

## **UTAH DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL**

1625 South 900 West • PO Box 30408 • Salt Lake City, Utah • 84130-0408 (801) 977-6800 • Fax 977-6888

[www.abc.utah.gov](http://www.abc.utah.gov)

### **SPECIAL USE PERMIT (SCIENTIFIC & EDUCATIONAL) APPLICATION CHECKLIST**

Dear Applicant:

The items below must be completed and submitted by the **10<sup>th</sup> of the month** before any action can be taken by the Utah Alcoholic Beverage Control Commission. You will be notified of the next monthly commission meeting at which your application will be considered for issuance of a license.

1. Completed application (form enclosed).
2. Supplemental Questionnaire and Supporting Documentation
3. Criminal history background check information (see application and instructions).
4. Local Consent from either city/town council if premises in incorporated area, or county commission if unincorporated area (form enclosed).
5. \$125.00 initial fee (refundable if permit not granted). Make check payable to Utah Department of Alcoholic Beverage Control.

If you have any questions, please contact Licensing and Compliance at (801) 977-6800.



**8. Criminal History.** The law prohibits persons who have been convicted of certain crimes from being in the alcoholic beverage business. This applies to any applicant, proprietor, partner, managing agent, director, or officer of the business. This also applies to any stockholder owning at least 20% of the corporation stock, or if a limited liability company, any member owning at least 20% of the company. Please list all criminal offenses other than minor traffic offenses of which you or any of these persons (including persons listed in subparagraph 5) have ever been convicted. **In addition, a criminal history background check must be furnished on each person listed in subparagraph 7. Please see documents that accompany this application for detailed instructions.**

<u>NAME</u>	<u>CRIMINAL OFFENSE</u>	<u>DATE OF CONVICTION</u>

9. By signing below, the applicant attests that:

- a) the applicant is at least 21 years of age.
- b) consent is granted to representatives of the Alcoholic Beverage Control Department, Commission, State Bureau of Investigation (Bureau of Alcoholic Beverage Law Enforcement), and other law enforcement agencies to be admitted immediately and permitted without hindrance or delay to inspect the entire premises and all records of the permit holder.
- c) The applicant has read and will abide by the provisions of Section 32B-10, Utah Code and all rules and directives of the Utah Department of Alcoholic Beverage Control; and understands that failure to adhere thereto shall constitute grounds for removal of said permit.
- d) The applicant understands that the once a permit is approved, any deviation from the approved application, including all operational restrictions included in the supplemental questionnaire, must be approved by the commission
- e) the applicant does not and will not discriminate against persons on the basis of race, color, sex, religion, ancestry, or national origin.
- f) The applicant has read and understands the statements made herein including those made on the supplemental questionnaire; that execution thereof is done voluntarily and by authorization of said organization, and that any false statement made on this application or any related document is a second degree felony.

The undersigned hereby makes application to the Utah Alcoholic Beverage Control Commission for a Special Use (Scientific & Educational) permit and certifies that the information contained herein to be true and correct.

Date: \_\_\_\_\_

\_\_\_\_\_  
Applicant/owner of business

\_\_\_\_\_  
Authorized signature

\_\_\_\_\_  
Name/title

STATE OF _____
COUNTY OF _____
Subscribed & sworn to before me this _____ day of _____, _____.
Notary Public _____
SEAL:

**LOCAL CONSENT  
SPECIAL USE PERMIT**

(Scientific & Educational)

Date: \_\_\_\_\_

Utah Department of Alcoholic Beverage Control  
Licensing and Compliance Section  
1625 South 900 West  
PO Box 30408  
Salt Lake City, Utah 84130

Gentlemen:

\_\_\_\_\_(City)(Town)(County)

hereby grants its consent to the issuance of a Special Use permit to

\_\_\_\_\_, Special Use permittee, located

at \_\_\_\_\_, pursuant to the provisions

of Section 32B-10, Utah Code for the purpose of purchase, storage and/or other

lawful use of alcoholic products as authorized by the Utah Department of Alcoholic

Beverage Control.

Sincerely,

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Name/Title

## Sales Tax Information for Liquor License Holders

The prices of liquor, wine, and heavy beer at the liquor stores and package agencies do not include sales tax. The sales tax is added at the cash register when members of the general public shop in a liquor store or package agency and bring their purchases to the cash register. License holders (licensees) that make purchases at the cash register will be charged sales tax just like the general public.

Licensees may purchase liquor from the department without paying the sales tax under these two conditions:

1. The licensee must file tax commission form TC-721 with the DABC. A copy of this form is included in this application packet. Once filed, the licensee can buy liquor, wine, and heavy beer exempt from sales tax at any DABC owned and operated state liquor store. If the licensee buys from a local package agency that is a “contracted store” (not owned or operated by the DABC), the licensee has to file form TC-721 with the package agency in order to be able to purchase “sales tax exempt”; *and*
2. The licensee must adhere to the liquor order procedures established by the DABC commission as follows:
  - (a) Commission rule requires that orders must be placed in advance to allow department personnel sufficient time to assemble the order. The order shall include the business name of the licensee, department permit number, and list the products ordered specifying each product by code number and quantity. The order may be telephoned or faxed to the store or agency.
  - (b) The licensee shall allow at least four hours for department personnel to assemble the order for pick-up. When the order is complete, the licensee will be notified by phone and given the total cost of the order. The licensee may pay for the product in cash, company check, cashier’s check, or debit card with a PIN.
  - (c) The licensee or the licensee’s designee shall examine and sign for the order before it leaves the store, agency or satellite warehouse to verify that the product has been received.
  - (d) Merchandise shall be supplied to the licensee on request when it is available on a first come first serve basis. Discounted items and limited items may, at the discretion of the department, be provided to a licensee on an allocated basis.

The following licensees and permittees qualify to buy tax exempt:

- full-service restaurants
- limited restaurants
- private clubs
- airport lounges
- on-premise banquet licensees
- holders of single event permit, public service permits and educational special use permits that buy for resale
- holders of religious wine permits

Each licensee or permittee will be responsible for collecting the sales tax on the liquor, wine and heavy beer they resell and remitting the tax directly to the State Tax Commission.



Utah State Tax Commission  
**Exemption Certificate**  
 (Sales, Use, Tourism and Motor Vehicle Rental Tax)

**TC-721**  
 Rev. 5/06

Name of business or institution claiming exemption (purchaser)		Telephone Number	
Street Address	City	State	ZIP Code
Authorized Signature	Name (please print)	Title	Date
Name of Seller or Supplier: <b>Department of Alcoholic Beverage Control</b>			

The person signing this certificate **MUST** check the applicable box showing the basis for which the exemption is being claimed. Questions should be directed (preferably in writing) to Taxpayer Services, Utah State Tax Commission, 210 N 1950 W, Salt Lake City, UT 84134. Telephone (801) 297-2200, or toll free 1-800-662-4335.

**DO NOT SEND THIS CERTIFICATE TO THE TAX COMMISSION**  
**Keep it with your records in case of an audit.**

Sales tax account numbers with an "H" prefix are not to be used for tax-free purchases for resale or re-lease.

**RESALE OR RE-LEASE**  
 Sales Tax License No. \_\_\_\_\_

I certify I am a dealer in tangible personal property or services that is for resale or re-lease. If I use or consume any tangible personal property or services I purchase tax free for resale, or if my sales are of food, beverages, dairy products and similar confections dispensed from vending machines (see Rule R865-19S-74), I will report and pay sales tax on the proper cost thereof directly to the Tax Commission on my next regular sales and use tax return.

**COMMERCIAL AIRLINES**  
 I certify the food and beverages purchased are by a commercial airline for in-flight consumption; or, any parts or equipment purchased are for use in aircraft operated by common carriers in interstate or foreign commerce.

**RELIGIOUS OR CHARITABLE INSTITUTION**  
 Sales Tax Exemption No. N \_\_\_\_\_

I certify the tangible personal property or services purchased will be used or consumed for essential religious or charitable purposes. This exemption can only be used on purchases totaling \$1,000 or more, unless the sale is pursuant to a contract between the seller and purchaser.

To be valid this certificate must be filled in completely, including a check mark in the proper box.

**A sales tax license number is required only where specifically indicated.**

Please sign, date and, if applicable, include your license or exemption number.

**NOTE TO SELLER:** Keep this certificate on file since it must be available for audit review.

**NOTE TO PURCHASER:** Keep a copy of this certificate for your records. You are responsible to notify the seller of cancellation, modification, or limitation of the exemption you have claimed.

**DO NOT SEND THIS CERTIFICATE TO THE TAX COMMISSION**

# TITLE 32B - ALCOHOLIC BEVERAGE CONTROL ACT

(Updated through July 2011)

## Part 1

### General Provisions

32B-10-101. Title.

This chapter is known as the "Special Use Permit Act."

32B-10-102. Definitions.

As used in this chapter, "special use permit" means a special use permit issued under this chapter, including:

- (1) a religious wine use permit;
- (2) an industrial or manufacturing use permit;
- (3) a scientific or educational use permit; and
- (4) a public service permit.

## Part 2

### Commission's power to issue special use permit

32B-10-201. Commission's power to issue special use permit.

(1) Before a person may purchase, use, store, sell, offer for sale, allow consumption, or manufacture an alcoholic product in a manner that requires a special use permit, the person shall first obtain a special use permit in accordance with this chapter.

(2) (a) The commission may issue a special use permit for the purchase, use, storage, sale, offer for sale, consumption, or manufacture of an alcoholic product for a limited purpose specified by this chapter and the rules of the commission.

(b) A special use permit authorizes the special use permittee to purchase, use, store, sell, offer for sale, consume, or manufacture an alcoholic product only in the quantity, in a type, and for a purpose stated in the special use permit.

32B-10-202. Application for special use permit -- Qualifications.

(1) To obtain a special use permit, a person shall submit to the department:

- (a) a written application in a form prescribed by the department;
- (b) a nonrefundable application fee, if required by the relevant part of this chapter applicable to the type of special use permit for which the person applies;
- (c) an initial permit fee:
  - (i) if required by the relevant part of this chapter applicable to the type of special use permit for which the person applies; and
  - (ii) that is refundable if a special use permit is not issued;
- (d) a one-time special use permit fee if required by a section of this chapter:
  - (i) applicable to the type of special use permit for which the person applies; and

- (ii) that is refundable if a special use permit is not issued;
- (e) a statement of the purpose for which the person applies for the special use permit;
- (f) a description of the types of alcoholic product the person intends to use under authority of the special use permit;
- (g) written consent of the local authority;
- (h) if required, a bond as provided in Section 32B-10-205;
- (i) a floor plan of the immediate area within the premises in which the person proposes that an alcoholic product will be used, mixed, stored, sold, or consumed if required by the relevant part of this chapter applicable to the type of special use permit for which the person applies;
- (j) a signed consent form stating that the special use permittee will permit any authorized representative of the commission, department, or any other law enforcement officer to have unrestricted right to enter the special use permittee's premises;
- (k) if the person is an entity, proper verification evidencing that a person who signs the application is authorized to sign on behalf of the entity; and
- (l) any other information the commission or department may require.

(2) (a) The commission may issue a special use permit only to a person who qualifies as follows:

- (i) the commission may issue a religious wine use permit to a religious organization;
- (ii) the commission may issue an industrial or manufacturing use permit to a person engaged in an industrial or manufacturing pursuit;
- (iii) the commission may issue a scientific or educational use permit to a person engaged in a scientific or educational pursuit; and
- (iv) the commission may issue a public service permit to an operator of an airline, railroad, or other public conveyance.

(b) The commission may not issue a special use permit to a person who is disqualified under Section 32B-1-304.

(c) If a person to whom a special use permit is issued no longer possesses the qualifications required by this title for obtaining that special use permit, the commission may suspend or revoke that special use permit.

### 32B-10-203. Renewal of special use permit.

(1) A special use permit expires on December 31 of each year unless otherwise provided on the special use permit.

(2) To renew a renewable special use permit, a person shall submit a completed renewal application to the department:

- (a) no later than November 30; and
- (b) in a form prescribed by the department.

(3) Failure to meet the renewal requirements results in an automatic forfeiture of the special use permit, effective on the date the existing special use permit expires.

32B-10-204. Duties of commission and department before issuing special use permit.

(1) (a) Before the commission issues a special use permit, the department shall conduct an investigation and may hold public hearings to gather information and make recommendations to the commission as to whether a special use permit should be issued.

(b) The department shall forward the information it gathers and its recommendations to the commission to aid in the commission's determination.

(2) Before issuing a special use permit, the commission shall:

(a) determine that the person filed a complete application and is in compliance with:

(i) Section 32B-10-202; and

(ii) the relevant part under this chapter that applies to the special use permit for which the person is applying;

(b) determine that the person is not disqualified under Section 32B-1-304;

(c) consider the physical characteristics of the premises where an alcoholic product is proposed to be used, mixed, stored, sold, offered for sale, or furnished such as:

(i) the condition of the premises;

(ii) public visibility; and

(iii) safety considerations;

(d) consider the person's ability to properly use the special use permit within the requirements of this title and the commission rules including:

(i) the proposed use of the special use permit; and

(ii) the nature and type of person making use of the special use permit;

(e) consider specific factors regarding the specific type of special use permit sought by the person;

(f) approve of the location and equipment used by the person to distill alcohol for experimental testing purposes or use as a fuel; and

(g) consider any other factor the commission considers necessary.

32B-10-205. Bond for special use permit.

(1) A special use permittee shall post a cash bond or surety bond only if the relevant part under this chapter for the type of special use permit requires posting of a bond.

(2) (a) If a special use permittee is required to post a bond as provided in Subsection (1), the special use permittee shall procure and maintain the bond for as long as the special use permittee continues to operate under the special use permit.

(b) A bond required under this section shall be:

(i) in a form approved by the attorney general; and

(ii) conditioned upon the special use permittee's faithful compliance with this title and the rules of the commission.

(3) If a surety bond posted by a special use permittee under this section is canceled due to a special use permittee's negligence, the department may assess a \$300 reinstatement fee.

(4) No part of a bond posted by a special use permittee under this section may be withdrawn during the period that the special use permit is in effect.

(5) (a) A bond posted by a special use permittee under this section may be forfeited if the special use permit is revoked.

(b) Notwithstanding Subsection (5)(a), the department may make a claim against a bond posted by a special use permittee for money owed the department under this title without the commission first revoking the special use permit.

32B-10-206. General operational requirements for special use permit.

(1) (a) A special use permittee and staff of the special use permittee shall comply with this title and rules of the commission, including the relevant part of the chapter that applies to the type of special use permit held by the special use permittee.

(b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

(i) a special use permittee;

(ii) individual staff of a special use permittee; or

(iii) a special use permittee and staff of the special use permittee.

(c) The commission may suspend or revoke a special use permit with or without cause.

(2) (a) If there is a conflict between this part and the relevant part under this chapter for the specific type of special use permit, the relevant part under this chapter governs.

(b) Notwithstanding that this part may refer to "liquor" or an "alcoholic product," a special use permittee may only purchase, use, store, sell, offer for sale, allow consumption, or manufacture an alcoholic product authorized for the special use permit that is held by the special use permittee.

(c) Notwithstanding that this part or the relevant part under this chapter for the type of special use permit held by a special use permittee refers to "special use permittee," a person involved in the purchase, use, store, sell, offer for sale, allow consumption, or manufacture of an alcoholic product for which the special use permit is issued is subject to the same requirement or prohibition.

(3) (a) A special use permittee shall make and maintain a record, as required by commission rule, of any alcoholic product purchased, used, sold, or manufactured.

(b) Section 32B-1-205 applies to a record required to be made or maintained in accordance with this Subsection (3).

(4) (a) Except as otherwise provided in this title, a special use permittee may not purchase liquor except from a state store or package agency.

(b) A special use permittee may transport liquor purchased by the special use permittee in accordance with this Subsection (4) from the place of purchase to the special use permittee's premises.

(c) A special use permittee shall purchase liquor at prices set by the commission.

(d) When authorized by a special use permit, a special use permittee may purchase and receive an alcoholic product directly from a manufacturer for a purpose that is industrial, educational, scientific, or manufacturing.

(e) A health care facility may purchase and receive an alcoholic product directly from a manufacturer for use at the health care facility.

(5) A special use permittee may not use, mix, store, sell, offer for sale, furnish, manufacture, or allow consumption of an alcoholic product in a location other than as designated in a special use permittee's application.

(6) Except as otherwise provided, a special use permittee may not sell, offer for sale, or furnish an alcoholic product to:

- (a) a minor;
- (b) a person actually, apparently, or obviously intoxicated;
- (c) a known interdicted person; or
- (d) a known habitual drunkard.

(7) A special use permittee may not employ a minor to handle an alcoholic product.

(8) (a) The location specified in a special use permit may not be transferred from one location to another location, without prior written approval of the commission.

(b) A special use permittee may not sell, transfer, assign, exchange, barter, give, or attempt in any way to dispose of the permit to another person whether for monetary gain or not.

(9) A special use permittee may not purchase, use, mix, store, sell, offer for sale, furnish, consume, or manufacture an alcoholic product for a purpose other than that authorized by the special use permit.

(10) The commission may prescribe by policy or rule consistent with this title, the general operational requirements of a special use permittee relating to:

- (a) physical facilities;
- (b) conditions of purchase, use, storage, sale, consumption, or manufacture of an alcoholic product;
- (c) purchase, storage, and sales quantity limitations; and
- (d) other matters considered appropriate by the commission.

32B-10-207. Notifying department of change of ownership.

The commission may suspend or revoke a special use permit if a special use permittee does not immediately notify the department of a change in:

(1) ownership of the permittee's business;

(2) for a corporate owner, the:

- (a) corporate officers or directors; or
- (b) shareholders holding at least 20% of the total issued and outstanding stock of the corporation; or

(3) for a limited liability company:

- (a) managers; or
- (b) members owning at least 20% of the limited liability company.

**Part 5**  
**Scientific or Educational Use Permit**

**32B-10-501.** Title.

This part is known as "Scientific or Educational Use Permit."

**32B-10-502.** Definitions.

Reserved

**32B-10-503.** Specific application requirements for scientific or educational use permit.

(1) To obtain a scientific or educational use permit, a person shall comply with Section 32B-10-202.

(2) The one-time special use permit fee for a scientific or educational use permit is \$125.

**R81. Alcoholic Beverage Control, Administration.**

**R81-6. Special Use Permits.**

**R81-6-1. Application. (proposed)**

An application for a special use permit shall be included in the agenda of the monthly commission meeting for consideration for issuance of a special use permit when the requirements of Sections [32A-6-102 and -103] 32B-1-304 and 32B-10-202, -205 have been met, and a completed application has been received by the department.

**R81-6-2. Warning Sign. (existing)**

All public service permittees which utilize a hospitality room shall display in a prominent place therein a "warning sign" as defined in R81-1-2.

**R81-6-3. Direct Delivery. (existing)**

Industrial, manufacturing, scientific, educational, and health care special use permittees may purchase alcohol directly from the manufacturer and have it shipped directly to the permittee's address, provided the alcohol is used for industrial, manufacturing, scientific, educational, or health care purposes.