



State of Wisconsin
Department of Revenue

Division of Alcohol Beverages

Reserve "Class B" Liquor Licenses

Alcohol Beverage Laws

Fact Sheet 3116

revenue.wi.gov

This fact sheet provides information about Wisconsin alcohol beverage laws relating to reserve "Class B" liquor licenses. Reserve "Class B" liquor licenses are licenses that were not granted or issued by a municipality on December 1, 1997, but are counted as a reserve under the calculations described in sec. [125.51\(4\)\(br\)](#), Wis. Stats.

Quantity of Reserve "Class B" Liquor Licenses

A municipality may not issue a "Class B" liquor license in excess of the number of "Class B" liquor licenses granted or issued by the municipality on December 1, 1997 plus the number of available reserve "Class B" liquor licenses.

The number of reserve "Class B" liquor licenses available to a municipality is determined by completing the calculations described in sec. [125.51\(4\)\(br\)](#), Wis. Stats. For example, a municipality's quota is increased by adding one additional reserve "Class B" liquor licenses for each increase in population of 500 persons. Municipal populations are determined annually by the Department of Administration which releases final population estimates to clerks on October 10 of each year.

The Division of Alcohol Beverages (DAB) does not maintain records of each municipality's quota. Contact your municipal clerk for the "Class B" liquor license quota in your municipality.

Fee For Reserve "Class B" Liquor Licenses

The initial issuance fee for a reserve "Class B" liquor license is established by the municipality and must be a minimum of \$10,000 (except for PEDD reserve "Class B" licenses; see below). The initial issuance fee is in addition to the annual fee charged by a municipality for a "Class B" license. Bona fide clubs and lodges situated and incorporated in Wisconsin for at least six years that apply for reserve "Class B" liquor licenses are exempt from paying the minimum \$10,000 issuance fee. Municipalities may not rebate or refund the initial issuance fee for a reserve "Class B" license, including through any grant or tax credit program.

Transfers of Reserve "Class B" Liquor Licenses Between Municipalities

A municipality may transfer up to three reserve "Class B" liquor licenses to a municipality that is located wholly or in part in the same county. The transferring municipality establishes the initial issuance fee in an amount not less than \$10,000. Upon receipt of the issuance fee, the receiving municipality must pay the issuance fee to the transferring municipality. A transfer of a reserve "Class B" license to another municipality is permanent. Once transferred, the receiving municipality's quota is increased and the transferred municipality's quota is decreased.

Reserve "Class B" Liquor Licenses For a Premier Economic Development District (PEDD)

A PEDD is a geographic area designated by a municipal ordinance, enacted by at least a two-thirds vote of the municipality's governing body. The PEDD must (all the following apply):

- have an estimated new construction assessed valuation increase of at least \$20 million (certified by an independent third-party appraiser or market research firm),
- not exceed 40 acres,
- be contiguous,
- not include land that is zoned exclusively for industrial use or land zoned exclusively for single-family or 2-family residences.

Upon establishing a PEDD, two reserve "Class B" liquor licenses, each with an initial issuance fee in an amount not less than \$30,000, are created. These reserve license fees are non-refundable. The PEDD reserve licenses are non-transferable and are in addition to a municipality's quota. A municipality cannot establish more than one PEDD.

Questions?

If you are unable to find an answer to your question on the division's website, you may email, write, or call the division.

Website. . .	revenue.wi.gov/pages/AlcoholBeverage/home.aspx
Email. . .	DORAlcohol@wisconsin.gov
Write. . .	Division of Alcohol Beverages P.O. Box 8934 Madison, WI 53708-8934
Phone. . .	(608) 266-2526

Updated November 7, 2024