

Beer Wholesaler and Table Wine Distributor Licenses



What are beer wholesaler and table wine distributor licenses?

How do I get one?

What can I do with it?

What are the beer wholesaler and table wine distributor licenses?

A person may have a stand-alone beer wholesaler license, a stand-alone table wine distributor license, or a combined beer wholesaler and table wine distributor license. A beer wholesaler license may have multiple sub-warehouses, but a table wine distributor license may only have one sub-warehouse. A combined beer wholesaler and/or table wine distributor license may have multiple sub-warehouses where both beer and table wine can be stored.

The following definitions apply:

Beer Wholesaler means a person who imports into, or purchases in Montana, beer for sale to licensed retailers.

Table Wine Distributor means a person who imports into, or purchases in Montana, table wine for sale to licensed retailers and agency liquor stores in Montana.

Table Wine means wine that contains not more than 16 percent alcohol content by volume and includes hard ciders.



Beer means a malt beverage containing not more than 8.75 percent alcohol content by volume or an alcoholic beverage containing not more than 14 percent alcohol by volume:

- That is made by the alcoholic fermentation of an infusion or decoction, or a combination of both, in potable brewing water, of malted cereal grain; and
- In which the sugars used for fermentation of the alcoholic beverage are at least 75 percent derived from malted cereal grain measured as a percentage of the total dry weight of the fermentable ingredients.
- The term does not include a caffeinated or stimulant- enhanced malt beverage.

Sub-Warehouse means a building or structure owned or operated by a licensed beer wholesaler and/or table wine distributor, located in Montana, other than the site of the principal place of business of the beer wholesaler and/or table wine distributor used for the receiving, storage, and distribution of beer or table wine.

Where do I start?

A beer wholesaler and/or table wine distributor license may be applied for directly from the ABCD and does not need to be purchased from an existing licensee unless you are buying the business and the beer and/or wine inventory.

You can file your application electronically at <https://tap.dor.mt.gov> with the Department of Revenue (DOR) Alcoholic Beverage Control Division (ABCD).

What are the associated costs?

- One-time beer wholesaler license processing fee: \$200.
- Annual beer wholesaler license: \$400.
- One-time table wine distributor license processing fee: \$200.
- Annual table wine distributor license: \$400.
- One-time combined beer wholesaler and table wine distributor license processing fee: \$200.
- Annual combined beer wholesaler and table wine distributor license: \$800.
- One-time add beer wholesaler or table wine distributor to existing license fee: \$400.
- One-time beer wholesaler sub-warehouse license processing fee: \$100.
- Annual beer wholesaler sub-warehouse license: \$400.
- One-time table wine distributor sub-warehouse license processing fee: \$100.
- Annual table wine distributor sub-warehouse license: \$400.
- One-time combined beer wholesaler and table wine distributor sub-warehouse license processing fee: \$100.
- Annual combined beer wholesaler and table wine distributor sub-warehouse license: \$800.
- Fingerprint card fee for each individual with 10 percent or more ownership interest in the business. Price subject to change.

What do I need to apply?

When applying for a beer wholesaler and/or table wine distributor license, you must provide the following general information:

- A completed application for a beer wholesaler and/or table wine distributor license.
- Alcohol and Tobacco Tax and Trade Bureau (TTB) Federal Basic Permit to distribute beer and table wine.
- A completed ABCD authorization to disclose tax information form for each individual with ownership over 10 percent and each entity for the purchaser of the license and the seller of the license, if applicable. The form is available at MTRevenue.gov.
- A floor plan that includes the business name, physical address, areas where you intend to store alcoholic beverages, external dimensions and entry ways. Do not send in the original blueprints, only an 8 ½ -by-11-inch size copy of the floor plan.



When applying for a beer wholesaler and/or table wine distributor license, you must provide the following financial information showing the “intent to purchase” the alcoholic beverage license and/or building, if applicable:

NOTE: You cannot exchange funds for the alcoholic beverage license beyond earnest money 5 percent of the license price without ABCD approval.

- Copies of any loan agreements, contracts, notes and all related security agreements, guarantees and trust indentures.
- If you used funds other than from a loan you must provide the last six months of bank statements from the bank account you are using to pay for the alcoholic beverage license, building, and/or start-up operating funds for the business.
- Other sources of funding. You must file the non-institutional loan (NIL) form with the application if any lenders or other sources of financing are not state or federally regulated financial institutions, including gifting statements. The form is available at [MTRevenue.gov](https://mtrrevenue.gov).
 - Authorization for examination and release of information for each NIL.
 - Personal criminal history statement form for each NIL. The form is available at [MTRevenue.gov](https://mtrrevenue.gov).
 - Two fingerprint cards and fees for each NIL.
- Copies of lease, rent, purchase options, financing agreements, or other evidence showing possessory interest in the building.

- Financial statements, such as a balance sheet, income statement, or tax return for the business. If it is a new business, projected balance sheet and income statements are acceptable.
- Copy of business's bank signature card.
- Purchase/transfer documents for the alcoholic beverage license, such as a buy/sell agreement, contract for deed, warranty deed, and bill of sale, if applicable.

When applying for a beer wholesaler and/or table wine distributor license, you must provide the following ownership information (based on entity type applying), including:

- Copy of partnership agreement documentation.
- Copy of Articles of Incorporation and amendments or addenda.
- Copy of Bylaws and amendments or addenda.
- Copy of Certificate of Fact (for LLCs and LLPs).
- LLC organizational information.
- Copy of stock certificates, corporate minutes and attachments.
- Stock ledger or register.
- Copy of Certificate of Existence (for in-state corporations).
- Copy of authority to conduct business in Montana (for out-of-state corporations).
- Copy of documentation from the Secretary of State verifying that the assumed business name (ABN) has been approved.
- Copy of federal employer identification number (FEIN) verification from IRS.

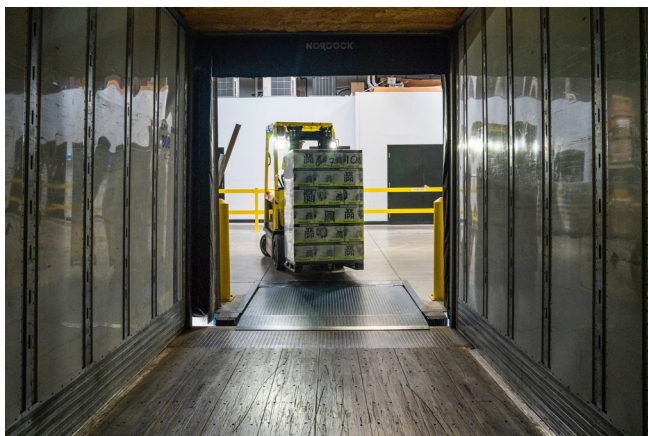
- Completed personal history statement form for each individual with 10 percent or more ownership interest in the business. The form is available at [MTRevenue.gov](https://mtrrevenue.gov).
- Two fingerprint cards and fees for each individual with 10 percent or more ownership interest in the business.

When applying for a beer wholesaler and/or table wine distributor license, you must provide the following management information, including:

- Location Manager Form. The form is available at [MTRevenue.gov](https://mtrrevenue.gov).
- Personal criminal history statement form for each location manager. The form is available at [MTRevenue.gov](https://mtrrevenue.gov).
- Two fingerprint cards and fees for each location manager.

Miscellaneous information needed:

- Agreements with licensed breweries and wineries you will be distributing products for.



What are the steps in the application process?

- The application process takes on average 90 days and begins when DOR receives a complete application package and all supporting documents.
- Application is reviewed by the DOR ABCD.
- ABCD sends a letter to the applicant requesting any additional documents needed.
- ABCD notifies local agencies with jurisdiction over the area (law enforcement, building department, fire department, health department, etc.) of the application in process. They have 14 days to advise the department if the applicant and the premises meet all laws and ordinances.
- Prior to final approval of any new location, it is the responsibility of the applicant to contact local building, health, and fire code officials to schedule inspections. ABCD will not approve an application until:
 - Local officials have given notice that the licensed premises meet their requirements.
 - DOJ has conducted a background check of the applicant(s) and verified the location meets suitability requirements.
- After the completion of the audit and investigation, ABCD conducts a final review of the application. If necessary, any additional documents will be requested.

What taxes does a beer wholesaler and/or table wine distributor pay?

Beer wholesalers and/or table wine distributors are required to electronically file monthly tax returns.

Returns are due on or before the 15th of the month for the preceding reporting period sales. Combined beer wholesaler and/or table wine distributor file both the BET and WIT and a hard cider distributor monthly tax return (if applicable). Tax rate for hard cider is \$0.037 per liter.

Beer wholesaler: File BET.

Barrels Sold	Tax Rate Per Barrel
0 - 5,000	\$1.30
5,001 - 10,000	\$2.30
More than 10,001	\$4.30

Table wine distributor: File WIT.

Sales Made To	Tax Rate Per Liter
Retailers	\$0.027
Sacramental Wine Licenses	\$0.027
Agency Liquor Stores	\$0.028

You must file your return electronically at <https://tap.dor.mt.gov>.

If you need help filing any of these forms, call the ABCD Liquor Auditor at (406) 444-2909.

What are the rules for a beer wholesaler and/or table wine distributor license?

- All licensees, their agents, and employees must conduct the licensed premises in compliance with all:
 - Alcohol related provisions of the laws of Montana and the United States.
 - County and city or town ordinances.
 - Indian alcohol beverage laws applicable within the areas of Indian country.
 - Rules of the department.

A beer wholesaler and/or table wine distributor licensee can:

- Allow a seven-day credit to a retailer. An extension or acceptance of credit longer than the seven days is considered as giving or receiving financial assistance, which will be considered a violation of undisclosed financial interest.
- Provide samples to retailers of up to 3 gallons of beer and 3 liters of wine to a retailer who has not purchased the specific sample product from the beer wholesaler or table wine distributor in the previous 12 months.
- Deliver product to a retail licensee at a catered event or the retailers licenses premises.
- Request a refund on the tax paid if a product they delivered to retailers is recalled by the manufacturer. The beer wholesaler or table wine distributor can amend the prior BET and or WIT return and request a credit be applied to their account or a refund be remitted.

- Exchange or accept return of a product if the reason constitutes an ordinary and usual commercial reason such as: defective product, error in delivery, product unlawful to sell, termination of retail business or wholesale franchise, change in product, discontinued product, or seasonal business. Product that is overstocked, slow moving or seasonal does not qualify for exchange or return.
- Assist a special permit holder or retail licensee that has a catering endorsement in setting up equipment for sale and service of beer and/or table wine but may not sell beer and/or table wine at the special event.
- Sell and/or deliver to a licensed retailer. The beer wholesaler or table wine distributor is responsible for ensuring they are selling product to a licensed retailer or a retailer with temporary operating authority.
- Write checks directly to licensed retailers for teams that the retailer and the wholesaler/distributor are sponsoring, such as, bowling teams, softball teams, dart leagues, etc.
- Have overlapping areas; however, the supplier must provide the same price, promotional support and terms to each wholesaler/distributor.

A beer wholesaler licensee may:

- Sell draft systems and portable cooling devices to licensees at not less than the cost to the beer wholesaler.
 - A beer wholesaler may provide portable cooling equipment for special events at a location other than a licensed premises.
- Provide maintenance or repair services on draft beer equipment to keep it sanitary and in good working condition.
- Sell only in their designated territory as agreed upon with the manufacturer or importer; however, different wholesalers may be appointed in the same territory to distribute different products.

A table wine distributor licensee may:

- Provide a retail licensee with product displays and carton wine displays. A table wine distributor can be deemed to have a financial interest in a retailer if they furnish to any retail licensee furniture, fixtures or equipment to be used in the dispensation or sale of table wine.

A beer wholesaler and/or table wine distributor licensee may not:

- Own any interest in a manufacture license, retail license, or agency liquor store.
- Obtain a special permit.
- Allow consumption of alcoholic beverages on their licensed premises.
- Sell or deliver product directly to the public.

A beer wholesaler may not:

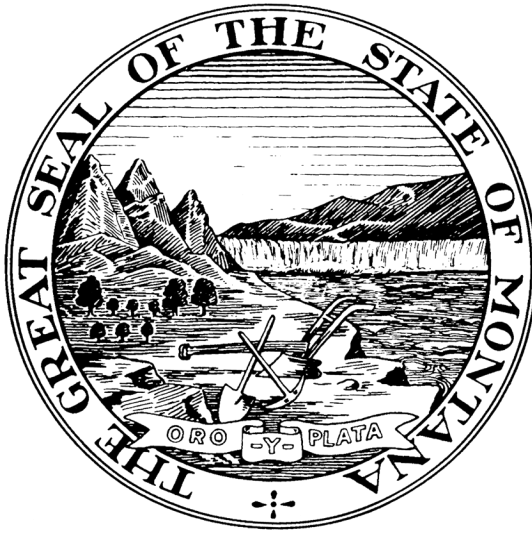
- Supply a retailer with advertising in the form of radio, posters or paying for promotional fees with the exception of a few items and dollar limitations. A beer wholesaler may provide functional advertising materials such as bottle openers, trays, tap handles menus, apparel, coasters, glassware, cups, or napkins that do not exceed \$300 in value.

A beer wholesaler and/or table wine distributor licensee must:

- Give law enforcement access to their licensed premises at all times.
- Provide the department an exact copy of any agreements, contracts or franchises with a distributor, brewer or beer importer.
- Notify the department when there is a change in manager within 30 days of hire for the location.
- Notify the department regarding most changes to the existing license before the change occurs. Contact your ABCD Licensing Specialist for more information.
- Ensure all beer and wine products you plan on distributing in Montana have labels approved through ABCD before the products from licensed breweries, wineries, and importers are allowed to be distributed in Montana. You can check to see if labels have been approved by ABCD on our website <https://tap.dor.mt.gov>. (NOTE: Some licensed Montana breweries may not need to go through product label approvals).

Miscellaneous:

- Alterations
 - If you decide to remodel your premises, you must send ABCD an alteration request form along with a copy of the existing floor plan and a proposed floor plan showing the alterations before starting the alteration. The form is available at [MTRevenue.gov](https://mtrrevenue.gov).
 - Once the department reviews and approves the request, you may begin the alteration without it affecting your license. You may request to have your license placed on a non-use status while under construction. You cannot use altered areas until the department has approved them and they have passed building, health, fire, and DOJ premises inspections.
- A beer wholesaler and/or table wine distributor who also sells non-alcoholic products may give non-alcoholic redemption coupons to an account to reduce the beer price to the consumer. The coupons must be redeemable at all retail locations within the market where the coupon is offered. The industry member may not reimburse a retailer for more than the face value plus a usual and customary handling fee. Combination packaging with other non- alcoholic items does not constitute a means to induce.



Department of Revenue

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