



Michigan Department of Licensing and Regulatory Affairs
Liquor Control Commission (MLCC)
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Wine Maker or Small Wine Maker Licensing Requirements & General Information

A Wine Maker license, as defined by MCL 436.1113(10), is issued by the Michigan Liquor Control Commission to a person located in Michigan to manufacture and sell to licensed wholesalers or self-distribute to retailer licensees, wine produced at the licensed winery facility, and to customers for consumption on or off the premises at a tasting room located on its manufacturing premises where it also holds an On-Premises Tasting Room Permit. A Wine Maker licensee may also sell wine it manufactures at an approved tasting room off the manufacturing premises under an Off-Premises Tasting Room License or Joint Off-Premises Tasting Room License.

A Small Wine Maker license, as defined by MCL 436.1111(12), is issued by the Commission to a person located in Michigan to manufacturer no more than 50,000 gallons per year and sell to licensed wholesalers or self-distribute to retailer licensees, wine produced at the licensed winery facility, and to customers for consumption on or off the premises at a tasting room located on its manufacturing premises where it also holds an On-Premises Tasting Room Permit. A Small Wine Maker licensee may also sell wine it manufactures at an approved tasting room off the manufacturing premises under an Off-Premises Tasting Room License or Joint Off-Premises Tasting Room License.

How to Apply

All applicants requesting a new Wine Maker or Small Wine Maker license, seeking to transfer ownership of a Wine Maker or Small Wine Maker license, or transferring interest (stock or membership interest) in a Wine Maker or Small Wine Maker license must submit the following:

- **Application Form**

For a new Wine Maker or Small Wine Maker license or to transfer a Wine Maker or Small Wine Maker license - [Manufacturer License & Permit Application \(Form LCC-150\)](#)

To transfer interest in a Wine Maker or Small Wine Maker license – [License Interest Transfer Application \(Form LCC-101\)](#)

- **Inspection Fee** - A \$70.00 nonrefundable inspection fee is required for each license requested in an application. For example, if an applicant has requested a new Small Wine Maker license in conjunction with a new Micro Brewer license, the inspection fee would be \$140.00.

- **Local Approval** – If the applicant intends to sell wine it manufactures under its Wine Maker or Small Wine Maker license in an approved tasting room located on the manufacturing premises under an On-Premises Tasting Room Permit, it must obtain the approval of the local legislative body of the local governmental unit where it will be licensed. The [Manufacturer License & Permit Application \(Form LCC-150\)](#) contains a Local Governmental Approval form (LCC-106a) that can be used by the local governmental unit to approve or disapprove the request for the On-Premises Tasting Room Permit. Local approval is not necessary for the Commission to consider approval and issuance of a Wine Maker or Small Wine Maker license when the applicant does not intend to sell its wine to customers on the premises where it manufactures the wine and has not applied for an On-Premises Tasting Room Permit; however, applicants will still need to comply with any local ordinances specific to manufacturing operations.
- **License & Permit Fees** – The initial and annual renewal fee for a Wine Maker license is \$100.00 and for a Small Wine Maker license the initial and annual renewal fee is \$25.00. Additional fees will vary based upon whether additional licenses and permits are requested in conjunction with a Wine Maker or Small Wine Maker license. If the Wine Maker or Small Wine Maker license applicant plans to sell its wine at retail on its manufacturing premises in a tasting room, it must also apply for an On-Premises Tasting Room Permit, for which the initial and annual renewal fee is \$100.00.
- **Livescan Fingerprints** – Applicants that have never been licensed through the Michigan Liquor Control Commission must submit fingerprints through the Livescan fingerprinting process - [Livescan Fingerprint Background Request Form](#).
- **Property Document** – Applicants must provide documentation that demonstrates they will have control over the property that comprises the proposed licensed premises. Property documents include deeds, land contracts, and lease agreements.
 - A provision to reassign the license in the event of a default on a land contract or termination of a lease agreement may be included, but may only provide for the reassignment subject to Commission approval.
 - If the applicant is a company and its members or stockholders own the real estate as individuals or under another company, a lease agreement is needed.
 - If the applicant is an individual and he or she owns the real estate with a spouse or someone else who will not be named on the license, a lease between the applicant and the owners of the real estate is needed.
- **Federal Basic Permit** – Applicants must provide a copy of the federal Basic Permit issued by the federal Alcohol and Tobacco Tax and Trade Bureau (TTB) prior to issuance of the Wine Maker or Small Wine Maker license. This is not required to be submitted at the time of application with the Commission, but should be applied for through the TTB as soon as possible, as the TTB process may take longer to complete than the Michigan licensing process.
- **Purchase Agreement** – Applicants requesting to transfer a license from another licensee must submit an executed purchase agreement or other documentation

signed by both the applicant and the current licensee, which details the sale of the liquor license(s) and other business assets.

- Purchase agreements must specifically indicate that the liquor license is being sold and provide the purchase price and terms of the sale.
- Purchasers of on-premises licenses must have at least 10% of the purchase price of the business, excluding real estate.
- Purchase agreements that are not for cash only sales and include real estate must list the personal property, including the licenses, and real estate with the terms and price for each.
- If the personal property and real estate are being purchased by separate people or entities, the purchase agreement must indicate those names and who is purchasing which items.
- If the applicant will not pay the full purchase price at closing, the balance due may be covered by a security agreement or promissory note. Alcoholic beverage inventory cannot be included on a security agreement or promissory note.

In addition to the documents required by all applicants:

Corporations must submit the following information per Administrative Rule R 436.1109:

- Copy of current, filed Articles of Incorporation.
- Current Certificate of Good Standing from the state where incorporated and Certificate of Authority to Do Business in Michigan, if incorporated outside of this state.
- Certified copy of the minutes of a meeting of its board of directors or a statement signed by an officer of the corporation naming the persons authorized by corporate resolution to sign the application and other documents required by the Commission (or Part 3 of Form LCC-301).
- [Report of Stockholders/Members/Partners \(Form LCC-301\)](#)

Limited Liability Companies (LLC) must submit the following information pursuant to Administrative Rule R 436.1110:

- Copy of Articles of Organization and copies of any amendments to the Articles of Organization.
- Current Certificate of Authority to Do Business in Michigan, if the LLC is a non-Michigan LLC.
- Copy of Operating Agreement entered into by members.
- Copy of most recent annual statement filed with the Corporations Division, if an existing LLC.
- Statement signed by a manager of the limited liability company or by at least 1 member if management is reserved to the members naming the person authorized to sign the application and other documents required by the Commission (or Part 3 of Form LCC-301).
- [Report of Stockholders/Members/Partners \(Form LCC-301\)](#)

Partnerships must submit the following information per Administrative Rule R 436.1111:

- Partnership Agreement, if a Limited Partnership.
 - [Report of Stockholders/Members/Partners \(Form LCC-301\)](#)
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Licensing Process

- The Licensing Division reviews the application and corresponding documents for completeness and verifies the appropriate fees have been received. If additional documents, fees, or corrections to documents are needed, Licensing will notify the applicant.
- Once all the necessary documents have been received Licensing will submit the request to the Enforcement Division for its investigation.
- The Enforcement Division will contact the applicant to schedule an interview with the applicant (and current licensee for license transfers). At this meeting an investigator will review with the applicant documents, including:
 - purchase agreement
 - financial documents
 - property documents
 - other items pertaining to the application
- After the interview, the investigator will prepare a report for the Commission regarding the investigation and submit the request back to Licensing for further processing.
- Licensing reviews the report from Enforcement and any additional documents received during the interview process. The request is prepared for the Commission to consider and placed on a docket for an upcoming licensing meeting.
- The Commission considers the request, including:
 - the liquor license operating history of the applicant (if a current or prior licensee)
 - the arrest and conviction record of the applicant
 - whether the applicant meets the requirements for a license
 - the applicant's financial information
 - opinions of the local legislative body or police department, if received.
- The Commission will approve or deny the request based on these factors. Occasionally, the Commission will request more information from the applicant before making a final decision.
- After the Commission makes a decision on the request, the file is returned to Licensing for final processing.
 - Approval orders are sent to the applicant requesting any final items before the issuance of the license.

- Denial orders are sent to the applicant and the applicant may appeal the decision.
 - When all the final items are received by Licensing, the completed request is forwarded to the Renewal Unit for the issuance of the physical license documents.
 - Any changes in financial provisions at the time of closing which do not conform to the terms previously indicated and investigated may require submission of new forms and possible additional investigation.
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Permits, Permissions, and Authorizations

On-Premises Tasting Room Permit – This permit allows the Wine Maker or Small Wine Maker license to sell wine it manufactures to customers for consumption on or off in an approved tasting room located on the manufacturing premises. If the licensee is also licensed to manufacture beer, spirits, or mixed spirit drink products at the same location where it is licensed with a Wine Maker or Small Wine Maker license, it may also sell those products in the approved tasting room that is issued this permit.

A licensee issued an On-Premises Tasting Room Permit must maintain Proof of Financial Responsibility, or liquor liability insurance, as required by MCL 436.1536(7)(e) and MCL 436.1803 [see [Proof of Financial Responsibility form \(Form LC-95\)](#)], and must comply with the minimum [server training requirements](#) for retail sales as required by MCL 436.1535(7)(d) and MCL 436.1906.

On-Premises Tasting Room Permit limits for Wine Maker or Small Wine Maker licenses:

- A Wine Maker licensee must manufacture wine on the premises where it is sold in an On-Premises Tasting Room Permit location
- A Small Wine Maker licensee must manufacture or bottle wine on the premises where it is sold in an On-Premises Tasting Room Permit location
- A Wine Maker or Small Wine Maker licensee may sell [shiners purchased from another Wine Maker or Small Wine Maker licensee](#):
 - The shiners must be labeled and [registered](#) by the Wine Maker or Small Wine Maker licensee that is selling them
 - A Wine Maker licensee that does not manufacture wine on its premises or a Small Wine Maker licensee that does not manufacture or bottle wine on its premises cannot sell shiners
 - A Wine Maker or Small Wine Maker licensee may transfer shiners from one of its locations to another location with an on-premises tasting room as long as the second location also manufactures or, in the case of a Small Wine Maker, bottles wine
- May sell wine for consumption off the premises
- May sell and serve full size drinks
- No size or number limit on tasting samples
- May serve food or have a restaurant in conjunction with the On-Premises Tasting Room Permit

Sunday Sales Permit (A.M.) - A permit that allows the sale of wine on Sunday mornings between 7:00am and 12:00 noon, if allowed by the local unit of government. A Sunday Sales Permit (P.M.) is not required for wine sales after 12:00 noon on Sunday.

Specific Purpose Permit - A permit that allows specific types of activities (such as the service of food, sporting activities, meetings, etc.) to occur on the licensed premises outside the legal hours for the sale of alcohol. A specific purpose permit does not allow the sale of alcohol outside of the legal hours of sale.

Dance Permit - Allows dancing by patrons of a business with an on premises license. Often combined with an Entertainment Permit.

Entertainment Permit - Permits certain types of live entertainment at a business with an on premises license. An entertainment permit does not allow topless activity. Often combined with a Dance Permit.

Extended Hours Permit - A permit held in conjunction with a Dance or Entertainment Permit (or both) that allows dancing or entertainment on the licensed premises outside the legal hours for the sale of alcohol. An Extended Hours Permit does not allow the sale of alcohol outside of the legal hours of sale.

Catering Permit - Authorizes a holder of a Wine Maker or Small Wine Maker license to sell, deliver, and serve wine in the original containers at private events. A licensee must have a food service establishment license or retail food establishment license to qualify for this permit.

Beer & Wine Tasting Permit - A permit that allows for a Wine Maker or Small Wine Maker licensee to conduct a wine tasting event at the licensed premises of a Specially Designated Merchant (SDM) licensee. A Salesperson licensee representing the Wine Maker or Small Wine Maker licensee must conduct the tasting event.

Living Quarters Permit - Allows living quarters to be directly connected to the licensed premises.

Direct Connection permission - Allows connections from the licensed premises to unlicensed premises.

Outdoor Service authorization - Authorization granted by the Commission for a license to sell alcohol outdoors in an area controlled by the licensee. This can be a patio area next to the licensed premises or a space as large as a golf course

Off-Premises Tasting Room License or Joint Off-Premises Tasting Room License

A Wine Maker or Small Wine Maker licensee may have an approved tasting room at a location off its licensed manufacturing premises where it may sell wine it makes under an

Off-Premises Tasting Room License. Two or more Wine Maker or Small Wine Maker licensees may also operate a joint tasting room together off their licensed manufacturing premises under Joint Off-Premises Tasting Room Licenses. If the Wine Maker or Small Wine Maker licensee also holds a Distiller (Manufacturer of Spirits) or Small Distiller license at a different location, it may also sell spirits it manufactures at the Off-Premises Tasting Room licensed location. See the [Off-Premises Tasting Room License & Permit Application \(Form LCC-150a\)](#) or the [Joint Off-Premises Tasting Room License & Permit Application \(Form LCC-150b\)](#) for details on the requirements for off-premises tasting room licenses.

Churches & Schools

A new application to sell alcoholic beverages at retail under an On-Premises Tasting Room Permit, or a request to transfer location of an existing license that intends to sell alcoholic beverages under an On-Premises Tasting Room Permit, may be denied if the contemplated location is within 500 feet of a church or school. The Commission may waive the church/school provision if the church or school does not file an objection to the proposed license. If the church or school does file an objection, the Commission shall hold a hearing before making a decision on the issuance of the license.

Michigan Department of Agriculture & Rural Development Requirements

Facilities that manufacture alcoholic products in Michigan must be licensed through the Michigan Department of Agriculture & Rural Development (MDARD) in addition to licensure through the Commission. You may contact MDARD regarding the licensing requirements for the type of establishment for which you are applying by calling, toll-free, 800-292-3939 or visiting www.michigan.gov/mdard.

Manufacturing & Labeling

Wine must be manufactured in accordance with federal wine regulations published in the Code of Federal Regulations (CFR) Title 27, Parts 4 and 24, pursuant to R 436.1707 and R 436.1708.

All wine products sold in Michigan must have labels approved by the Commission prior to being sold. All wine sold in Michigan must be labeled in accordance with TTB regulations. The Commission uses an on-line label registration process through the [Michigan Wholesale Product Registry \(MWPR\)](#), which requires prior registration with the TTB. Upon licensure, the applicant will be provided with a password and instructions to access the on-line registration site. There is no fee for Michigan label registration.

Mandatory label information, pursuant to TTB regulations:

- Brand name.
- Class, type or, in lieu of, a truthful & adequate statement of composition shall appear on the brand label of the product.
- Name and address of bottler or packer where bottled or packed.
- Alcohol content must be listed. By definition, wine may contain ½ of 1% or more alcohol by volume but not more than 21% alcohol by volume. Table wine with alcoholic content of 11%-14% does not have to list the actual alcohol content. Listing “table wine” is adequate.
- Net contents.
- Government Warning Statement.

For federal labeling information contact the TTB at 866-927-2533 or www.ttb.gov.

Wine Excise Tax Reports

Wine excise taxes apply to both wine and mixed wine drink. The Wine Maker or Small Wine Maker licensee shall pay the Michigan wine excise tax or may designate a wholesaler to pay the tax on its behalf for all wine or mixed wine drink manufactured by that Wine Maker or Small Wine Maker licensee and sold in this state. A Wine Maker or Small Wine Maker licensee is required to submit a Michigan Wine Tax Report and Michigan Winery Monthly Report of Sales no later than the 15th day after the end of each quarter (April 15, July 15, October 15, and January 15) regardless of whether a wholesaler has been designated to pay the taxes.

Wine that is sold for consumption or to go in an approved tasting room or wine self-distributed by the licensee to retailer licensees is subject to the wine excise tax and must be submitted by the Wine Maker or Small Wine Maker licensee regardless of whether a wholesaler has been designated to pay tax on wholesale shipments to retailers.

Sacramental wine sold to churches is exempt from taxes. Sales made by a Wine Maker or Small Wine Maker licensee out-of-state are nontaxable.

Tax Rates: 16% or less alcohol by volume = \$0.135 (13 ½ cents) per liter.
Over 16% to 21% alcohol by volume = \$0.20 (20 cents) per liter

For further questions relating to wine tax, please contact our Financial Management Division at: 517-284-6260. Tax forms and instructions may be located on the Commission website at: https://www.michigan.gov/lara/0,4601,7-154-89334_10570_14177_15067---,00.html.

Sales to Wholesalers

All sales must be made through licensed wholesalers (except retail sales to customers at an approved tasting room with an On-Premises Tasting Room Permit). A Wine Maker or Small Wine Maker licensee may self-distribute to a retailer licensee.

A Wine Maker or Small Wine Maker licensee must grant each of its wholesalers an exclusive sales territory. A Wine Maker or Small Wine Maker licensee must enter into a written agreement each of the wholesalers specifying the brand or brands to be distributed and the territory where exclusive sales are granted. There can be no overlapping of sales territories between wholesalers of similar brands.

There is no prohibition against offering wholesalers quantity discounts as long as the discounts are uniformly offered to all wholesalers. The Liquor Control Code requires the sale and purchase of all alcoholic beverages to be for cash only, at the time of delivery to wholesalers.

A Wine Maker or Small Wine Maker licensee that self-distributes to retailer licensees must file with the Commission a schedule of net cash prices to retailer licensees before January 1, April 1, July 1, and October 1 of each year. The net cash prices shall not be changed during the quarter without first notifying the Commission in writing of the price changes. "Post offs" (price reductions) shall not be granted for periods of less than 14 consecutive calendar days in duration. Quantity discounts to retailers are prohibited. All sales to retailers must be for cash only. For more information on wine price postings read the Wine Price Filing Requirements on the Commission website:

https://www.michigan.gov/documents/lara/Wine_Price_Filing_535195_7.pdf

Direct Shipping Wine

A Direct Shipper license is required for Wine Maker and Small Wine Maker licensee to ship wine it manufactured to Michigan consumers. For more detailed information on Direct Shipper licenses, [please visit the MLCC's frequently asked questions page regarding Direct Shipper licenses.](#)

Salesperson Licenses

Any person employed by a Wine Maker or Small Wine Maker licensee to sell, deliver, promote, or otherwise assist in the sale of alcoholic liquor in this state is required to hold a Salesperson license issued by the Commission. Employees who work exclusively at the brewery premises and have no contact with wholesalers, retailers, or consumers off the licensed premises do not need a Salesperson license. Salesperson licensees must be at least 18 years of age and are prohibited from being employed by a retailer-tier licensee on a paid or any other basis. For more details on Salesperson licensee

requirements and exceptions to the requirements for certain employees please visit the Commission's webpage for Salesperson licensing information: https://www.michigan.gov/lara/0,4601,7-154-89334_10570_16941-456243--,00.html.

Record Retention and Inspection of Premises and Records

All licensees are required to maintain all sales, purchase, and Salesperson licensee expense records for a minimum of four years. Records may be maintained electronically or otherwise as long as a hard copy of the record can be created upon demand.

A licensee must make the licensed premises available for inspection and search by a Commission Investigator or any law enforcement officer empowered to enforce the Commission's rules and code during regular business hours or when the premises is occupied. The Commission or its duly authorized agent may examine the books, records, or papers of a licensee.