are required to hold an alcohol beverage retail license for the barn during the wedding reception.

Can a Retail Licensee Own or Operate an Unlicensed Building or Space Where Alcohol Beverages Are Consumed?

Existing "Class B"/Class "B" retail licensees may own or operate unlicensed buildings or spaces that are rented to persons seeking to hold private events where alcohol beverages are consumed. In addition to all other requirements explained in this fact sheet, the unlicensed building or space must be separated from the licensed premises by walls and/or doors and must have a primary entrance from the outside (sec. 125.32(3m), Wis. Stats). The retail licensee may not store alcohol beverages at an unlicensed building or space.

Alcohol beverage licensees may not allow persons to bring alcohol beverages ("BYOB") onto the licensed premises for consumption, regardless of whether the premises is open to the public. See [Fact Sheet 3105, Alcohol Beverage Carry-Ins](#).

Example 10: A restaurant owner holding a "Class B"/Class "B" retail license is given municipal approval to revise the description of his/her existing licensed premises to remove a banquet hall from the premises description. The restaurant owner may rent the unlicensed banquet hall to a person who will host a private event where only personally invited guests known to the host are allowed entrance to the banquet hall. Alcohol beverages may be provided by the host, free of charge to their invited guests (no cash bar) because the banquet hall is not a public place at the time of the event.

Note: Alcohol beverages purchased by the host cannot be brought onto the restaurant's licensed premises.

Example 11: A tavern owner that has a "Class B"/Class "B" retail license purchases or leases a vacant building to rent for private wedding receptions, but does not obtain a "Class B"/Class "B" retail license for the

building. The tavern owner may rent the unlicensed building to a person who will host a private event where only personally invited guests known to the host are allowed entrance to the building. Alcohol beverages may be provided by the host, free of charge to their invited guests (no cash bar) because the building is not a public place at the time of the event.

Other Requirements

Alcohol beverages served and consumed at a location that does not hold an alcohol beverage retail license must have been purchased in a face-to-face sale at a licensed premises (secs. 125.272, and 125.51(6), Wis. Stats.). For more information, see [Fact Sheet 3110](#), *Selling, Donating, and Giving Away Alcohol Beverages*.

The rental of a facility may be subject to Wisconsin sales and use tax if the facility is used for an amusement, athletic, entertainment, or recreational purpose. For more information, see [Sales and Use Tax Fact Sheet 2107](#), *Rentals of Multipurpose Facilities*.

Additional Information

If you are unable to find answers to your questions on the department's website about alcohol beverage retail license or permit requirements, you may email, write, or call the department.

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