

Licensing Information Sheet

What types of alcohol can be sold where?

- Beer and wine containing less than 16% alcohol are sold at 1st Class and 2nd Class establishments.
- Beverages containing more than 16% alcohol are considered liquor (or spirits) and are sold at 802 Spirits stores or served at businesses with 3rd Class Licenses.
- 2nd Class Licensees can sell Fortified Wines (16-23% alcohol) with a Fortified Wine Permit.

What fees go where?

- 1st Class and 2nd Class Licenses are charged both a municipal and a state fee. Businesses must write separate checks to both the Town and the State. Checks for the State should be made out to the Department of Liquor and Lottery (DLL) and sent along with the application once it has made it through the Town's approval process. Personal checks are not allowed unless the person is also the licensee.
- 1st Class fee: Full year license: \$115 DLL/\$115 Town.
- 2nd Class fee: Full year license: \$70 DLL/\$70 Town.
- 3rd Class fee: Full year: \$1095 DLL. Half year: \$550 DLL. As of 7/1/21, the Town may add up to a \$50 fee for 3rd Class License applications when they are not submitted with a 1st Class License application.
- Fee for Manufacturers to have a 3rd Class License is \$230 DLL.

Once the town approves a license, what happens?

- Approved applications should be sent to the DLL along with any checks and required documents. Our Office of Licensing will review and process the application. Once the application has been received and processed by the DLL, it can take up to 8 weeks to complete.
- Applications that are incomplete will take longer. Please note that an incomplete application can be approved by the Town and sent to DLL for completion and processing.
- Approved 1st Class, 2nd Class, and/or 3rd Class Licenses, and Outside Consumption Permits are sent to the Town/City Clerk for a signature and distribution to the licensee. For a new licensee, if the 1st, 2nd, or 3rd Class License included a Tobacco License, that will also be sent to the Town/City Clerk.

Once the town approves a permit, what happens?

- Towns should send approved permit applications to the DLL. Once the State has the completed permit, it can take between 5 to 15 business days to approve, depending on the permit. Be sure to allow the DLL sufficient processing time.
- If the Town signed off on the permit, a copy will be sent to both the Town/City Clerk and the licensee when the DLL issues the approval.

What is the license renewal process?

- All licenses and permits expire on April 30th each year. The DLL sends out renewal paperwork by the end of the calendar year. Towns must reapprove 1st, 2nd, and 3rd Class Licenses, and Outside Consumption Permits annually and send the approved businesses' renewals to the DLL for processing. Any changes in information, or incomplete information on the license, may cause a delay if not received and resolved in a timely manner. Delay in Town approval will also cause a delay in the State approval.
- Re-approved 1st, 2nd, and 3rd Class Licenses and Outside Consumption Permits are sent to the Town/City Clerk for a signature and distribution to the licensee. DLL sends all other re-approved licenses directly to the licensee.

What licenses or permits do NOT require Town approval?

- Tobacco Licenses and Tobacco Substitute Endorsements
- Manufacturer Licenses
- 4th Class Licenses
- Farmers Market Permits
- Tasting Permits
- 1st Class Boat or Railroad Car Licenses
- Catering Licenses
- Wholesale Dealer License
- Retail Delivery License
- Destination Master Resort License

What do license names mean?

1st Class License	Allows a business on-premise service of beer and wine.
2nd Class License	Allows a business off-premise sales of beer and wine.
3rd Class License	Allows a business on-premise service of spirits/liquor.
Tobacco License	Allows a business to sell tobacco products and tobacco paraphernalia.
Tobacco Substitute Endorsement	Needed for businesses with a Tobacco License to sell any e-cig product or paraphernalia. The business does not need to sell tobacco products but must have the license to receive the Endorsement.
Manufacturer	Allows a business to manufacture or rectify spirits onsite. Manufacturers can also apply for 1 st and 3 rd Class Licenses. They can apply for 4 th Class Licenses which allow them to serve samples of and sell their product and up to 5 other manufacturers' products by the bottle. They can apply for Farmer's Market Permits allowing them to serve samples of and sell by the bottle at those markets. No more than a combination of 10 Farmer's Market Permits and 4 th Class Licenses may be granted to one manufacturer or rectifier per year. Manufacturers can hold an event that is open to the public and serve their own beverages in full pours if notification to DLL as occurred. Manufacturers wanting to operate regularly with full pours must hold 1 st and/or 3 rd Class Licenses. Manufacturers may only sell unopened bottles of alcohol at 4 th Class establishments or Farmer's Markets.
Special Event Permit	Allows manufacturers to hold an event lasting up to 4 days that is open to the public where they may promote their products with samples, offer/serve full pours, and may sell by the bottle. Each manufacturer at an event must hold their own permit. No more than 108 permits can be issued per year to each Manufacturer.
Caterer's License	Allows a business holding a 1 st Class License or a 1 st /3 rd Class License to apply for Catering Permits.
Commercial Caterer's License	Allows a business holding a 1 st Class License or a 1 st /3 rd Class License that is not licensed as a restaurant or club to apply for Catering Permits.
Catering Permits	Allows a business holding a Caterer's License or Commercial Caterer's License to serve alcohol at a specific event at a specified location.
Special Venue Permit	Allows a Museum, Art Gallery, Library or Bookstore to serve beer and wine by the glass to the public at an event. No limit on the number of permits.
Festival Permit	Allows an applicant to hold an event serving alcohol lasting up to 4 days. No more than 4 permits issued to the same individual per year.
Educational Sampling Permit	Allows a manufacturer to hold an event serving samples of alcohol lasting up to 4 days. No more than 4 permits issued to the same business per year.

For additional information, please contact us at (802) 828-2339 or by email at DLL.DLCLicensingteam@vermont.gov.