

Special Events Permit

Colorado Department of Revenue Liquor Enforcement Division

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What is a Special Event Permit?

Special Event Permits issued by the Colorado Department of Revenue, Liquor Enforcement Division, and 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 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, AND
- 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?

Ten (10) days per calendar year.

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

A special event permit may be issued only upon a satisfactory showing by an organization or a political candidate that other existing facilities are not available or are inadequate for the needs of the organization or political candidate and:

- Existing licensed facilities are inadequate for the purpose of serving members or guests of the organization or political candidate and that additional facilities are necessary by reason of the nature of the special event being scheduled; OR
- The organization or political candidate is temporarily occupying premises other than the regular premises of such organization or candidate during such special events as civic celebrations or county fairs and that members of the general public will be served during such special events.

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 47-1020).

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) or 12-47-417 (Arts License). 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 made payable to the Colorado Department of Revenue (See Regulation 47-1018). An additional fee may be required by the local licensing authority.

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 47-1018).

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.)

Denial, Suspension, or Revocation of a Special Events Permit by a local authority

All hearings require adequate notice to allow parties in interest an opportunity to be heard. All hearings may be subject to appeal and therefore, licensing authorities must create a record of the proceedings. A denial of an application or the suspension or revocation of a permit could be used in a hearing to consider future applications submitted by the applicant (See Regulation 47-1018).

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

The approved and signed application, required fees, and all attachments must be filed with the Liquor Enforcement Division at least 10 days prior to the date of the event to ensure timely issuance. This 10-day time frame is critical. The Division strongly recommends that all applicants file the locally approved and signed special event permit applications with the Division well ahead of the 10-day requirement.

Once the application is approved, the Division will generate a permit and mail to the local licensing authority. The local licensing authority will then issue the permit to the applicant (Regulation 47-1018) (Note: Please allow time for the approved permit to be received by U.S. mail).

Denial, Suspension, or Revocation of a Special Events Permit by the state licensing authority

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 provide sandwiches or other food snacks during all hours of alcohol beverage service; 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 3.2% beer (fermented malt beverage, malt liquor and vinous liquor as long as they are under the supervision of a person at least 21 years of age. Only persons 21 years of age may sell, serve, dispense or distribute spirituous liquors (See Reg. 47-1004).

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 47-1008).

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 47-1014).

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. 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?

Alcohol beverages may be donated by Colorado-licensed wholesalers, micro-breweries, brewpubs, vintner's restaurants, 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 Regulation 47-1010).

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 to 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.

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

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
- Local Permit Fee
- State 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.