



Received:

# SPECIAL EVENT LIQUOR PERMIT APPLICATION

THIS APPLICATION MUST BE FULLY COMPLETE, WITH APPLICABLE FEES AND ALL REQUIRED ATTACHMENTS.  
*Special Event Liquor Permit Fee is \$100 PER EVENT DAY plus a single \$12.50 Poster Fee*

Return fully completed application and fees to the City Clerk's Office, 30 S. Nevada Avenue, Suite 101, 80903.

NON-PROFIT APPLICANT INFORMATION	
1. Name of Applicant Organization or Political Candidate:	Phone:
IN ORDER TO QUALIFY FOR A SPECIAL EVENT LIQUOR PERMIT, YOU MUST BE NON-PROFIT AND ONE OF THE FOLLOWING:	
<input type="checkbox"/> Social <input type="checkbox"/> Fraternal <input type="checkbox"/> Patriotic <input type="checkbox"/> Athletic <input type="checkbox"/> Philanthropic Institution <input type="checkbox"/> Religious Institution <input type="checkbox"/> Political <input type="checkbox"/> Political Candidate <input type="checkbox"/> Chartered Branch, Lodge or Chapter of a National Organization or Society <input type="checkbox"/> Municipality Owning Arts Facilities	
Type of Special Event for which Applicant is Applying (Check One):	Part of CITYWIDE Special Event?
<input type="checkbox"/> Malt, Vinous and Spirituous Liquor <input type="checkbox"/> Fermented Malt Beverage	<input type="checkbox"/> YES <input type="checkbox"/> NO    If yes, Event Name:
2. Applicant Mailing Address:	State Sales Tax #:
Has the Applicant Organization or Political Candidate been issued a Special Event Liquor Permit this calendar year?	
<input type="checkbox"/> YES <input type="checkbox"/> NO    If Yes, attach a complete permit date listing for the year (maximum 15 days per calendar year).	
3. Pres./Sec'y of Org. or Political Candidate (Name and Title):	Email:
Home Address (including City, State, Zip):	Phone:

PREMISES / EVENT LOCATION INFORMATION				
4. Event Manager/Contact Name and Title:	Email:			
Home Address (including City, State, Zip):	Phone:			
5. Event Location Address (including City, State, Zip):				
Is the requested premises location now licensed under State Liquor or Beer Code? <input type="checkbox"/> YES <input type="checkbox"/> NO    If Yes, attach copy of license.				
List below the exact dates and times for which this application is being made (include all required set up and clean up time)				
Date:	Date:	Date:	Date:	Date:
Hours From:	Hours From:	Hours From:	Hours From:	Hours From:
To:	To:	To:	To:	To:

OATH OF APPLICANT		
<i>I declare under penalty of perjury that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.</i>		
Signature	Title	Date

REPORT AND APPROVAL OF LOCAL LICENSING AUTHORITY		
The City of Colorado Springs hereby finds that this application has been examined and the premises, business conducted, and character of the applicant is satisfactory, and THEREFORE THIS APPLICATION IS APPROVED.		
Signature	Title	Date



**SPECIAL EVENT LIQUOR PERMIT APPLICATION  
Information & Checklist**

**What to know before submitting a Special Event Liquor Permit application:**

- ✓ For questions about this application or the process, please contact the Liquor Licensing staff in the City Clerk's Office, at 30 S. Nevada #101, or by calling 719-385-5901, Option 2. Please note that the City Clerk staff may not provide you legal advice regarding your application.
- ✓ The application process must be submitted at least 30 days prior to the proposed event.
- ✓ Incomplete packets cannot be accepted.
- ✓ All documents must be properly executed and must correspond exactly with the name of the applicant.
- ✓ All documents must be single sided, 8.5"x11" and be typed or legibly printed.
- ✓ A public hearing and associated public notice is required for a Special Event Liquor Permit.
- ✓ A required public notice poster must be posted by the applicant at the proposed premises at least 10 days prior to the scheduled hearing date, and remain posted until after the hearing.
- ✓ A public notice hearing notice posting affidavit requires notarization. This affidavit is supplied by the City Clerk's Office at the time of posting. The City Clerk's staff cannot notarize this affidavit.
- ✓ Permit holders are expected to know, understand and comply with the Colorado Liquor and Beer Code. Copies of the Colorado Liquor/Beer Code are available on the State of Colorado Department of Revenue website at: <https://www.colorado.gov/pacific/enforcement/liquor>.
- ✓ A statewide maximum of 15 Special Event Liquor Permits per year per non-profit applicant is allowed.
- ✓ If an event is cancelled, the application fees and day(s) are forfeited.

**Checklist of documents to submit:**

1. CITY OF COLORADO SPRINGS SPECIAL EVENT LIQUOR PERMIT APPLICATION
  - a. Line #1 must match the organization's name exactly as stated on the Certificate of Good Standing.
  - b. Line #2 mailing address must be current mailing address on file for the organization listed in #1.
  - c. Colorado Sales Tax Number is required for all applicants.
  - d. Oath of Applicant signed and dated by officer or representative of applicant organization.
2. Appropriate fee to the City of Colorado Springs (payable in cash, check, money order, or credit card)
  - a. \$100 per each event day.
  - b. \$12.50 one-time poster fee for the event location.
    - o i.e., a one day event is a total fee of \$112.50; a two day event is a total fee of \$212.50, etc.
3. Properly executed and signed lease, rental agreement, or written permission of property owner for possession and use of the premises for the liquor event.
  - a. Lease, rental agreement, or permission must match the organization's name exactly as stated on the Certificate of Good Standing.
4. A detailed diagram or drawing of the premises to be licensed (not larger than 8.5"x11" reflecting bars, walls, partitions, fences, ingress, egress and dimensions).
5. Current Certificate of Good Standing (non-profit) from the Secretary of State.
6. If the applicant is a political candidate: Reports and statements that were filed with the Secretary of State's Office.
7. Attach a list of other Special Event Liquor Permits issued or pending to the non-profit applicant for the calendar year anywhere in the State, including dates and locations (as applicable).



## **SPECIAL EVENT LIQUOR PERMIT APPLICATION**

### **General Information**

For questions relating to the Special Event Liquor Permit process, please contact the Liquor Licensing staff in the City Clerk's Office, at 30 S. Nevada #101, or by calling 719-385-5901, Option 2. Please also note that the City Clerk staff may not provide you any legal or business advice regarding your application.

#### Description:

Special Event Liquor Permits allow qualified non-profits or political candidates to sell, serve, or distribute alcohol beverages for on premise consumption only in connection with fund raising events. Sandwiches or snack foods must be made available during all hours of liquor service.

A Special Event Liquor Permit may be issued to an organization which:

- Has been incorporated under the laws of this state for purposes of social, fraternal, patriotic, political, or athletic nature, and not for pecuniary gain, OR
- Is a regularly chartered branch, lodge, or chapter of a national organization, or society organized for such purposes and being nonprofit in nature, OR
- Is a regularly established religious or philanthropic institution, AND
- To any political candidate who has filed the necessary reports and statement with the secretary of state pursuant to article 45 of title 1, C.R.S.

The Special Event Liquor Permit holder may obtain a maximum of fifteen (15) Special Event Liquor Permits per calendar year. Each permit is valid for one day only. An event lasting between one and five days may be applied for on one application but each day counts towards the maximum of fifteen total days per year. The Local Licensing Authority does not permit different location events to be applied for on a single application form, as each event is unique and must be addressed individually.

If the liquor event is part of a larger citywide special event, the City also has a Special Events Coordinator and a separate application process, as that typically effects many other city departments (streets, parks, police, etc.).

Once the City Clerk's Office has received and reviewed a completed application, the City Clerk's Office will contact the applicant with a public hearing date and for the applicant to pick up the required public notice poster, which must be posted by the applicant at the proposed premises at least 10 days prior to the scheduled hearing date.

A representative of the organization is required to attend the scheduled public hearing in order to respond to any questions from the Liquor Licensing staff or other public parties in interest may have regarding the event, the layout, and liquor service management and logistics.

Generally, the permit can be approved and issued within a day or two after the hearing, and a copy of the approved application and permit is then sent to the State Liquor Enforcement Division for notification and tracking purposes.

# Colorado Special Event Liquor Permits Code

## ARTICLE 5, TITLE 44, C.R.S.

Updated 1/2022

*This copy of the Colorado Special Event Liquor Permits Code is provided as a convenience to the public by the Liquor Enforcement Division and does not constitute an official publication. The official version of the Colorado Special Event Liquor Permits Code can be found on the Colorado General Assembly website, <https://leg.colorado.gov/colorado-revised-statutes>*

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**44-5-101. Special licenses authorized.** (1) The state or local licensing authority, as defined in articles 3 and 4 of this title 44, may issue a special event permit for the sale, by the drink only, of fermented malt beverages, as defined in section 44-4-103, or the sale, by the drink only, of malt, spirituous, or vinous liquors, as defined in section 44-3-103, to organizations and political candidates qualifying under this article 5, subject to the applicable provisions of articles 3 and 4 of this title 44 and to the limitations imposed by this article 5.

(2) For purposes of this article 5, a state institution of higher education includes each principal campus of a state system of higher education.

**44-5-102. Qualifications for permit.** (1) A special event permit issued under this article 5 may be issued to:

(a) An organization, whether or not presently licensed under articles 3 and 4 of this title 44, that:

(I) Has been incorporated under the laws of this state for purposes of a social, fraternal, patriotic, political, educational, or athletic nature, and not for pecuniary gain;

(II) Is a regularly chartered branch, lodge, or chapter of a national organization or society organized for the purposes specified in subsection (1)(a)(I) of this section and is nonprofit in nature;

(III) Is a regularly established religious or philanthropic institution; or

(IV) Is a state institution of higher education;

(b) A political candidate who has filed the necessary reports and statements with the secretary of state pursuant to article 45 of title 1; or

(c) Any municipality, county, or special district.

## COLORADO SPECIAL EVENT LIQUOR PERMITS CODE

(2) Repealed.

(3) Notwithstanding any law to the contrary, and subject to this article 5, the state or local licensing authority may issue a special event permit to a state agency, the Colorado wine industry development board, created in section 35-29.5-103, or an instrumentality of a municipality or county that promotes:

- (a) Alcohol beverages manufactured in the state; or
- (b) Tourism in an area of the state where alcohol beverages are manufactured.

**44-5-103. Grounds for issuance of special permits.** (1) (a) A special event permit may be issued under this section notwithstanding the fact that the special event is to be held on premises licensed under the provisions of section 44-3-403, 44-3-404, 44-3-413 (3), 44-3-418, 44-3-419, or 44-3-424. The holder of a special event permit issued pursuant to this subsection (1) is responsible for any violation of article 3 of this title 44.

(b) If a violation of this article 5 or article 3 of this title 44 occurs during a special event festival and the responsible licensee can be identified, the state or local licensing authority may charge and impose appropriate penalties on the licensee. If the responsible licensee cannot be identified, the state licensing authority may send written notice to every licensee identified on the permit applications and may fine each the same dollar amount. The fine shall not exceed twenty-five dollars per licensee or two hundred dollars in the aggregate. A joint fine levied pursuant to this subsection (1)(b) does not apply to the revocation of a licensee's license under section 44-3-601.

(2) Nothing in this article 5 shall be construed to prohibit the sale or dispensing of malt, vinous, or spirituous liquors on any closed street, highway, or public byway for which a special event permit has been issued.

**44-5-104. Fees for special permits.** (1) Special event permit fees are:

- (a) Ten dollars per day for a malt beverage permit;
- (b) Twenty-five dollars per day for a malt, vinous, and spirituous liquor permit.

(2) All fees are payable in advance to the department for applications for special event permits submitted to the state licensing authority for approval.

**44-5-105. Restrictions related to permits.** (1) Each special event permit shall be issued for a specific location and is not valid for any other location.

(2) A special event permit authorizes sale of the beverage or the liquors specified only during the following hours:

- (a) Between the hours of five a.m. of the day specified in a malt beverage permit and until twelve midnight on the same day;
- (b) Between the hours of seven a.m. of the day specified in a malt, vinous, and spirituous liquor permit and until two a.m. of the day immediately following.

(3) The state or a local licensing authority shall not issue a special event permit to any organization for more than fifteen days in one calendar year.

(4) No issuance of a special event permit shall have the effect of requiring the state or local licensing authority to issue such a permit upon any subsequent application by an organization.

(5) Sandwiches or other food snacks shall be available during all hours of service of malt, spirituous, or vinous liquors, but prepared meals need not be served.

## COLORADO SPECIAL EVENT LIQUOR PERMITS CODE

**44-5-106. Grounds for denial of special permit.** (1) The state or local licensing authority may deny the issuance of a special event permit upon the grounds that the issuance would be injurious to the public welfare because of the nature of the special event, its location within the community, or the failure of the applicant in a past special event to conduct the event in compliance with applicable laws.

(2) Public notice of the proposed permit and of the procedure for protesting issuance of the permit shall be conspicuously posted at the proposed location for at least ten days before approval of the permit by the local licensing authority.

**44-5-107. Applications for special permit.** (1) Applications for a special event permit shall be made with the appropriate local licensing authority on forms provided by the state licensing authority and shall be verified by oath or affirmation of an officer of the organization or of the political candidate making application.

(2) In addition to the fees provided in section 44-5-104, an applicant shall include payment of a fee established by the local licensing authority, not to exceed one hundred dollars, for both investigation and issuance of a permit. Upon approval of any application, the local licensing authority shall notify the state licensing authority of the approval, except as provided by subsection (5) of this section. The state licensing authority shall promptly act and either approve or disapprove the application. In reviewing an application, the local licensing authority shall apply the same standards for approval and denial applicable to the state licensing authority under this article 5.

(3) The local licensing authority shall cause a hearing to be held if, after investigation and upon review of the contents of any protest filed by affected persons, sufficient grounds appear to exist for denial of a permit. Any protest shall be filed by affected persons within ten days after the date of notice pursuant to section 44-5-106 (2). Any hearing required by this subsection (3) or any hearing held at the discretion of the local licensing authority shall be held at least ten days after the initial posting of the notice, and notice thereof shall be provided to the applicant and any person who has filed a protest.

(4) The local licensing authority may assign all or any portion of its functions under this article 5 to an administrative officer.

(5) (a) A local licensing authority may elect not to notify the state licensing authority to obtain the state licensing authority's approval or disapproval of an application for a special event permit. The local licensing authority is required only to report to the liquor enforcement division, within ten days after it issues a permit, the name of the organization to which a permit was issued, the address of the permitted location, and the permitted dates of alcohol beverage service.

(b) A local licensing authority electing not to notify the state licensing authority shall promptly act upon each application and either approve or disapprove each application for a special event permit.

(c) The state licensing authority shall establish and maintain a website containing the statewide permitting activity of organizations that receive permits under this article 5. In order to ensure compliance with section 44-5-105 (3), which restricts the number of permits issued to an organization in a calendar year, the local licensing authority shall access information made available on the website of the state licensing authority to determine the statewide permitting activity of the organization applying for the permit. The local licensing authority shall consider compliance with section 44-5-105 (3) before approving any application.

## COLORADO SPECIAL EVENT LIQUOR PERMITS CODE

**44-5-108. Exemptions.** An organization otherwise qualifying under section 44-5-102 shall be exempt from the provisions of this article 5 and shall be deemed to be dispensing gratuitously and not to be selling fermented malt beverages or malt, spirituous, or vinous liquors when it serves, by the drink, fermented malt beverages or malt, spirituous, or vinous liquors to its members and their guests at a private function held by the organization on unlicensed premises, so long as any admission or other charge, if any, required to be paid or given by any such member as a condition to entry or participation in the event is uniform as to all without regard to whether or not a member or such member's guest consumes or does not consume such beverages or liquors. For purposes of this section, all invited attendees at a private function held by a state institution of higher education shall be considered members or guests of the institution.

**44-5-109. Alcohol beverages obtained for a special event - authority of club licensee to commingle with inventory.** If a person licensed under section 44-3-418 purchases alcohol beverages from a wholesaler for purposes of a special event held on the licensee's premises, the licensee is not required to store the alcohol beverages purchased for the special event separately from the licensee's inventory.

## COLORADO LIQUOR RULES

1 C.C.R. 203-2

**Effective: January 1, 2022**

*This copy of the rules is provided as a convenience to the public by the Colorado Department of Revenue and does not constitute an official publication. The official version of these rules is published by the Office of the Secretary of State in the Colorado Code of Regulations and may be obtained from the*

[Colorado Secretary of State's website.](#)

### Excerpt of Special Event Liquor Permit Regulations

#### **Regulation 47-1000. Qualifications for Special Event Permit.**

**Basis and Purpose.** The statutory authority for this regulation is located at subsections 44-3-202(1)(b) and 44-3-202(2)(a)(I)(A), C.R.S. The purpose of this regulation is to define the types of organizations that qualify for a special event permit.

Organizations qualifying for special events permit are described as follows:

- A. Organizations that are incorporated under the laws of this state for social, fraternal, patriotic, political, educational, or athletic purposes, and not for pecuniary gain.
- B. Municipalities, counties, or special districts.
- C. Any nonprofit or charitable organization that is incorporated or registered with the Colorado secretary of state.
- D. A regularly chartered branch, lodge, or chapter of a national organization or society organized for social, fraternal, patriotic, political, educational, or athletic purposes and is nonprofit in nature.
- E. A regularly established religious or philanthropic institution.
- F. A state institution of higher education, to include each principal campus of such institution.
- G. Any political candidate who has filed the necessary reports and statements with the secretary of state pursuant to article 45 of title 1, C.R.S. Political as used in article 5 of title 44, shall mean any political organization or political party as defined in section 1-1-104, C.R.S. However, no permit shall be required for those individuals or candidates campaigning or running for public office and who sponsor fund raising activities when such activities are held in a private residence and there is no cash bar in operation.
- H. An entity that is either a state agency, the Colorado Wine Industry Development Board created in section 35-29.5-103, C.R.S., or an instrumentality of a municipality or county, provided that the entity promotes:
  - 1. Alcohol beverages manufactured in the state; or
  - 2. Tourism in an area of the state where alcohol beverages are manufactured.
- I. Repealed.



**Regulation 47-1002. Application for Special Event Permit.**

Basis and Purpose. The statutory authority for this regulation is located at subsections 44-3-202(1)(b) and 44-3-202(2)(a)(I)(D), C.R.S. The purpose of this regulation is to establish procedures and forms required to issue a special event permit.

- A. Applications for special event permit shall be made on forms provided by the local or state licensing authority and verified by oath or affirmation of an officer, or a duly appointed designee, of the applicant organization.
- B. A local authority may elect not to notify the state licensing authority for the purpose of obtaining the state licensing authority's approval or disapproval of an application for special event permit. Any local authority electing not to notify the state licensing authority shall promptly act upon each application for special event permit.
  - 1. The local licensing authority acting as the sole reviewer of the application shall report to the Division, within ten (10) days from issuance of a permit, the name of the permitted organization, the address of the permitted location, and the permitted dates of alcohol beverage service.
  - 2. The Division shall maintain on its public website the statewide permitting activity, which the local authority shall review prior to its approval and issuance of permits in order to ensure compliance with section 44-5-105(3), C.R.S. regarding the maximum number of permits that may be issued to an organization each calendar year.
- C. Applications shall be filed with the local licensing authority not less than thirty (30) days prior to the date of the special event. The respective local licensing authority shall investigate each special event permit application, and shall either approve or deny such application upon proper grounds in accordance with the provisions of article 5 of title 44, C.R.S.
- D. If a local licensing authority elects to notify the state licensing authority for the purpose of obtaining the state licensing authority's approval or disapproval of an application for special event permit, the permit application shall be accompanied by the applicable state permit fees and shall be submitted to the state licensing authority not less than ten (10) days prior to the date of the event.
- G. The state or local licensing authority, for good cause, may waive the time requirements set forth in this regulation, but may not waive any time requirements specified in article 5 of title 44, C.R.S.
- H. The holder of any type of special event permit issued by either licensing authority, shall post such permit upon the premises covered by such permit and any authorized non-contiguous storage areas, and it shall produce evidence of the permit to any law enforcement officer.

**Regulation 47-1004. Special Event Permit – Non-transferable.**

Basis and Purpose. The statutory authority for this regulation is located at subsections 44-3-202(1)(b) and 44-3-202(2)(a)(I)(A), C.R.S. The purpose of this regulation is to make clear that a special event permit is non-transferable, and is only valid for dates and locations specified in the application.

- A. The special event permit issued by the local or state licensing authority for a specific date and location, as properly described in the application for such permit, is non-transferable. Such permit is not valid for any other date or location unless the local licensing authority published notice of, and considered, other alternate dates or locations in the event of inclement weather, etc.

- B. The special event permit cannot be transferred to any other organization, nor may any other person or organization exercise the privileges of said permit, directly or indirectly.

**Regulation 47-1006. Special Event Permit - Application on School Property.**

Basis and Purpose. The statutory authority for this regulation is located at subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), and 44-3-202(2)(a)(I)(R), C.R.S. The purpose of this regulation is to make clear that the issuance of a special event permit within a distance restricted (500 ft) area pertaining to school property during hours in which no school classes are scheduled is permitted and otherwise prohibiting the same.

- A. No application for the issuance of a special event permit for the sale of malt, vinous or spirituous liquors shall be received or acted upon where the premises upon which the alcohol beverage is to be sold is located within five hundred feet of any public or parochial school or the principal campus of any college, university or seminary, which distance is to be measured as set forth in the liquor code or related regulations.
- B. This restriction shall not be imposed during those hours in which no school classes are scheduled, or shall not apply to those applicable exceptions set forth in subsection 44-3-313(1)(d)(I), C.R.S. or related regulations.

**Regulation 47-1008. Special Event Permit – Private Residence: Multiple Use.**

Basis and Purpose. The statutory authority for this regulation is located at subsections 44-3-202(1)(b) and 44-3-202(2)(a)(I)(D), C.R.S. The purpose of this regulation is to allow one special event permit with duplicate copies if the event will be conducted on a series of separate private residences.

Upon filing of satisfactory evidence with the local licensing authority, an organization qualifying under article 5 of title 44, C.R.S. may obtain a single permit with duplicate copies for a particular event if such event is to be conducted in a series of separate private residences, provided such residences are in the same neighborhood and local licensing jurisdiction and the application contains the specific description or address of each of the proposed residential premises. Said permit shall not be valid for any other locations and shall be subject to the time restriction set forth in articles 3, 4, and 5 of title 44, C.R.S. Nothing herein shall permit the operation of a cash bar at any of the specified locations.

**Regulation 47-1010. Special Event Permit - Possession of Beverages.**

Basis and Purpose. The statutory authority for this regulation is located at subsections 44-3-202(1)(b) and 44-3-202(2)(a)(I)(A), C.R.S. The purpose of this regulation is to declare that a permittee shall only allow the sale, possession, or consumption of alcohol beverages as defined within the permit's terms.

- A. No special event permittee shall allow the sale, possession, or consumption of any alcohol beverages on the licensed premises when or where the sale, possession or consumption of such alcohol beverages is prohibited by the permit.
- B. Except as provided by subsection 44-3-107(2), C.R.S., no person shall possess or consume on the licensed premises any beverage other than that allowed by the type of special events permit as issued.
- C. Special event permittees shall only sell licensed beverages by the drink to persons for consumption on the licensed premises.

**Regulation 47-1012. Special Event Permit – Permitted Age of Servers.**

Basis and Purpose. The statutory authority for this regulation is located at subsections 44-3-202(1)(b) and 44-3-202(2)(a)(I)(A), C.R.S. The purpose of this regulation is to establish age requirements for alcohol beverage employees, agents, or volunteers under a special event permit.

- A. No person under eighteen (18) years of age may sell, serve, dispense or handle alcohol beverages.
- B. Malt, vinous, and spirituous liquors special event permittees may permit a person who is at least eighteen (18) years of age but less than twenty-one (21) years of age to sell, serve, dispense, or handle alcohol beverages when said person is under the direct supervision of a person who is at least twenty-one (21) years of age.
- C. Fermented malt beverage special event permittees may permit a person who is at least eighteen (18) years of age to sell, serve, dispense, or handle fermented malt beverages.

**Regulation 47-1014. Special Event Permit - Complaint against Permittee-Cancellation-Revocation of Permit.**

Basis and Purpose. The statutory authority for this regulation is located at subsections 44-3-202(1)(b) and 44-3-202(2)(a)(I)(E), C.R.S. The purpose of this regulation is to establish general processes and procedures required for the licensing authority to suspend, revoke, or deny future applications of, a special event permit for violations of certain laws, rules, or regulations.

Upon inspection, notice, and hearing, the state or local licensing authority may suspend or revoke a special event permit and may further order the denial of future applications for another special event permit submitted by the same organization.

**Regulation 47-1016. Special Event Permittee - Purchase and Storage of Alcohol Beverages.**

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(K), and 44-5-109, C.R.S. The purpose of this regulation is to establish purchasing and storage requirements for a special event permit.

- A. Special event permittees may purchase alcohol beverages authorized by such permits from a licensed wholesaler, brew pub, distillery pub, limited winery, vintner's restaurant, retail liquor store, or liquor-licensed drugstore.
  - 1. Any alcohol beverages purchased from a retailer licensed for off-premises consumption for a non-profit event held at a retail location licensed for on-premises consumption will count against the on-premises licensee's statutory dollar limit of alcohol beverages purchased from an off-premises retailer.
- B. Special event permittees may store alcohol beverage stock in areas outside the designated event area approved by the state or local licensing authority under the following conditions:
  - 1. The application included the address of proposed storage locations and a diagram of said premises.
  - 2. The application included evidence of the special event permittee's lawful possession of the storage premises by way of deed, lease, rental, or other arrangement and specifying the terms of storage.

3. The proposed location is not a location licensed pursuant to articles 3 or 4 of title 44, C.R.S.
  4. State and local law enforcement authorities have the right to inspect each storage area that is used for permitted events.
  5. Storage areas may only be maintained in anticipation of scheduled events. Nothing herein shall authorize long-term storage of alcohol beverages that have no nexus to events. This subparagraph (B)(5) does not apply to special event permittees that hold a valid club or arts license.
  6. A licensed wholesaler may deliver alcohol beverages purchased by a special event permittee to the storage location in accordance to subparagraphs (B)(1), (B)(2), (B)(3), and (B)(4) of this regulation, but such storage cannot be more than two (2) business days prior to the date for the special event. If a licensed wholesaler donates alcohol to the special event permittee, the wholesaler may pick up such unused donated alcohol beverage products from the storage area in accordance to subparagraphs (B)(1), (B)(2), (B)(3), and (B)(4) of this regulation. Such removal of unused donated alcohol beverage products must occur within two (2) business days after the end of the special event permit.
- C. If the special event permittee is also a retailer licensed for on-premises consumption that holds a valid club or arts license, and the designated event area is the retailer's licensed premises, then the special event permittee need not store the alcohol beverages purchased for the special event in a separate area of the on-premises retailer's licensed premises.
1. At the conclusion of the special event, the on-premises retailer may sell alcohol beverages purchased for the special event to consumers by the drink pursuant to the on-premises retailer's licensed privileges and normal business operations.
  2. This paragraph (C) only applies when the special event permittee is a qualified not-for-profit organization and is the same legal entity as the holder of the on-premises retailer's license.
  3. This paragraph (C) only applies when the special event permittee purchases alcohol for a special event held for the benefit of the entity holding both the special event permit and the on-premises retailer's license.
  4. This paragraph (C) does not apply to alcohol beverages donated to the special event permittee or purchased by the special event permittee below cost.

**Regulation 47-1018. Special Event Permittee - Supplier Financial Assistance.**

Basis and Purpose. The statutory authority for this regulation is located at subsections 44-3-202(1)(b) and 44-3-202(2)(a)(I)(G), C.R.S. The purpose of this regulation is to clarify permitted and prohibited support and/or services offered by suppliers to organizations holding a special event permit.

- A. Licensed suppliers may furnish financial support and/or services to organizations, that qualify for a special events permit. Any furnished financial support and/or services shall be in connection with public service or non-profit fundraising activities including, but not limited to, events such as:
1. Fairs,
  2. Sporting events,

3. Agricultural exhibitions,
  4. Educational clinics,
  5. Concerts, and
  6. Other similar events.
- B. A supplier may furnish or share the cost of advertisements, signs, promotional materials and items of a similar nature used in connection with a non-profit special events permit.
- C. Support shall not be conditioned, directly or indirectly, upon the present or future purchase of an alcohol beverage or the exclusive sale of a supplier's product at such events.

**Regulation 47-1020. Alcohol Beverage Donations.**

Basis and Purpose. The statutory authority for this regulation is located at subsections 44-3-202(1)(b) and 44-3-202(2)(a)(I)(G), C.R.S. The purpose of this regulation is to clarify permitted alcohol beverage donations and associated conditions.

- A. For purposes of this regulation, "wholesaler" means an entity licensed to sell alcohol beverages at wholesale to special event permit holders, including wholesalers of malt liquor and fermented malt beverages, wholesalers of vinous and spirituous liquors, limited wineries, brew pubs, distillery pubs and vintner's restaurants.
- B. A wholesaler may donate alcohol beverages to a special event permittee at no cost if such alcohol beverages are used for hospitality or fundraising purposes, including resale by the drink. The wholesaler shall provide an invoice documenting the donation of alcohol beverages to the permittee and shall ensure that all applicable state excise taxes are paid pursuant to section 44-3-503, C.R.S.
- C. Nothing herein shall prohibit a retailer licensed for off-premises consumption to make a donation of alcohol beverage to a special event permittee, as long as such donation is taken from the retailer's existing inventory.
- D. Wholesalers and retailers licensed for off-premises consumption may make a donation of alcohol beverages to organizations that would otherwise qualify for a special events permit but are exempted under section 44-5-108, C.R.S. The wholesaler shall provide an invoice documenting the donation of alcohol beverages to the organization and shall ensure that all applicable state excise taxes are paid pursuant to section 44-3-503, C.R.S. However, nothing herein shall authorize a wholesale licensee to deliver such alcohol beverages to premises that are not licensed pursuant to articles 3 or 4 of title 44, C.R.S.
- E. When an event, for which the alcohol donations are solicited, is held at a retail location licensed for on-premises consumption pursuant to article 3 or 4 of title 44;
1. The wholesaler shall invoice the retailer at no cost for alcohol beverages intended for the event, if the retail licensee consents to such an arrangement.
  2. Any such donated alcohol beverages which are unused must be returned by the retailer to the wholesaler as soon as practicable after the event.
  3. If the unused alcohol beverages are not returned, then the wholesaler must charge the retailer at least the laid-in cost for those alcohol beverages.

4. The retail value of any donation of alcohol beverages from a retailer licensed for off-premises consumption to a non-profit event held at a retail location licensed for on-premises consumption will count against the on-premises licensee's statutory dollar limit of alcohol beverages purchased from an off-premises retailer.

**Regulation 47-1022. Donated Alcohol Beverages in Sealed Containers for Auction For Fundraising Purposes.**

- A. For purposes of subsection 44-3-107(2), C.R.S., "donated" or "otherwise lawfully obtained" alcohol beverages mean:
  1. Alcohol beverages donated pursuant to Regulation 47-1020, 1 C.C.R. 203-2; or
  2. Alcohol beverages donated by a private individual who is at least twenty-one (21) years of age and lawfully obtained the alcohol beverages she or he is donating; or
  3. Alcohol beverages donated by an entity that does not hold a liquor license pursuant to articles 3 or 4 of title 44, C.R.S. and lawfully obtained the alcohol beverages it is donating. The agent or representative of the donating entity must be a private individual who is at least twenty-one (21) years of age and lawfully obtained the alcohol beverages she or he is donating.

# Special Event Permits

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## Colorado Department of Revenue Liquor Enforcement Division

1881 Pierce Street, Room 108A

Lakewood, Colorado

Phone: 303-205-2300

Website:

[www.colorado.gov/revenue/liquor](http://www.colorado.gov/revenue/liquor)

E-mail: [dor\\_led@state.co.us](mailto:dor_led@state.co.us)

January 2014

## **What is a Special Event Permit?**

Special Event Permits issued by the Colorado Department of Revenue, Liquor Enforcement Division, and/or a local liquor licensing authority, allow qualified non-profit entities or political candidates to sell, serve, or distribute alcohol beverages in connection with fund raising events. Because of their temporary nature, needs and desires (reasonable requirements of the neighborhood) are not considered by the local licensing authority as a condition of issuance. Application for a Special Event Permit is made directly with the local licensing authority (city/county/state Officials) having jurisdiction over the place of the event.

## **Who can qualify for a permit? (12-48-102, C.R.S.)**

A special event permit may be issued to an organization, whether or not presently licensed under articles 46 and/or 47 of title 12:

- which has been incorporated under the laws of this state for purposes of social, fraternal, patriotic, political, or athletic nature, and not for pecuniary gain, OR
- which is a regularly chartered branch, lodge, or chapter of a national organization or society organized for such purposes and being nonprofit in nature, OR
- which is a regularly established religious or philanthropic institution, OR
- which is a state institution of higher education (includes each principal campus of a state system of higher education)
- to any political candidate who has filed the necessary reports and statements with the secretary of state pursuant to article 45 of title 1, C.R.S.

A special event permit may also be issued to any municipality owning arts facilities at which productions or performances of an artistic or cultural nature are presented for use at such facilities.

## **How many Special Event Permits can a qualified non-profit organization obtain?**

Fifteen (15) days per calendar year.

## **Grounds for issuance of a Special Event Permit (12-48-103, C.R.S.)**

A Special Event Permit for the sale of malt, vinous, and spirituous liquors may not be issued if the proposed licensed location is within 500 feet of any public or parochial school or the principal campus of any college, university or seminary. However, **this restriction does not**



**apply to events that are held during those hours in which no school classes are scheduled** (See Regulation 47-1006).

Nothing shall be construed to prohibit the sale or dispensing of malt, vinous, or spirituous liquor on any closed street, highway, or public byway for which a special event permit has been issued (See Section 12-48-103(3), C.R.S.).

A special event permit may be issued under this section even though the event is to be held on premises licensed under the provisions of section 12-47-403 (Limited Winery License), 12-47-103.5 (Wine Festival Permit), 12-47-416 (Club License), 12-47-417 (Arts License), or 12-47-422 (Art Gallery Permit). The holder of a special event permit issued pursuant to this section shall be responsible for any violation of Article 47 of Title 12, of the Colorado Revised Statutes (commonly known as the Colorado Liquor Code).

### **The application process:**

Application for a Special Event Permit must be made on forms provided by the Liquor Enforcement Division, Department of Revenue. All permit applications must be verified by oath or affirmation through an officer of the applicant, and submitted to the respective local licensing authority at least 30 days prior to the date of the event and must include the following:

- Proof of qualified non-profit status:

Certificate of non-profit status and authority to do business in Colorado, as issued by the Colorado Secretary of State, OR

Copy of the organization's charter

- A diagram of the area for which the permit will be issued (this diagram must reflect the physical structure (i.e., bars, walls, partitions, entrances, exits, etc.) and a narrative of how this area will be controlled, (i.e., fences, ropes, barbed wire, walls, etc.). Applicants must be able to demonstrate that all alcohol beverages will remain within the proposed licensed area and that all other "private" alcohol beverages will NOT be brought onto the licensed area.
- Evidence that the applicant has possession of, or authorization to use, the premises for which the permit is sought (e.g. deed, lease, letter, etc.). The applicant must have possession or written authorization to use the premises for the entire duration for which the permit is issued.
- Even though these permits are issued to non-profit organizations, the retail sale of alcohol beverages to consumers is still subject to state and local sales taxes. Applicants should contact the Department of Revenue at (303) 238-7378 to determine the correct method of remitting the state sales tax.
- A check for the appropriate permit fee.

## **Filing of the application**

The application and required attachments, as noted above, must be filed with the local licensing authority not less than 30 days prior to the date of the special event. The local licensing authority may waive this time frame for good cause shown (Regulation 47-1002(G)).

## **Can the functions of a local licensing authority concerning special events be assigned to an administrative officer representing that authority?**

Yes, the local licensing authority may assign all or any portion of its functions to an administrative officer (See 12-48-107(4), C.R.S.)

## **After the application is filed, what happens next?**

The local licensing authority will prepare a public notice suitable for posting. This notice must be conspicuously posted upon the premises for which the permit is sought. This notice must contain the name and address of the applicant, the procedure for protesting the permit, and the date the permit will be considered by the local licensing authority. This notice must be conspicuously posted at the proposed location for at least 10 days before a hearing may be held (See 12-48-106(2), C.R.S.).

## **Is a Formal Hearing Required?**

The local licensing authority "shall" cause a hearing to be held IF, after investigation and upon review of the contents of any protest filed by affected persons, sufficient grounds appear to exist for denial of a permit. Protests must be filed within 10 days from the date of the posting. Any hearing held shall be held at least 10 days after the initial posting of the notice, AND notice thereof shall be provided to the applicant AND any person who has filed a protest. The requirements for a hearing (record creation, etc.) are the same as for other administrative hearings.

In summary, you do NOT have to hold a hearing if no one has protested the permit or your investigation did NOT disclose other sufficient grounds to deny it. However, it is suggested that upon a determination of no opposition, the applicant be advised of its responsibility to comply with the Colorado Liquor Code. This advisement should include, but may not be limited to issues such as:

- Licenses/permits required and the posting requirements
- Hours and location of the event
- Establishment of control over the areas of storage, service, consumption and possession of alcohol beverages
- Types of alcohol beverages that may be sold or served for ON premises consumption only
- Age requirements
- Visible intoxication prohibitions
- Other local requirements (zoning, local permits required, etc.) (See 12-48-107(3), C.R.S.)

## **After approval by the local licensing authority, what happens next?**

A local authority may elect not to notify the state licensing authority for the purpose of obtaining the state licensing authority's approval or disapproval of an application for special event permit. Any local authority electing not to notify the state licensing authority shall promptly act upon each application for special event permit.

- The local licensing authority acting as the sole reviewer of the application shall report to the Liquor Enforcement Division, within ten (10) days from issuance of a permit, the name of the permitted organization, the address of the permitted location, and the permitted dates of alcohol beverage service.
- The Liquor Enforcement Division shall maintain on its public website the statewide permitting activity, which the local authority shall review prior to its approval and issuance of permits in order to ensure compliance with section 12-48-105(3), C.R.S. regarding the maximum number of permits that may be issued to an organization each calendar year.
- If a local licensing authority elects to notify the state licensing authority for the purpose of obtaining the state licensing authority's approval or disapproval of an application for special event permit, the permit application shall be accompanied by the applicable state permit fees and shall be submitted to the state licensing authority not less than ten (10) days prior to the date of the event.
- The holder of any type of special event permit issued by either licensing authority, shall post such permit upon the premises covered by such permit and any authorized non-contiguous storage areas, and it shall produce evidence of the permit to any law enforcement officer.

## **Denial, Suspension, or Revocation of a Special Events Permit**

Whenever a written complaint is filed with the state or local licensing authority or shall otherwise come to the attention of the licensing authority, that a violation of the provisions of article 48 occurred, and the special event permittee, its agents, employees, or its members, violated the provisions of articles 46, 47, or 48, of title 12, C.R.S., upon proper investigation of such charges the licensing authority may upon notice and hearing, suspend or revoke such special event permit and may further order the denial of future applications for another special event permit to be submitted by the same organization.

On rare occasions, the Division will recommend denial of the special event application and request that the state licensing authority issue a Notice of Proposed Denial. Recommendations for denial will be made when the applicant:

- has not met statutory requirements, or
- when violations of the Colorado Liquor/Beer/Special Events Codes are likely to result if a permit is issued, or
- when the applicant's principals have been shown to be of character or record that is unsuitable to the state licensing authority.

## **What can a Special Event Permit holder sell?**

Depending on which permit the organization applies for, a Special Event Permit holder is authorized to sell EITHER 3.2% beer (fermented malt beverages) OR malt, vinous and spirituous liquors. Beverages are sold by the drink, for consumption ON the premises only (See Section 12-48-101, C.R.S.).

The Colorado Liquor Code does not prohibit Special Event Permit holders from selling other lawful items of commerce in connection with a Special Event Permit. However, permit holders may NOT sell alcohol beverages in sealed containers and/or allow removal of the beverages from the licensed area.

## **Food Requirements for a Special Event Permit**

Special Event Permit holders must have sandwiches or other food snacks available during all hours of service of malt, spirituous, or vinous liquors, but prepared meals need not be served; however, full meals are not required (See Section 12-48-105(5), C.R.S.).

## **When can Special Event Permit holder sell, serve, or distribute alcohol beverages?**

3.2% beer (fermented malt beverage) permits: 5:00 a.m. until 12 midnight on the same day of the event.

Malt, vinous and spirituous liquor permits: 7:00 a.m., the day of the event, until 2:00 a.m., the day immediately following the date of the event (See Section 12-48-105, C.R.S.).

## **What are the age requirements for employees or volunteers of the Special Event Permit holder?**

Persons at least 18 years of age, but not 21 years of age, may sell, serve, dispense or distribute alcohol beverages as long as they are under the supervision of a person at least 21 years of age (See Reg. 47-1012).

## **What is the age required to purchase alcohol beverages from a Special Event Permit holder?**

Persons must be at least 21 years of age to purchase, possess, and consume alcohol beverages in Colorado (See Section 12-47-901(1)(a), C.R.S.).

## **Where can a Special Event Permit holder purchase the alcohol beverages they are authorized to sell?**

Alcohol beverages sold in connection with a Special Event Permit may be purchased from a Colorado-licensed wholesaler, brew pub, vintner's restaurant, limited winery, retail liquor store, or liquor-licensed drugstore (Regulation 47-1016).

## **Are multiple locations on the same day permitted under a single permit?**

No, the permit is issued for a specific location and is not valid at any other location (See

Section 12-48-105(1), C.R.S.).

Events at multiple locations on the same day require separate permits, except when the event is being held in a series of private homes within the same neighborhood, in which case copies may be made for each home. The applicant must identify the additional private residences upon initial application (See Regulation 47-1008).

### **When is a Special Event Permit NOT required, even though alcohol beverages are going to be sold or served?**

Section 12-48-108, C.R.S. contains an exemption for a qualified organization when it serves alcohol beverages to members of the organization and their guests, **ONLY**, at a private function held by the organization on unlicensed premises and not sold by the drink. Any admission or other charge required to be paid, or given, as a condition of entry or participation in the event must be uniform to all, regardless of whether the member or their guests decide to consume alcohol beverages.

Non-profit organizations holding fundraising events at permanently licensed retail premises, with public access, are not required to obtain a Special Events Permit. In this case, authorized alcohol beverage suppliers must invoice all alcohol beverages to the retail licensee, not the non-profit organization.

A Club licensee which only allows access to its members and guests, and an Arts licensee, which only sells or serves alcohol beverages during artistic or cultural performances, are required to obtain a Special Events Permit at the Club or Arts licensed premises **when they hold events that allow public access.** (See Section 12-48-103(2) C.R.S.)

### **Can I accept donated alcohol beverages to sell or serve with my special event permit?**

**YES.** Alcohol beverages may be donated by Colorado-licensed wholesalers, micro-breweries, brewpubs, vintner's restaurants, retail liquor stores, and in-state wineries, if such beverages are used for hospitality and/or fund raising purposes, and are not resold by the drink. Alcohol beverages received from other non-licensed or private sources may not be sold, served or consumed at a special events permit.

Colorado Suppliers may provide financial support and/or services for public-service or non-profit fund raising activities to those organizations that qualify for a special events permit. However, no support may be conditioned upon the present or future purchase of alcohol beverages or the exclusive sale of a supplier's products at future events. Suppliers may also share in the costs of advertisements, signs, promotional materials and items of a similar nature used in connection with a non-profit special event permit. Suppliers may also rent dispensing equipment to a special event permittee at fair market value and may sell glassware, cups and similar items at a minimum of cost (See Regulations 47-316 and 47-322).

When an event, for which the alcohol donations are solicited, is held at a retail location licensed for on-premises consumption (other than a Limited winery, Wine Festival permit, Club license, Arts license, or Art Gallery permit – see below under “Can a special event permit occur on a licensed premises?”) the supplier shall invoice the retailer at no cost for alcohol

beverage products intended for the event, if the retail licensee consents to such an arrangement. Any such donated product which is unused must be returned by the retailer to the wholesaler as soon as practicable after the event. If the unused product is not returned, then the wholesaler must charge the retailer at least the minimum of cost for those products.

Only authorized suppliers can donate alcohol when the event is held at a retail location licensed for on-premises consumption. Therefore, donations from a retailer liquor store or liquor licensed drug store cannot be used.

### **Can a special event permit occur on a licensed premises?**

**YES (but only at certain license types).** A special event permit can be held at the following licensed premises types: Limited winery pursuant to 12-47-403, Wine Festival pursuant to 12-47-403.5, Club pursuant to 12-47-416, Arts pursuant to 12-47-417, or Art Gallery permit pursuant to 12-47-422. The holder of a special event permit issued pursuant to this subsection (2) shall be responsible for any violation of article 47 of this title. (C.R.S. 12-48-103(2)(a)).

### **Can a special events permit be issued in connection with a casino or poker night?**

**NO.** Casino nights (*an event involving the payment or risking of something of value, for a chance to win something*) were determined by the court as illegal gambling. (*See the Central City Opera House v. Dept of Revenue, et al.*). Texas Hold-‘Em Tournaments may also constitute illegal gambling. Non-profits should contact the appropriate district attorney as what activities that attorney deems illegal gambling

Raffles, however, may be conducted if the non-profit organization has acquired a Bingo and Raffles license from the Department of State, Licensing and Elections Division.

### **Where can alcohol for a special event permit be stored?**

Permit holders may store alcohol beverage stock in areas outside the designated event area approved by the respective licensing authorities under the following conditions (Regulation 47-1016):

- The application included the address of proposed storage locations and a diagram of said premises.
- The application included evidence of the permit holder’s lawful possession of the storage premises by way of deed, lease, rental, or other arrangement and specifying the terms of storage.
- The proposed location is not a location licensed pursuant to articles 46 or 47 of title 12, C.R.S.
- The applicant acknowledges that state and local law enforcement authorities have the right of inspection of each storage area that is used for permitted events.

### **Posting of Permits and Licenses Required?**

All licenses and permits required must be posted in a conspicuous place on the licensed area for the general public to observe. The licenses and permits required include, but are not limited to the following:

Special Event Permit –State (if applicable)

Special Event Permit - City

Minor Warning Sign

State Sales Tax License

Other local licenses as required. (check with the local authority)

### **Special Event Permit Filing Checklist**

- Completed Special Events Application
- Appropriate Permit Fee
- Deed, Lease, or written authorization to use premises
- Diagram of premises with a written narrative describing how the applicant will control the area.
- Certificate of Incorporation, as issued by the Colorado Secretary of State, dated within the last 2 years preceding the date of the application, verifying that the applicant is a qualified non-profit organization and is in good standing within the state of Colorado.



## COLORADO

### Department of Revenue

Enforcement Division - Liquor & Tobacco

Physical Address:  
1881 Pierce Street  
Lakewood, CO 80214

Mailing Address:  
P.O. Box 173350  
Denver, CO 80217-3350

## **BULLETIN 16-08**

### **REFERENCE: DONATED ALCOHOL FOR NON-PROFIT/CHARITABLE EVENTS - UPDATED**

December 15, 2016

## **Colorado Liquor Enforcement Division**

The boom of the alcohol industry in Colorado is quite evident. In the last four years, the number of manufacturer breweries has increased from 60 to 230. During the same time, the number of distilleries has gone from 33 to 86.

With the increase in these types of licenses comes the demand for more beer fests, wine and spirits tastings and charity events. In 2004, the Division issued a Final Position concerning the use of donated alcohol during such events. In 2015, the Division issued Bulletin 15-02 updating and clarifying the content of the 2004 Position. While much of the content of both Bulletin 15-02 and the 2004 Final Position remains applicable, the Division has recently changed and updated its position with respect to the sale of alcohol beverages by the drink for fundraising purposes and is issuing this Bulletin to replace and supersede Bulletin 15-02 and the 2004 Final Position to provide current information on how licensees can provide alcohol for non-profit events.

### **Rules for Donations**

1. Donated alcohol can only be used in three circumstances, 1) by an entity that obtains a special event permit pursuant to article 48 of title 12, C.R.S.; 2) by an entity that meets the requirements of a special event permit and has an event at a facility licensed for on-premises consumption; or 3) pursuant to Section 12-48-108, C.R.S.
2. The following license types can donate alcohol for non-profit events found in paragraph #1: wholesalers of malt liquor and fermented malt beverages, wholesalers of vinous and spirituous liquors, limited wineries, brewpubs, distillery pubs and vintner's restaurants (Regulation 47-1020(A), 1 C.C.R. 203-2).

Regulation 47-1020(C), 1 C.C.R. 203-2 also states: Nothing herein shall prohibit a retailer licensed for off-premises consumption to make a donation of alcohol beverage to a special event permit holder, as long as such donation is taken from the retailer's existing inventory. This includes both a retail liquor license and a liquor licensed drugstore.

3. Donated alcohol may be resold by the drink. Regulation 47-1020(B), 1 C.C.R. 203-2 has been updated and will be effective January 1, 2017. The regulation now states (emphasis added):

A wholesaler may donate alcohol beverages **to a special event permittee** at no cost if such beverages are used for hospitality or fund raising purposes, including resale by the



drink. The wholesaler shall provide an invoice documenting the donation of such products to the permittee and shall ensure that all applicable state excise taxes are paid pursuant to section 12-47-503, C.R.S.

4. On-premises liquor licensees cannot financially benefit from donated alcohol. Prohibited acts include corkage fees or any other fee associated to a volume of alcohol, nor may they inflate the price of food or rent.
5. For-profit entities cannot financially benefit from a special event permittee's alcohol.

## Scenarios

### Special Event Permittee requests alcohol beverage donations from a Colorado wholesaler or retail liquor store/liquor-licensed drugstore

- The wholesaler or retail liquor store licensee should contact the non-profit/charitable organization to verify a special events permit was issued, which names the non-profit organization and the location of the event. The wholesaler's failure to exercise due diligence in this area could result in administrative action.
- Once the wholesaler or retail liquor store licensee verifies the special event permit was issued, they can make a product donation and produce a "zero-cost invoice" to the special event permit holder. The invoice should describe the name and amount of product donated, the name of the non-profit organization and the location of the event.
- If the special event permittee wants to sell the donated alcohol "by the drink" they may do so.
- Wholesalers and retailers may assist in pouring samples and providing labor to the non-profit organization during the event.

### A non-profit/charitable organization has a fund-raising event in an establishment that has an on-premises liquor license and requests alcohol beverage donations from a Colorado wholesaler or retail liquor store/liquor-licensed drugstore

- In this case, a special event permit is not issued (except as provided in Section 12-48-103(2)(a)) to the non-profit/charitable organization. The rules for these events are the same as a special event permit, except for the following:
  - The wholesaler or retailer provides a "zero-cost invoice" to the on-premises licensee describing the name and amount of product donated, the name of the non-profit organization and the date of the event.
  - If the donation is from a retail liquor store or liquor licensed drugstore, the cost of the normal retail price of such goods will be applied to the on-premises licensee's \$2,000 yearly limit for purchases from a retail liquor store or liquor licensed drugstore.

- Unlike a special event permit holder, donated alcohol **may not be resold by the drink** pursuant to Regulation 47-322(A)(5)(c), 1 C.C.R. 203-2.

An on-premises liquor licensee wants to have an event (beer fest, wine/spirits tasting) on their licensed premises and the event does not involve a non-profit/charitable organization

- When an event occurs at an on-premises liquor license and a non-profit/charitable organization is not involved, donated alcohol may not be used. The on-premises licensee must pay a minimum of laid-in costs to the wholesaler for all products used in the event.
- Purchases from retail liquor stores/liquor licensed drugstores will be applied to the on-premises licensee's \$2,000 yearly limit for purchases from a retail liquor store or liquor licensed drugstore.
- Wholesalers or retailers may be present to market their product. However, wholesalers or retailers who assist in the pouring of alcohol beverages must be compensated at a minimum of the usual hourly rate of an employee (of the licensee) who would customarily provide this service.
- On-premises licensees cannot use donated alcohol with the intent of giving a portion of the proceeds to a charity. In order to use donated alcohol, the non-profit/charitable organization must be involved and all profits from the use of alcohol must go to the non-profit/charitable organization. This does not prohibit the non-profit/charitable organization from paying the on-premises licensee for items such as services, food, non-alcoholic beverages, cost of labor.

An entity who would otherwise qualify for a special event permit pursuant to Article 48 of Title 12, C.R.S., wants to hold a private event at an, unlicensed premises for its members and their guests

- The entity may charge an admission to the event as long as the admission other charge, if any, required to be paid or given by any such member as a condition to entry or participation in the event is uniform as to all without regard to whether or not a member or such member's guest consumes or does not consume such beverages.
- The entity can use donated alcohol but may not resale the alcohol by the drink.
- The entity is exempt from the needing to obtain a special event permit.

If you have any questions about this bulletin, please contact the Liquor Enforcement Division at 303-205-2300.