



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS
DIVISION OF LIQUOR LICENSING AND ENFORCEMENT

8 STATE HOUSE STATION
AUGUSTA, MAINE 04330-0008

So You want to be a Restaurateur in Maine

To become a restaurateur in the State of Maine there are several decisions you will need to make as you develop your business plan. To assist you in your decision-making process, we are providing the following information to help you navigate the regulations in Maine.

Some basic questions that you need to decide:

1. What do I want to serve for alcoholic beverages?
2. Who will be my customer base?
3. How much food do I want to serve food and what will my menu options be?

Let's start with the class of restaurant that you want to be and the alcohol you wish to serve. There are several classes of restaurants licenses to sell alcoholic beverages, and below is the class of license, the alcoholic beverages that can be served and the annual license cost:

1. Class A Restaurant
 - a. Class I Spirits, Wine, Beer \$ 900.00
 - b. Class II Spirits only \$ 550.00
 - c. Class III Wine only \$ 220.00
 - d. Class IV Beer only \$ 220.00
2. Class A Restaurant-Lounge
 - a. Class XI Spirits, Wine, Beer \$ 1500.00
3. Class A Lounge
 - a. Class X Spirits, Wine, Beer \$ 2200.00
4. Restaurant
 - a. Class III Wine Only \$ 220.00
 - b. Class IV Beer Only \$ 220.00
 - c. Class III/IV Wine and Beer \$ 440.00

Who will be your customer base? This becomes an important decision because there are restrictions on some licenses that prohibit or restrict admission to the establishment.

1. Class A restaurant
 - a. General public of all ages is permitted to dine in the establishment
 - b. Age restricted service of alcohol
2. Class A Restaurant-Lounge
 - a. General public of all ages is permitted to dine in the establishment
 - b. Age restricted service of alcohol
3. Class A Lounge
 - a. Admission is restricted to those over the age of 21, minors are prohibited from the establishment generally
 - i. Exception. Minors are permitted to dine in the establishment if accompanied by parent or legal guardian who is over the age of 21
 - ii. Exception. Minors are permitted in the establishment without a parent or legal guardian if in the scope of their employment at the establishment
 - b. Age restricted service of alcohol
4. Restaurant
 - a. General public of all ages is permitted to dine in the establishment
 - b. Age restricted service of alcohol

Once you have selected the kind of alcohol you wish to serve, and you have selected your customer base, the next decision point is your menu options. There are statutory requirements that govern the type of food that must be on your menu in order to qualify for the class of restaurant you wish to establish.

1. Class A restaurant
 - a. Kitchen must remain open and staffed during all hours of operation and must offer full meals during all hours of alcohol service
 - i. Full meals are defined as a meal consisting of a diversified selection of food that ordinarily cannot be consumed without the use of tableware and that cannot be conveniently consumed while standing or walking
 - b. There must be at least 3 menu items that require the use of utensils to consume the food in order to qualify for this license
 - c. On hand inventory of food must equal \$2.00 per seat in the establishment
2. Class A Restaurant-Lounge
 - a. Kitchen must remain open and staffed until 9:00pm and must offer full meals up until 9:00pm
 - i. Full meals are defined as a meal consisting of a diversified selection of food that ordinarily cannot be consumed without the use of tableware and that cannot be conveniently consumed while standing or walking

- ii. There must be at least 3 menu items that require the use of utensils to consume the food in order to qualify for this license
 - b. On hand inventory of food must equal \$2.00 per seat in the establishment
- 3. Class A Lounge
 - a. Food must be available during all hours of service of liquor
 - i. Food includes cold or hot meals, including sandwiches and salads, but is not limited to hamburgers, cheeseburgers, hot dogs, pizzas and other food items that customarily appear on a restaurant menu. Food does not include prepackaged snack foods such as popcorn, chips or pretzels.
 - b. On hand inventory of food must equal \$2.00 per seat in the establishment
- 3. Restaurant
 - a. Food must be available
 - i. Food includes cold or hot meals, including sandwiches and salads, but is not limited to hamburgers, cheeseburgers, hot dogs, pizzas and other food items that customarily appear on a restaurant menu. Food does not include prepackaged snack foods such as popcorn, chips or pretzels.
 - b. 10% of all sales must be in food.
 - c. On hand inventory of food must equal \$2.00 per seat in the establishment

Location, location, location. This is very important in your business plan. There are rules that govern the amount of food you must sell, and location of your establishment plays a important part in the minimum sales requirements for food. Population of the municipality where your establishment is located determines the requirements for minimum sales of food.

- 1. Class A Restaurant
 - a. Municipalities having a population greater than 50,000 must have \$50,000 in annual gross income from the sale of food
 - b. Municipalities having a population of greater than 30,000 but less than 50,000 must have \$40,000 in annual gross income from the sale of food
 - c. Municipalities having a population of greater than 20,000 but less than 30,000 must have \$30,000.00 in annual gross income from the sale of food
 - d. Municipalities having a population not greater than 20,000 must have \$20,000.00 in annual gross income from the sale of food
- 2. Class A Restaurant-Lounge
 - a. Municipalities having a population greater than 50,000 must have \$50,000 in annual gross income from the sale of food
 - b. Municipalities having a population of greater than 30,000 but less than 50,000 must have \$40,000 in annual gross income from the sale of food
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 - d. Municipalities having a population not greater than 20,000 must have \$20,000.00 in annual gross income from the sale of food

3. Class A Lounge
 - a. Gross income from the sale of food is not required for this class of license
 - i. Food availability required
 - ii. Food sales are highly recommended
4. Restaurant
 - a. Gross income from food must be 10%

Up to this point, we have provided you with information about qualifying characteristics of different kinds of licenses. You are about to make a choice and begin the application process. Please recognize that there several other licenses that you will or may be required to obtain for the sale of alcohol.

1. Federal Licenses or Permits from the Alcohol and Tobacco Tax and Trade Bureau – see www.TTB.gov
 - a. Retail Beverage Alcohol Dealers Permit
 - i. Required
 - ii. Registration only with no fee; registration can be done on their website
 - iii. See their website at <https://www.ttb.gov/nrc/retail-beverage-alcohol-dealers>
2. Internal Revenue Services
 - a. Federal I.D. Number
 - b. Required
 - c. No Fee
 - d. See the IRS' website at www.irs.gov for more information
3. State Licenses and Permits
 - a. Bureau of Alcoholic Beverages and Lottery Operations
 - i. Licensing applications for on-premises consumption (term used for restaurant class of licenses)
 - ii. Required
 - iii. Requires municipal approval in advance
 - iv. Fee as noted earlier in this document based on class of license
 - b. See <https://www.maine.gov/dafs/bablo/liquor-licensing> for the application under Section 1, form #1 - On Premise License Application (New & Renewal) (PDF) Updated Mar 2020
 - c. Browse our website as noted in this section for other information generally about doing business with our office
4. Maine Department of Health and Human Services
 - a. Health Inspection Program (HIP)
 - b. Required
 - c. Fee based on classification
 - d. See HIP's website at <https://www.maine.gov/dhhs/mecdc/environmental-health/el/> for more information

5. Maine Revenue Services (MRS)
 - a. Seller Certificate or Sales Tax Number
 - b. Required
 - c. No Fee
 - d. See MRS's website at www.maine.gov/revenue for more information
6. Department of the Secretary of State
 - a. Bureau of Corporations, Elections and Commissions (CEC)
 - i. Required if a business entity like a corporation or a limited liability company (LLC)
 1. In addition to filing your legal name, you must register any DBA with this office if part of the name on your liquor license application. CEC refers to this as an assumed name of the entity.
 - ii. Fee varies based on the type of entity you establish as your business
 - b. See CEC's website at www.maine.gov/sos/cec for more information
7. Department of Public Safety
 - a. Fire Marshall's Office
 - b. Required if your establishment will offer dancing
 - c. Fee for license
 - d. See their website at www.maine.gov/dps/fmo for more information
8. Department of Marine Resources
 - a. Required if your establishment will offer whole lobsters or clams
 - b. Fee for license
 - c. See their website at www.maine.gov/dmr for more information
9. Municipal Licenses and Permits
 - a. Victualer's License may be required; fees may be imposed and be based on type of business
 - b. Business Permit; fees may be imposed and be based on the type of business
 - c. Municipal liquor license may be required; fees may be imposed and be based on type of liquor license
 - d. Contact your local municipality for more information on licenses or permits required to do business

So, to this point you have lined up all the criteria for a license. We have described which licenses you will or may need. Now you are ready to apply. On-premises licenses are unique because it is a two-step approval process. You must first apply to the municipality where you want your establishment to be and they **may** require a public hearing on your application; each municipality handles this differently. Once the municipality has approved and signed your application, you will need approval from this office.

The address to send your completed application to:

1. Mailing address:

Bureau of Alcoholic Beverages and Lottery Operations
Division of Liquor Licensing and Enforcement
8 State House Station, Augusta, ME 04333-0008

2. Courier/overnight address:

Bureau of Alcoholic Beverages and Lottery Operations
Division of Liquor Licensing and Enforcement
19 Union Street, Suite, 301-B, Augusta, ME 04330

Below is an approximate flow of information/processes that you should consider when applying for your liquor license:

1. Apply for all licenses at the same time; speeds up the final licensing process with this office
 - a. Liquor license application with the municipality
 - b. Health inspection program license with DHHS
 - c. Seller's certificate with Maine Revenue Services
 - d. Additional miscellaneous license previously described
2. Inspectors from various state and municipal agencies will flow in and out to verify compliance
 - a. City code enforcement
 - b. State health inspectors
 - c. Liquor inspector from this office
 - d. Other state and municipal agencies that require oversight

Once you have passed all the various agency inspection, the last inspection will be by the liquor inspector. Upon final approval by the liquor inspector, your liquor license will be approved on site or as coordinated by the inspector. As you develop your plan, select your location, build your operations and prepare to be licensed; please contact us at MaineLiquor@maine.gov and provide your location to be put in touch with your district liquor licensing inspector.