

**§ 18B-903. Duration of permit; renewal and transfer.**

(a) Duration. – Once issued, ABC permits shall be valid for the following periods, unless earlier surrendered, suspended or revoked:

- (1) On-premises and off-premises malt beverage, unfortified wine, and fortified wine permits; culinary permits; and all permits listed in G.S. 18B-1100 shall remain valid indefinitely.
- (2) Limited special occasion permits shall be valid for 48 hours before and after the occasion for which the permit was issued.
- (3) Special one-time permits issued under G.S. 18B-1002 shall be valid for the period stated on the permit.
- (4) Temporary permits issued under G.S. 18B-905 shall be valid for 90 days. After 90 days, a temporary permit shall no longer be deemed a temporary permit and shall be deemed to have been issued under either subdivision (a)(1) or (a)(5) of this section, as applicable, and shall remain valid pursuant to the applicable subdivision.
- (5) All other ABC permits shall be valid for one year, from May 1 to April 30.

(b) Renewal. – Application for renewal of an ABC permit shall be on a form provided by the Commission. An application for renewal shall be accompanied by an application fee. The application fee shall be the same amount as the initial fee set in G.S. 18B-902, except that the renewal application fee for each wine shop permit or malt beverage shop permit shall be five hundred dollars (\$500.00), and the renewal application fee for each mixed beverages permit and each guest room cabinet permit shall be one thousand dollars (\$1,000). A renewal fee shall not be refundable.

(b1) Registration. – Each person holding a malt beverage, fortified wine, or unfortified wine permit issued pursuant to G.S. 18B-902(d)(1) through G.S. 18B-902(d)(6) shall register by May 1 of each year on a form provided by the Commission, in order to provide information needed by the State in enforcing this Chapter and to support the costs of that enforcement. The registration required by this subsection shall be accompanied by an annual registration and inspection fee of four hundred dollars (\$400.00) for each permit held. The fee shall be paid by May 1 of each year. A registration fee shall not be refundable. Failure to pay the annual registration and inspection fee shall result in revocation of the permit.

(b2) Recycling Plan Required. – Each person holding an on-premises malt beverage permit, on-premises unfortified wine permit, on-premises fortified wine permit, or a mixed beverages permit shall submit, along with the annual registration or renewal application, either a current plan for the collection and recycling of all recyclable beverage containers of all beverages sold at retail on the premises, or an application for a waiver pursuant to G.S. 18B-902(h). Each person holding a mobile bar services permit shall submit, along with the annual renewal application, either a current plan for the collection and recycling of all recyclable beverage containers of all beverages to be served at an event pursuant to the permit, or an application for a waiver pursuant to G.S. 18B-902(h).

(b3) Safe Harbor; Late Fees. – Notwithstanding subsection (a) of this section, the Commission shall not revoke a permit for failure to pay a renewal application fee or an annual registration and inspection fee until June 1 of each year. No later than five business days after April 30 of each year, the Commission shall notify permittees who have not paid any required renewal application fees or annual registration and inspection fees as of April 30. The Commission shall charge a late fee of twenty-five percent (25%) of the renewal application fee or registration and inspection fee for a permit for which the renewal application fee or registration and inspection fee is submitted after April 30.

(c) Change in Ownership. –

- (1) Except as provided in subdivisions (2) and (2a) of this subsection, all permits for an establishment shall automatically expire and shall be surrendered to the Commission in any of the following circumstances:
  - a. Ownership of the establishment changes.
  - b. There is a change in the membership of the firm, association or partnership owning the establishment, involving the acquisition of a twenty-five percent (25%) or greater share in the firm, association or partnership by someone who did not previously own a twenty-five percent (25%) or greater share.
  - c. Twenty-five percent (25%) or more of the stock of the corporate permittee owning the establishment is acquired by someone who did not previously own twenty-five percent (25%) or more of the stock.
- (2) Notwithstanding subsection (e) of this section, any person who through contract, lease, management agreement, or change of ownership or transfer of business as provided in subdivision (1) of this subsection becomes lawfully entitled to use and control of the premises of an establishment that holds permits immediately prior to such change of ownership may continue to operate the establishment, as successor to the prior permittee, to the same extent as the predecessor permittee until the person receives a temporary or new permit, including purchasing malt beverages, unfortified wine, or fortified wine to be resold for on-premises or off-premises consumption, or spirituous liquor for use in mixed beverages sold by the establishment, as applicable under the permit, subject to the following limitations:
  - a. The person shall provide written or electronic notice to the Commission of the name of the non-permitted person, the name and address of the permitted establishment, and the date of the change in ownership. The person may not operate the establishment as provided in this subdivision until the person has provided notice to the Commission. The Commission shall not require any additional documentation besides the written or electronic notice to satisfy this requirement. The prior permittee shall not be liable for any acts or omissions of the non-permitted person operating the establishment. Any alcoholic beverage offenses committed by the person or any actions taken by the Commission to revoke or suspend the permit based on the acts or omissions of the person operating the establishment shall not preclude the prior permittee from receiving an ABC permit for a different establishment.
  - b. The person shall submit a new permit application to the Commission within 60 days after the change of ownership. If the person does not apply for a new permit within 60 days, all permits for the establishment shall automatically expire and shall be surrendered to the Commission. If the person has applied to the applicable local government for the Inspection/Zoning Compliance and Local Government Opinion forms required for the application but has not received approvals or denials from the local government within the 60-day period, the applicant may submit a sworn affidavit with the application stating that the person has applied to the local government for the Inspection/Zoning Compliance and Local Government Opinion approvals in lieu of those approvals. The person shall send the local government approvals or denials to the Commission within three

business days of receiving the approvals or denials. If the local government finds the person to be in noncompliance, the person may not operate during the transition period allowed by this subdivision until the establishment is brought into compliance.

- c. The 60-day period to file a new permit application shall only be allowed once per 24 months for each establishment that holds an ABC permit, unless the establishment requests and the Commission grants a waiver of the 24 month requirement. The Commission shall grant a waiver of the 24 month requirement if it determines that the public health, safety, and welfare would not be harmed by granting the waiver.
  - d. This subdivision shall apply only to establishments that hold ABC permits that are in good standing and that have not been found responsible by the Commission or a court of competent jurisdiction of a gambling, assault, disorderly conduct, prostitution, or controlled substances violation within 12 months prior to the date the non-permitted person becomes entitled to use and control of the establishment.
  - e. The person shall be authorized to operate the establishment as successor to the prior permittee to the same extent as the predecessor permittee until the Commission either issues or denies the permit application submitted pursuant to sub-subdivision b. of this subdivision.
- (2a) The transfer by a person of any ownership interest to a revocable or irrevocable trust established by the person shall not constitute a change in ownership for purposes of subdivision (1) of this subsection if the person transferring the ownership interest to the trust continues to operate the establishment. If the person who transferred the ownership interest ceases to operate the establishment following the transfer of the ownership interest to the trust, this shall constitute a change in ownership for purposes of subdivision (1) of this subsection. The trustee shall notify the Commission within 30 days if the person who transferred the ownership interest ceases to operate the establishment.

(c1) Construction of Change in Ownership. – Nothing in subsection (c) of this section shall be construed to limit alternating brewery proprietorships in which the holder of a brewery permit leases or otherwise makes available its facility to another holder of a brewery permit. For purposes of this section, if authorized by federal law, the host brewery may also hold, at the same facility, unfortified winery, fortified winery, and distillery permits pursuant to G.S. 18B-1101, 18B-1102, and 18B-1105. In this arrangement, the tenant brewery shall maintain title to the malt beverages at all states of the brewing process and shall be responsible for all aspects associated with manufacturing the product, including maintaining appropriate records, obtaining label approval in its own name, and remitting the appropriate taxes. Alternating brewery proprietorships are authorized between affiliated breweries, but shall not be used as a means to allocate production quantities between affiliated breweries to obtain a malt beverage wholesaler permit pursuant to G.S. 18B-1104(a)(8) where either brewery would not otherwise qualify for a permit, and the Commission shall have no authority to grant an exemption to this requirement pursuant to G.S. 18B-1116(b).

(d) Change in Management. – A corporation holding a permit for an establishment for which the manager is required to qualify as an applicant under G.S. 18B-900(c) shall, within 30 days after employing a new manager, submit to the Commission an application for substitution of

a manager. The application shall be signed by the new manager, shall be on a form provided by the Commission, and shall be accompanied by a fee of ten dollars (\$10.00). The fee shall not be refundable.

(e) Transfer. – An ABC permit may not be transferred from one person to another or from one location to another.

(f) Lost Permits. – The Commission may issue duplicate ABC permits for an establishment when the existing valid permits have been lost or damaged. The request for duplicate permits shall be on a form provided by the Commission, certified by the permittee and the Alcohol Law Enforcement Division, and accompanied by a fee of ten dollars (\$10.00).

(g) Name Change. – The Commission may issue new permits to a permittee upon application and payment of a fee of ten dollars (\$10.00) for each location when the permittee's name or name of the business is changed. (1971, c. 872, s. 1; 1975, c. 330, s. 1; c. 411, s. 4; 1981, c. 412, s. 2; c. 747, s. 57; 1983, c. 713, s. 106; 1989, c. 800, s. 8; 1991, c. 565, ss. 3, 7; 1991 (Reg. Sess., 1992), c. 920, s. 6; 1998-95, s. 30; 2002-126, s. 29A.13; 2004-203, s. 25(b); 2005-350, s. 2(c); 2007-402, s. 2(c); 2008-187, s. 7; 2009-105, s. 2; 2011-145, s. 19.1(n); 2014-100, ss. 16B.2(a), 17.1(xxx); 2015-98, s. 6; 2017-87, s. 16(c); 2019-203, s. 9(a); 2021-150, s. 16.1; 2022-44, s. 4; 2024-41, ss. 13(a), 15(c), 17(e).)