



Washington State Liquor Control Board

Frequently Asked Questions: Contract Liquor Stores

February 3, 2012

1. What will my inventory (from the Board) cost me?

- A. The Board has not yet determined the selling price for inventory that will be made available for contract liquor stores to purchase. This price will be published in February 2012.

2. Can I relocate my business?

- A. Upon Board approval, a contract store may be relocated prior to June 1, 2012. A contract amendment would be required to facilitate this change. It is the responsibility of the contract liquor store manager to initiate the request and provide a sufficient justification for the relocation.

3. What licenses will I need, what is the process and how long will this take?

- A. Contract Liquor Store managers may visit our website at <http://www.liq.wa.gov/transition/contract-liquor-stores>, to increase their understanding of the licensing process. Available at this website are documents that provide basic information regarding Federal Permitting and registration guidelines, a color-coded flowchart that details the licensing processes, a timeline of the licenses processing events as well as a fact sheet relating to licenses and applications which also contains additional websites and contact support information.

4. Can I sell my store?

- A. Contract Liquor Stores that convert to a spirit retailer may sell their business to a qualified liquor applicant after May 31, 2012. The Board will be establishing by rule the process and requirements for such a transaction.

5. Can I terminate my contract before June 1, 2012? How much notice will I have to give?

- A. Yes, providing a minimum of thirty (30) days written notice is provided to the Board. This allows communication and notification to the market area and those who may be affected by such closure.

6. Can the State help finance my transition (issue a loan or provide payment terms on my inventory) to the private sector?

- A. No, the State constitution forbids this type of activity for state agencies.

7. Can any store with 10,000 sq. ft. sell liquor?

- A. If a retail store meets the criteria identified in the spirits retail application, it will not be denied.

8. Will challenges to I-1183 via law suits overturn the Initiative?

- A. The outcome of such challenges is undetermined. Preparation for transition will continue until the courts direct the Agency differently.

9. What will be the purchase price for my inventory be from distributors?

A. The purchase price is negotiated between the CLS and the distributors. The Liquor Board will not be involved in this future process.

10. Will spirit retailers be required to offer discounts to licensees?

A. I-1183 does not define any discount. It will be up to each retail licensee to determine discounts, if any, given an on-premise account. On-premises licensees do pay a lesser tax rate on purchases of spirits.

Note: See also the questions and answers in the correspondence to the Contract Liquor Store Managers on the contract liquor store page.

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