

SC INFORMATION LETTER 10-13

SUBJECT: Temporary Beer and Wine Permits for Special Events—New Requirements Effective 2011 (Alcoholic Beverage Licensing)

DATE: October 14, 2010

REFERENCE: S. C. Code Ann. Section 61-4-550 (2009)
Act No. 259, Section 1 (2010)

AUTHORITY: S. C. Code Ann. Section 12-4-320 (2000)
SC Revenue Procedure #09-3

SCOPE: An Information Letter is a written statement issued to the public to announce general information useful in complying with the laws administered by the Department. An Information Letter has no precedential value.

Introduction

Code Section 61-4-550, which authorizes the Department to issue temporary beer and wine permits running for a period not exceeding 15 days, for a fee of \$10 per day, for locations at fairs and special functions, has been amended by legislation passed in 2010 and effective January 1, 2011. This information letter gives notice of new requirements for applications for special functions that take place on or after January 1, 2011.

Current Law—For Special Functions on or Before December 31, 2010

Code Section 61-4-550 currently provides individuals, businesses and nonprofit organizations may obtain temporary beer and wine permits, as follows:

The department may issue permits running for a period not exceeding fifteen days for a fee of ten dollars per day. Such special permits shall be issued only for locations at fairs and special functions.

Revised Law—For Special Functions on or After January 1, 2011

Code Section 61-4-550 has been amended by 2010 Act No. 259, Section 1. The full text of the revised statute is attached as Exhibit A. The following is a summary.

Permits restricted to nonprofit organizations. Under the amendment, an applicant for this permit must be a “nonprofit organization,” defined as:

1. An entity that is organized and operated exclusively for social, benevolent, patriotic, recreational, or fraternal purposes, and that is exempt from federal income taxes pursuant to Internal Revenue Code Section 501(c)(3), (4), (6), (7), (8), (10), or (19); or
2. Political parties and their affiliates duly certified by the Secretary of State.

Therefore, individuals and businesses will not be able to obtain a temporary beer and wine permit for functions held after December 31, 2010. Nor will organizations (other than political parties and their affiliates) that are not currently tax exempt under the listed provisions of the Internal Revenue Code.

Criminal records check required for all principals. The initial application must be accompanied by a criminal records check of all principals of the organization, conducted by the State Law Enforcement Division not more than 90 days preceding the date of the application. Failure to comply will result in denial of the application.

For a subsequent application, a new criminal records check is required only if (a) more than 2 years have elapsed since the most recent criminal records check was conducted or (b) the nonprofit organization has added or replaced a principal.

“Principal” has the same meaning as in Code Section 61-2-100(H)(2). All principals are deemed to be the applicant for this permit.

Notification of sheriff required. The applicant must give written notice to the sheriff or sheriff’s designee in the county in which the fair or special event is to be held, a minimum of 15 days before the first day of the event, unless the sheriff waives the 15-day requirement. An objection by the sheriff or sheriff’s designee within 72 hours of receipt of the notice, submitted in writing to the Department, is sufficient grounds to deny the application.

Location. Unchanged is the requirement that the temporary beer and wine permits be issued only for locations at fairs and special functions.

Penalties. The penalties imposed for violations of Article 1, Chapter 4, Title 61 apply to nonprofit organizations that are granted temporary permits under Code Section 61-4-550.

Effective Date. The new law applies for special functions that take place on or after January 1, 2011.

Exhibit A

**New Temporary Beer and Wine Permits Law for Special Functions
Occurring On or After January 1, 2011**

Section 61-4-550.

(A) The department may issue permits to nonprofit organizations running for a period not exceeding fifteen days for a fee of ten dollars per day. For purposes of this section, a 'nonprofit organization' is an entity which is organized and operated exclusively for social, benevolent, patriotic, recreational, or fraternal purposes, and which is exempt from federal income taxes pursuant to Internal Revenue Code Section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19). It also includes political parties and their affiliates duly certified by the Secretary of State. These special permits may be issued only for locations at fairs and special functions.

(B) The department shall require the applicant to obtain a criminal records check conducted by the State Law Enforcement Division within ninety days prior to an initial application. The department shall deny the application if the criminal records check is not submitted with the application and filing fee or if it was obtained more than ninety days before. For a subsequent application, the applicant is not required to obtain a new criminal records check unless:

- (1) more than two years have elapsed since the most recent criminal records check was conducted; or
- (2) the nonprofit organization has added or replaced a principal. For purposes of this section, all principals are deemed to be the applicant.

(C) The department shall require the applicant to notify in writing a minimum of fifteen days prior to the first day of a fair or special function the sheriff, or sheriff's designee, of the county in which the fair or special function is to be located. Upon request of the applicant, the sheriff may waive the fifteen day notification requirement. A timely objection within seventy-two hours of the receipt of the notice by the sheriff, or his official designee, submitted in writing to the department is sufficient grounds to deny the application.

(D) Organizations granted permits pursuant to this section are subject to penalties imposed pursuant to violations of Article 1, Chapter 4, Title 61.

Effective Date: Applies to applications for special functions beginning on January 1, 2011.