

Guide for retailers, alcohol manufacturers, wholesalers, agency liquor stores, nonprofit/tax-exempt organizations, and the public.

A nonprofit or tax-exempt organization may hold an auction* or raffle** of alcoholic beverages at fundraising events. Alcoholic beverages raffled or auctioned must still be sealed in their original packaging*** when delivered by the organization to the raffle or auction winner. Events, where the non-profit organization wishes to sell and serve alcohol on non-licensed premises, must:

- Be catered by an on-premises alcoholic beverage licensee; or
- Apply for a special event permit.

Alcohol may only be consumed on the premises if the event is catered, or a special permit has been received and approved. Alcohol sold at the event for consumption may not be taken home. Alcohol must be taken home if it has been won as a raffle or auction item; the alcohol may not be consumed at the event.

Allowed

Alcoholic beverages used for raffle or auction may be:

- Donated by:
 - A licensed retailer
 - An agency liquor store
 - A licensed beer, wine, or distilled spirits manufacturer
 - A member of the public
- Purchased from:
 - A licensed retailer
 - An agency liquor store
 - A licensed beer, wine, or distilled spirits manufacturer
- Purchased by the organization, that has been issued a special permit from ABCD, from a licensed wholesaler or distributor for not less than the ordinary price.

Not Allowed

- Proceeds from the raffle or auction of alcoholic beverages may not go to anyone who provided the alcoholic beverages.
- Raffle tickets may not be sold to any person under 21 years of age.
- Auction bids may not be received from any person under 21 years of age.
- Donations of beer and table wine from a wholesaler or distributor.

For an auction or raffle held at an on-premises licensed business, alcoholic beverages present solely for a fundraising event is not considered a violation of [16-3-301\(1\)](#) or [16-6-303](#), MCA.

No more than four events, per organization, per calendar year are allowed where alcoholic beverages are raffled or auctioned.

“Virtual (online) and In-person Auctions:

Alcohol and alcohol-type items may be auctioned at your virtual event. For example, you may auction a gift card to a brewery for three growler fills, gift baskets with alcohol in them, etc.

Attendees receiving the item(s) they have won in the auction or raffle:

- The alcohol item(s) may be delivered.
 - Both the delivery driver and the individual receiving the alcohol item(s) must be at least 21 years of age.
- The alcohol item(s) may be picked up at the address of the “event,”
 - The individual picking up the alcohol item(s) must be at least 21 years of age.

* “Auction” means the sale of an item or items, which may include alcoholic beverages, whereby the item for sale is sold to the highest bidder at the bid price. An auctioned item or items may have a reserve price.

** “Raffle” means an event in which a nonprofit or tax-exempt organization sells tickets, and each ticket gives the purchaser of the ticket the chance to win a prize, which may include alcoholic beverages, with the winner determined by a random drawing.

*** “Original packaging” means the sealed container in which a manufacturer packages its product for retail sale. It includes bottles, cans, kegs, and growlers, but does not include lines or piping carrying the product from a manufacturer’s premises to a retailer’s premises.

All licensees must comply with all Federal and Montana alcoholic beverage laws and rules. SECTIONS [16-3-316](#), [16-4-111](#), [16-4-204](#), [16-4-301](#), MCA and ARM [42.12.128](#)

[4.2024](#) Please note the information in department communications may have been modified, superseded, or made obsolete by changes in federal or state law or the Administrative Rules of Montana. If you need to verify the current validity of any Department of Revenue communication, please contact us.)

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