INFORMATION BRIEF
Research Department
Minnesota House of Representatives
600 State Office Building
St. Paul, MN 55155

## Retail Liquor License Overview

Minnesota is relatively unusual among states in that almost all its retail liquor licenses are issued locally rather than by a state agency. This information brief describes the various types of retail licenses that are authorized by Minnesota law.

| License/ <br> Permit | Issued To | For What | Issued by <br> Whom | Fee | Number <br> (as of 6/06) |
| :--- | :--- | :--- | :--- | :--- | :--- |
| On-Sale and Combination Licenses |  |  |  |  |  |
| Intoxicating <br> liquor <br> on-sale | Hotels, restaurants, <br> bars, lounges, <br> bowling centers, <br> theaters | On-premise consumption <br> of distilled spirits, wine, <br> strong beer | Cities <br> Counties* | Set locally | 2,844 |
| Intoxicating <br> liquor <br> Sunday <br> on-sale | Restaurants, hotels, <br> clubs, and bowling <br> centers with regular <br> intoxicating liquor <br> on-sale license | On-premise consumption <br> of intoxicating liquor on <br> Sundays | Cities and <br> counties where <br> Sunday liquor <br> referendums <br> have passed | Up to \$200 | 2,321 <br> (included in <br> on-sale total) |
| 2 a.m. permit | Establishments with <br> on-sale intoxicating <br> liquor license | Sale of intoxicating <br> liquor between <br> $1: 00-2: 00$ a.m. | Department of <br> Public Safety <br> (DPS) | $\$ 200$ to <br> $\$ 600$, based <br> on gross <br> receipts from <br> alcohol sales | 963 |

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| Wine on-sale | Restaurants seating at least 25 guests | On-premise consumption of wine in conjunction with sale of food; may also sell strong beer if at least $60 \%$ of gross receipts come from sale of meals | Cities* <br> Counties* | Half of onsale fee, up to \$2,000 | 805 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Club on-sale | Clubs in existence for at least three years | Sale of intoxicating liquor to members and "bona-fide guests" | Cities* <br> Counties* | \$300- <br> \$3,000, depending on number of members | 469 |
| 3.2 beer on-sale | No limits on types of establishments | On-premise consumption of 3.2 beer | Cities Counties | Set locally | 915 |
| Brewpub | Licensed restaurants with brewing facilities | Operation of restaurant with on-sale of beer brewed on premises; also off-sale in 64-oz. bottles | Cities, counties for restaurant operation; DPS for brewery operation | On-sale fee set locally; state brewery license $\$ 500$ | 15 |
| Bed \& breakfast | Owner-occupied B\&Bs with up to eight rooms, maximum of 20 guests | Service at no charge to guests of up to two glasses of wine per day | Registration required with DPS | No fee | 111 |
| Common carrier license | Common carriers (air, rail, water) | Sale of intoxicating liquor to passengers in places where meals are sold | DPS | Excursion boats on Lake Superior and St. Croix and Mississippi rivers: \$50 for 3.2 beer, \$200 for liquor; other fees not specified | 30 |

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## Off-Sale Licenses

| Intoxicating <br> liquor <br> off-sale | Exclusive liquor <br> stores <br> Grocery stores (in 1 ${ }^{\text {st }}$ <br> class cities if <br> licensed before <br> $8 / 1 / 89$ ) <br>  <br>  <br>  <br>  <br>  <br> Drug stores (if <br> licensed before <br> $5 / 1 / 94$ ) |
| :--- | :--- |

Sale of intoxicating
liquor for off-premise consumption; exclusive liquor stores may also sell tobacco, ice, soft drinks, mixes, food products containing alcohol

| Cities (1 $1^{\text {st }}$ class | City-issued: | 845 |
| :--- | :--- | :--- |
| cities, one per | Maximums |  |
| 5,000 pop.; | from \$100 to |  |
| other cities, no | $\$ 1,000$ based <br> limit) | on pop. |
| Counties (in <br> unorganized <br> territory and <br> urban towns) | County- <br> issued: <br> maximum <br> $\$ 500$ |  |


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| Off-Sale Licenses |  |  |  |  |  |
| 3.2 beer off-sale | No limits on types of establishments | Off-premise consumption of 3.2 beer | Cities Counties | Up to \$500 | 881 |
| Wine auction - temporary | No limits on types of establishments | Auctions of vintage wine (maximum 600 cases per auction) for up to three consecutive days | Cities* Counties* | Set locally | 5 |
| Farm winery | Farm producing wine made primarily from Minnesota ingredients | On- and off-sale and wholesale of wine produced on-premises, up to 50,000 gallons per year | DPS | \$50 | 22 |
| Farm winery <br> - Distillery | Pre-existing farm wineries | Production of up to 5,000 gallons of distilled spirits | DPS | \$500 | 0 |
| Other Licenses/Operations |  |  |  |  |  |
| Municipal liquor stores | On-sale or off-sale, or both | Sale of intoxicating liquor; on-sale stores may sell meals | Cities 10,000 and under (may continue to operate after exceeding 10,000 ) | No license issued; municipally owned and operated | 252 |
| Tribal licenses | Establishments eligible for on-sale or off-sale licenses | On-sales, off-sales, or both depending on type issued | Tribal governing bodies | Set locally | 22 |
| * If approved by the Department of Public Safety |  |  |  |  |  |

For more information about liquor regulation, visit the commerce area of our web site, www.house.leg.state.mn.us/hrd/issinfo/comm_ed.htm.


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