COMPLIANCE CHECK LIST[[1]](#footnote-1)

Retail Licensees

**Keep the license up to date**

 Renew your **license and bond** in a timely manner.

Note that on-premises licensees in New York City must notify the community board thirty (30) days before the renewal application is filed.

**Obtain SLA Approval for any of the following:**

* Adding or removing a person who is on the license.
* Adding or removing an officer.
* Any change of ownership that results in a new interest obtaining more than 10% or gaining interest resulting in ownership of 10% or more of the licensee.
* Change in Method of Operation.
* Alteration of Premises.
	+ Adding, removing, or relocating a customer bar;
	+ Any change costing more than $10,000;
	+ Any enlargement or contraction of the licensed premises;
	+ Physical changes to the interior or exterior of the premises that materially affect the character of the premises.
* Name change or Doing Business as Name.
* Removal or change of locations.
* **IN THE EVENT OF A TEMPORARY CLOSING**

If closing for more than two weeks, the license must be placed in safekeeping with the SLA. Unless approved by the Authority if good cause is shown, no license certificate may remain in safekeeping for more than six months. After those six months, a licensee must be prepared to either: take the license certificate out of safekeeping and resume licensed activities; surrender the license; or request and obtain approval for an extension of the time the license certificate may be kept in safekeeping. The failure of the licensee to take one of these actions will subject it to disciplinary action.

* **IN THE EVENT OF A TRANSFER OF OWNERSHIP**

SLA permission is needed to sell or transfer the business. Any person on the license will remain responsible for the conduct of the business until he or she is removed from the license by the SLA. The license must be surrendered if the holder goes out of business.

* **If a third-party provider is receiving any percentage of sales income or of any similar arrangement.**If there is any change after the granting of a license in any of the facts required to be set forth in the license application, a supplemental statement giving notice of such change, duly verified, must be filed with the Liquor Authority or the appropriate board within 10 days after such change. This includes Loans.
* **Arrests or Convictions:** If a licensee is arrested or convicted of a crime, this fact must be reported **in writing to the SLA within forty-eight hours**.

**Register with the TTB.**

 Retailers are required to register with the TTB. No person may engage in the business of selling or offering to sell distilled spirits, wine, or beer without first registering their business with the Alcohol and Tobacco Tax and Trade Bureau by filing [TTB 5630.5d - Alcohol Dealer Registration](https://www.ttb.gov/media/70417/download?inline). You may register as a Retail Beverage Alcohol Dealer in [Permits Online](https://www.ttb.gov/node/1015). See 27 CFR part 31, subpart E. Registration must be made:

* Before engaging in business.
* For every location of said business.  See 27 CFR 31.112.
* On or before each subsequent July 1, but ONLY IF there has been a change in the existing registration information.  See 27 CFR 31.111 and 27 CFR subpart H.
* Within 30 days of going out of business. See 27 CFR 31.138.

There is no registration fee.

**Keep the entity up to date**.

* Pay all franchise taxes.
* Collect and remit sales taxes.
* Corporations should keep the corporate kit up to date. Hold board of directors’ meetings, elect officers, and have resignations when officers leave.
* LLCs must have an operating agreement and keep it up to date. Have appropriate documentation of the appointments of managers, etc.

**POST ALL REQUIRED SIGNS**

All required signs must be posted in a conspicuous place close to the place of sale.

* Government Warning regarding pregnancy
* Warning regarding sales to minors and intoxicated persons.
* License framed and posted near the point of sale for the alcoholic beverages.
* No Smoking signs are also required in New York City.
* Sales Tax signs
* Topless – human trafficking prevention sign

For On-Premises Retailers:

* Brand Signs on Beer Taps (logos and symbols alone are insufficient; brewer names must be legible to patrons)
* New York City has its own warning poster regarding alcohol and pregnancy, which must be posted by on-premises establishments in New York City.
* Choking First Aid Signs
* Food Allergy Awareness Signs
* Calorie Counts for Menu items (chains)
* Employees Must Wash Their Hands Sign.

Off-Premises:

* Painted on the **front window** of the licensed premises, the **name of the licensee together with the inscription, "New York State Retail Liquor or Wine Store License No. \_\_\_\_\_\_,"** in uniform letters not less than three and one-half inches in height.
* Price signs attached to or shown with all liquors and wines displayed in package stores.
* Package Stores that use a common logo or advertise together must include in such advertising (including on-line advertising) must post at or near each checkout counter a sign: **"NOTICE TO CONSUMERS: Under state law, any package store is entitled to buy any standard brand of liquor or wine at the same price paid by this package store. This package store is independently owned and operated. It is not part of any chain or cooperative buying group.”**

**Note that each license certificate applies to *one* customer bar.**

Any counter where drinks are prepared and then handed over to the customer on the other side is considered a customer bar (or stand-up bar). For every additional bar, licensees must file to obtain an add-bar license. A separate certificate and license number will be issued for each additional bar, and this certificate should be placed at the appropriate bar.

 Service bars, in comparison, are counters where drinks are prepared and then brought over to patrons at tables via servers. These bars do not need to be licensed, but they should be identified on the diagram on file with the SLA.

**MAKE SURE THAT OUTDOOR SEATING HAS BEEN APPROVED BY THE SLA.**

If outdoor seating is located within private property lines, the licensee is permitted to serve alcohol in the areas insofar as they have been accurately disclosed to the SLA and local Community Board, by way of Method of Operation (indicating outdoor area), and outdoor space included on the premises diagram.

If the licensee has not done so, they should file an alteration to include this space. This process will require notice to the Community Board.

Outdoor seating must be contiguous[[2]](#footnote-2) and contained[[3]](#footnote-3).

If the seating involves outdoor contiguous and/or non-contiguous municipal public space, the licensee must first: (1) receive municipal permission and approval – usually through New York City’s Department of Transportation Dining Out NYC Permit; (2) receive SLA approval by filing an “Alteration for Adding or Removing Contiguous and/or Non-Contiguous Municipal Alteration” application with the SLA – which requires 30-Day notice to the local municipalities (community board).

**Establish Policies**

**Avoid Sales to Minors.**

Recommendation:

* Post “Date Born After” signs near all points of sale or service;
* Have a written policy on what you expect from employees when making sales.
* Establish an ongoing training and education program for all employees that qualifies as an SLA approved Alcohol Training Awareness Program (“ATAP”).
* Encourage responsible drinking when advertising your establishment.
* Support your employees when they refuse to make a sale; and
* Consider purchasing a scanner device to verify that the identifications presented to you are valid.

**Train Employees not to sell to an intoxicated person**.

Purchase Alcoholic Beverage Servers Insurance. (This is an add-on to most policies.)

**Maintain orderly premises.**

Here are some ways to prevent your premises from becoming disorderly:

* Hire a **licensed** security guard or a manager (make sure this method of operation is approved by the Authority);
* Call the police when violence or disorder occurs at your premises and self-report the incident to the Authority;
* Close your premises at an earlier time;
* Make sure all bartenders, servers, and other employees who serve or sell alcohol are properly trained in preventing sales to intoxicated patrons; and
* Spend more time at your licensed premises to ensure you are exercising adequate supervision.
* Stay within noise limits.
* Do not become a focal point for police activity.

**Avoid unlimited drink specials.**

Do not provide unlimited drinks for a single price or discounted drinks below half price.

This does not apply to private functions not opened to the public, such as weddings, banquets, or receptions, or other similar functions, or to a package of food and beverages where the service of alcoholic beverages is incidental to the event or function.

**Serve only from original containers.**

All Alcoholic Beverages must be stored on the premises in original containers or a warehouse with a permit.

Pre-mixed or batched drinks are not allowed.

Serve only from the original containers. Do not pour from one container to another or prepare drinks in advance. (Exceptions: continuously mixing machine with a capacity of one gallon or more, or decanting wine in front of the patron just before serving.)

**NO GAMBLING.**

 Gambling on the licensed premises is illegal.

 It is gambling if the answer to the following three questions is yes:

1. Is the activity a contest of chance?
2. Is the person giving something of value to participate?
3. Is there something of value being offered as a prize?

**Avoid improper purchases.**

Liquor purchases should only be made from an authorized source:

* Licensed wholesaler
* Qualified private collection
	+ Label “from a private collection.”

 Purchase at prices posted by the SLA.

It is illegal for a retail licensee to sell to or purchase from another retail licensee.

**Compliant To-Go Sales and Delivery Orders.**You may sell, for take-out and delivery, any product[[4]](#footnote-4) that you may otherwise sell at retail for on-premises consumption, subject to the following conditions:

* You may not sell for take-out, or deliver, any bottles of liquor or bottles of wine[[5]](#footnote-5); nor may you advertise or promote the sale of full bottles of wine or liquor for off-premises consumption
* All purchases for alcoholic beverages must be accompanied by a purchase of a *substantial food item[[6]](#footnote-6)*;
* The beverages must be packaged in a container with a secure lid or cap sealed in a manner designed to prevent consumption without removal of the lid or cap by breaking the seal;
* Beverages purchased for take-out or delivery are subject to any applicable state and municipal open container laws, rules, regulations, or ordinances;
* May only occur during licensed hours of operation
* Must be priced the same as if consumed on premise (no promotions or specials offered solely to deliveries)

There are no limitations on volume or quantity on the sale of drinks to go,apart from the prohibition of sales of bottles outlined below:

* You may *not* transfer the contents of a bottle[[7]](#footnote-7) of wine or liquor into the same or an equivalent-sized to-go container (seen as a circumvention of the law);
* You *may* transfer the contents of a bottle that holds a single serving into a to-go container meeting the requirements under the law.

Consumption or possession of an open container of alcohol in public places, including streets, sidewalks, and parks, is prohibited.

Violations typically result in a civil fine ($25+, depending on history of offenses or charges in connection, i.e., disruptive behavior)

As a licensee, you should not promote consumption in public places. As mentioned above, any cocktails or beverages served for take-out must be in a to-go container with a secured lid.

**Ensure that deliveries made by motor vehicles are compliant.**

* Vehicles must be permitted to do so.

The vehicle delivering must either be registered to the licensee (and a copy of the license should be in the vehicle) or that vehicle must have a trucking permit issued by the SLA (third-party delivery service drivers normally obtain this).

* Delivery must be to a New York State residential address.

It may not be delivered to a commercial business location.

* Delivery must be to an individual who is twenty-one years of age or older and is not at the time of delivery intoxicated.

Delivery drivers shall require a recipient at the delivery address, upon delivery, to demonstrate that the recipient is at least twenty-one years of age by providing a valid form of photographic identification. The recipient must not be visibly intoxicated.

**AVOID UNLAWFUL GIFTS OR SERVICES**.

* It is unlawful for a supplier or wholesaler to give a gift **or service** to a retail licensee or for the retail licensee to accept such a gift or service.

 The only lawful discounts are price-posted quantity discounts.

Free goods are illegal except for up to two bottles of wine (no spirits), which the retailer has not purchased in the last twelve months.

With limited exceptions, gifts and services from suppliers or wholesalers are illegal.

**License Restrictions**

**Note Closing times**

* [By County](https://sla.ny.gov/county-closing-hours)
* Limitations imposed by SLA as part of the License Approval. (This includes limitations agreed upon with the Community Board – limiting hours, live music, dancing, etc. Otherwise known as “license stipulations.”)

**A special permit is required to be open at any other hours, such as New Year's Eve.**

* Restaurants must be open to the public and have a chef on duty. Must offer full meals.
* Taverns must be open to the public and offer food (sandwiches, soups, or similar items). Snack foods (chips, pretzels, etc.) are not sufficient to meet this requirement. The food can be fresh, pre-cooked, or frozen, but it must be kept at your licensed premises and available for your patrons. You cannot have patrons order food to be delivered by other businesses to satisfy this requirement.
* Club licenses are only available to not-for-profit entities and must only be open to members and their guests.

**Second Business Rule- Package Store**

A package store may not engage in any other business on the licensed premises.

 Exceptions:

* Lottery tickets, when duly authorized and lawfully conducted
* Corkscrews
* Ice
* Publications (including prerecorded video and/or audio cassette tapes, designed to help educate consumers in the knowledge and appreciation of wine and wine products).
* Non-carbonated mineral waters, spring waters, and drinking waters.
* Seminars to educate (A fee may be charged. If tastings are involved, the tasting must be available without payment).
* Devices to minimize oxidation of wine.
* Gift bags, gift boxes, and wrapping for alcoholic beverages.
* Glasses meant for wine or spirits.
* Wine racks.

**Local Laws and Ordinances.**

 All local laws and ordinances must be observed. The SLA can discipline a licensee for failure to comply with local health codes, emergency orders, etc. It can also discipline a licensee for failure to have a proper certificate of occupancy.

**AVOID TIED HOUSE VIOLATIONS**.

* Retailers may not be interested directly or indirectly in suppliers or wholesalers.
* Suppliers and wholesalers may not be interested directly or indirectly in retail licensees.

Note: The rule applies whether the supplier or wholesaler is within or outside New York. There is no minimum. Any tied house interest is illegal and will result in either the loss of the licenses or a requirement of divestiture and a penalty.

1. This is a partial list is intended to help you understand your responsibilities. Licensees have a responsibility to know and obey the law. If you have questions, please contact The Danow Group 212 370 3744. [↑](#footnote-ref-1)
2. Located in front of, behind, or to the side of licensed premises; and is within the property boundaries of the licensed premises as extended out – or within the property boundaries of the nearest adjacent properties on either side. [↑](#footnote-ref-2)
3. Contained by barriers, stanchions, shrubbery, etc. so that patrons may not enter or exit freely except through two entry points. [↑](#footnote-ref-3)
4. Beer, Cider, Wine, Liquor, Cocktails, etc. [↑](#footnote-ref-4)
5. “Bottle” refers to full bottles meant to serve multiple servings; this provision refers to wine and/or liquor that the retailer purchases from a wholesaler in a bottle, box, can, or other similar container. (See SLA Advisory #2022-2) [↑](#footnote-ref-5)
6. Examples of “substantial food item(s)” are: sandwiches, soups, salads, wings, or hotdogs. Items like a bag of chips, bowl of nuts, or candy alone would not be considered substantial. (See SLA Advisory #2022-2) [↑](#footnote-ref-6)
7. [↑](#footnote-ref-7)