



Kim Reynolds *Governor of Iowa*
Adam Gregg *Lieutenant Governor*
Stephen Larson *Administrator*

August 8, 2022

To: All Class C, Special Class C, and Class E Retail Alcohol Licensees
From: Lolani Lekkas, Public Service Manager 2, Alcoholic Beverages Division
Re: Senate File 2374 – Licensing Bill – 5 Case Allowance for Beer Purchases

While the law changes in Senate File 2374 have an effective date of January 1, 2023, the transition provisions included in the legislation authorized the Iowa Alcoholic Beverages Division (ABD) to implement changes immediately upon enactment of the bill.

ABD has determined that changes related to Senate File 2374 that do not require modifications to ABD's eLAPS licensing system or the Iowa Department of Revenue's GovConnectIowa system will be implemented in accordance with the transition provisions on a rolling basis at ABD's discretion.

Therefore, effective August 8, 2022, Class C and Special Class C liquor license holders (name will be changing to retail alcohol license) are allowed to purchase *not more than 5 cases of beer* from a Class E (off-premises retailer such as a grocery store) liquor license holder with a beer subpermit (holding a TTB Basic Permit to wholesale to retailers) *within a 24 hour period of time.*

Class C and Special Class C Liquor Licensees - What does this mean to you??

- You may purchase up to 5 cases of beer (definition of beer includes high alcoholic content beer and canned cocktails) in a 24 hour period of time from a Class E retailer with a beer subpermit. (**Note: This is 5 total cases not 5 cases per brand in a 24 hour period.**)
- The Class E retailer with a beer subpermit that you purchase from must hold a TTB Basic Permit to resale at wholesale to you.
- You are required to maintain records of your purchases of alcoholic beverages for resale to patrons at your establishment. The receipts/records for the above mentioned beer purchases must be maintained, accessible, and available for inspection upon request by the ABD.

Class E Licensees - What does this mean to you??

- If you have a beer subpermit and you hold a TTB Basic Permit to resale at wholesale, you can sell up to 5 cases of beer (definition of beer includes high alcoholic content beer and canned cocktails) in a 24 hour period of time to a Class C and Special Class C liquor licensee.
- You are required to maintain records of your sales of alcoholic beverages to Class C and Special Class C liquor licensees. The receipts/records for the above mentioned beer sales must be maintained, accessible, and available for inspection upon request by the ABD.

Note: A Class A Beer permittee shall be held harmless concerning any beer resold under this provision of the law.

If you have questions, please email education@iowaabd.com
or refer to our website at <https://abd.iowa.gov>