



Ministry of Housing  
and  
Social Development

**Liquor Control and Licensing Branch**

# **Miscellaneous Policy Manual**

**August 2009**

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LCLB209



## Miscellaneous Policy Manual – Update Summary

Date	Update Description	Updated Pages
August 2009	<b><u>Three new sections added</u></b> <ul style="list-style-type: none"><li>• Unlicensed Internet Liquor Sales</li><li>• Isolated Sports and Recreation Lodges-Provision of Liquor for Guests</li><li>• Non-Profit Liquor Clubs</li></ul>	<b><u>Section 5</u></b> <b><u>Section 6</u></b>  <b><u>Section 7</u></b>

There may be a delay before we are able to incorporate all changes noted in the Policy Directive into all relevant branch publications. We regret any inconvenience. The date the change takes effect is the date noted on the Policy Directive.

See Policy Directives page on the Liquor Control and Licensing Branch website for list of recent Policy Directives – [www.hsd.gov.bc.ca/lclb/publications/policy/](http://www.hsd.gov.bc.ca/lclb/publications/policy/)

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## SECTION 1: Introduction

### *Purpose and Format of this Manual*

This manual was created to address issues that fall under the responsibility of the Liquor Control and Licensing Branch but are not specific to licensing, compliance and enforcement, or special occasion licences. The Miscellaneous Policy Manual is intended as a reference guide and repository for all policies respecting the importation, distribution and sale of non-beverage alcohol, policies and procedures for the purchase and use of pure grain alcohol, and policies surrounding liquor delivery services.

It is specifically written for the staff of the Liquor Control and Licensing Branch; however, external regulatory and enforcement agencies and members of the public may also find this manual a useful source of information.

The manual is divided into broad chapters, such as Non-Beverage Alcohol, Grain Alcohol, and Liquor Delivery Services. Each chapter is then divided into sections according to topics that fall within the chapter headings.

### ***Input***

Every effort has been made to ensure this manual is complete; however, input from you is essential in tailoring it to your needs. Are there areas that need more detail? Are there areas where less depth is needed? Are there errors or omissions? Please provide feedback on these and any other areas of concern to:

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## SECTION 2: Non-Beverage Alcohol

### 2.0 Introduction

British Columbia allows a number of non-beverage alcohol products to be produced, imported, and sold here. These products are exempted under s. 62 of the *Liquor Control and Licensing Act*, which means that they may be brought into British Columbia and sold without being regulated under the *Liquor Control and Licensing Act*.

This section provides information on what products qualify for exemption under section 62 of the Act, and policies and procedures for the importation and distribution of these products.

These issues are discussed under the following headings:

- Policies for importing or distributing non-beverage alcohol;
- Exemption application process;
- Monitoring of exempted products; and
- Products not eligible for exemption.

### 2.1 General Conditions

#### *Policy Rationale*

Non-beverage alcohol is defined as products containing alcohol that are not intended for drinking, unlike beer, wine or spirits. These products contain enough other ingredients or are “denatured” by the addition of substances to prevent them from being consumed as alcoholic beverages. These include:

- medicinal products such as cough medicines, stomach bitters, ethnic medicines, herbal liqueurs, digestive aids, tinctures and tonics;
- toiletry products such as mouthwash and hand cleansers;
- culinary products such as cooking wines, cooking sherries, vanilla extract, and gelled and peppered baking extracts; and
- cleaning and disinfecting products such as Lysol.

The most common denaturing agent in food or culinary products is salt, but a variety of denaturing agents, including gelling and peppering, can be used depending on the intended use of the product. Unsalted culinary products are generally subject to a taste test by Liquor Control and Licensing Branch staff to ensure they are not suitable for drinking.

Generally, products that have a greater potential for abuse as an alcoholic beverage, such as culinary products, are required to apply to the branch to confirm their exemptions prior to being sold or distributed in British Columbia. The sale or distribution of certain products, such as salted rice alcohol, are specifically prohibited due to a history of illegal sale and consumption.

In some cases, the Liquor Control and Licensing Branch may restrict quantities and/or determine how these products are to be stored, distributed and sold. Still other products - usually with a higher amount of alcohol - may not qualify for exemption under Section 62, and must be distributed through the Liquor Distribution Branch.



## 2.2 Policies for importing or distributing non-beverage alcohol

Section 62 of the *Liquor Control and Licensing Act* differentiates between two types of non-beverage alcohol products: medicinal preparations and culinary/cleaning preparations. The Liquor Control and Licensing Branch classifies non-beverage alcohol as follows:

### 2.2.1 Medicinal alcoholic preparations

Branch staff determine whether a preparation is potable (fit to drink) by conducting a taste test. Medicinal products are categorized according to potability.

- Potable alcoholic medicinals

These include stomach bitters, digestive aids and tonics claiming to have restorative or therapeutic value. Potable alcoholic medicinals are subject to the provisions of the [\*Pharmacists, Pharmacy Operators and Drug Scheduling Act\*](#), which restrict sales of these products to pharmacies and provides for the controlled distribution, storage, and retail sales of these products.

Anyone planning to make or import these products for sale in British Columbia must apply to the Liquor Control and Licensing Branch for exemption.

- Non-potable alcoholic medicinals

These include cough medicines, medicinal tonics, stomach bitters, ethnic medicines, herbal liqueurs, digestive aids, tinctures and tonics. Most contain enough ingredients other than liquor to stop them being consumed as alcoholic beverages, and manufacturers or importers of non-potable alcoholic beverages are not normally required to apply for an exemption. However, if there is any question about whether a medicinal preparation containing alcohol satisfies Section 62, manufacturers and importers should apply to the Liquor Control and Licensing Branch to confirm that they are exempt, before starting to make or import the product.

### 2.2.2 Unsalted culinary and other preparations

These are toiletries, such as mouthwash; cooking preparations, such as vanilla extract and liqueur-filled chocolates; cleaning and disinfecting agents, such as Lysol; baking flavours and extracts; and "industrial strength" flavouring agents. Most are automatically exempt because they contain enough ingredients other than liquor to stop them from being consumed as alcoholic beverages. However, if there is any question about whether or not a preparation satisfies Section 62, manufacturers and importers should apply to the Liquor Control and Licensing Branch to confirm that they are exempt before starting to make or import the product.

### 2.2.3 Salted culinary preparations

These include salted cooking wine and cooking spirits. Because many salted culinary preparations have the potential to be potable unless denatured, anyone planning to make or import these products for sale in British Columbia must apply to the Liquor Control and Licensing Branch for exemption. There is no restriction on the alcohol content of these products unless they are made from rice, in which case they are further categorized based on alcohol content and container size.

#### **2.2.4 Salted cooking alcohol**

These products are generally cooking wines and sherries. They can be manufactured from any ingredients, but are generally made from fruits or rice, and must contain at least 1.5% salt. There are no restrictions on alcohol content for these products if they are not made from rice. Container size of these products is not regulated. If these products are manufactured from rice, alcohol content must be less than 10%.

#### **2.2.5 Cooking wine made from rice alcohol**

British Columbia has had a history of problems with the illegal sale and consumption of rice alcohol as a beverage. In 1999, in response to police and community concerns about the abuse of rice alcohol products, regulations were enacted under the *Liquor Control and Licensing Act* specifically addressing rice alcohol.

The regulations define rice alcohol as an unflavoured distilled spirit made from fermented rice which contains 10% or more alcohol. The regulations prohibit the retail sales of rice alcohol, as defined above, with one exception (commercial sales in containers larger than 10L) which is discussed in the next section. Other than these large volume, commercial sales, BC government liquor stores are the only outlets permitted to sell rice alcohol.

Rice products with an alcohol content of less than 10% and a salt content of at least 1.5% are permitted for sale in retail stores.

#### **2.2.6 Salted rice alcohol containing 10% or greater alcohol in containers of 10L or more**

An exception from the prohibition against the sale and distribution of rice alcohol is made for rice alcohol sold in containers of 10L or more. Containers 10L or more are permitted as long as they are pre-sold to manufacturers or other commercial users prior to importation.

Commercial users (such as restaurants and food manufacturers) may buy cooking wine made from rice alcohol that contains 10 % or greater alcohol directly from importers or distributors, in bulk containers of 10 litres or more. Importers and distributors must pre-sell each shipment, and report this information to the Liquor Control and Licensing Branch. The reports must cover the entire shipment and be submitted for each shipment. Importers complete the Record of Cooking Alcohol Shipment\_form (LCLB046); distributors complete the Record of Distributor's Sales of Cooking Alcohol form (LCLB047). Copies of all forms are available by clicking on the "Application Fees and Forms" link under the Main Menu on our website. More information on the monitoring of these products is provided later in this document.

#### **2.2.7 Salted rice alcohol containing 10% or greater alcohol in containers of less than 10L**

If the alcohol content of these products is more than 10%, these products are specifically prohibited by the regulations. Importers do not qualify for and therefore cannot apply for exemptions.

Anyone importing rice alcohol or other products prohibited in British Columbia, and transporting the product through British Columbia, must contact appropriate licensing and regulatory bodies in the relevant jurisdictions.

## 2.3 Exemption application process

New importers/manufacturers/distributors/agents/customs brokers unsure of the status of their product should apply for exemptions. To apply for an exemption for a specific non-beverage alcohol product, applicants must send the following to the Liquor Control and Licensing Branch:

- A letter of application (from the applicant or an authorized agent or customs broker) with the applicant's business name, address, e-mail, telephone and fax numbers, clearly describing the product, its intended use and the container sizes the applicant intends to make or import;
- Sample labels (front and back) for each container size; and
- Two samples of the product, if the product is not denatured using salt, for the purposes of taste testing.

Branch policy requires that labels must contain the following information, in English:

- "Brand" name (e.g. Tosca, Vicks, Harry's);
- Name/type of product (e.g. cooking sherry, cough medicine, stomach bitters);
- Container size (in ml, cl, or litres);
- Alcohol content (percentage by volume);
- Manufacturer and/or bottler; and
- Country of origin.

If salt is used as the denaturing agent labels must also provide information on:

- Salt content in grams/100 ml

The applicant must also ensure that the branch is provided with a report from an independent laboratory which must state the alcohol content and salt content if the product is denatured using salt. To do this, the applicant must provide the laboratory with two labelled sample containers of the product and, if applicable, a copy of the Drug Identification Number (DIN) assigned to the product by Health Canada's Health Protection Branch. The applicant is responsible for ensuring that copies of the laboratory report are sent directly to the branch from the laboratory. The branch will not accept copies of laboratory reports from the applicant.

If the product is not denatured using salt, the applicant must also provide two sample containers to the branch along with the application for taste testing.

Upon receipt of the laboratory report, and, in the case of unsalted products, the taste test, the branch will then evaluate the applicant's product and determine if it qualifies for exemption. The branch will advise the applicant of the product's status and any terms and conditions to be imposed on the making, importing or sale of the product.

Exemptions are not time limited, and there is no fee for an exemption.

It is important to note that confirmation of the exemption of a product by the Liquor Control and Licensing Branch does not remove responsibility from a manufacturer or importer to obtain any other approval, permission, licence or similar requirement by any other authority.

## 2.4 Monitoring of exempted products

The branch has the authority to monitor shipments of exempted product, including:

- In response to complaints;

- In response to reports of irregularities from other government agencies [such as Canada Border Services Agency (CBSA)];
- As part of random compliance testing; or
- For any other reason the general manager considers relevant.

Generally, the branch does not require product samples or laboratory testing for monitoring.

The branch monitors the importation and distribution of all rice alcohol with an alcohol content of 10% or greater in containers of 10L or more. These products are permitted in British Columbia only if they have been pre-sold to commercial users or distributors. All importers and distributors of rice alcohol in containers of 10L or more are required to advise the branch, on a shipment by shipment basis, of any of these products that are being brought into the province or are being distributed by manufacturers in British Columbia.

Importers and distributors subject to monitoring are asked to submit the following to the branch for each shipment:

- Record of Cooking Alcohol Shipment, form (LCLB046) and, if distributing as well, the Record of Distributors' Sales of Cooking Alcohol form (LCLB047). Copies of all forms are available by clicking on the "Application Fees and Forms" link under the Main Menu on our website. ;
- a copy of the bill of lading and/or invoice;
- exact name, container size, and quantity of each product in the shipment; and
- a sample copy of the product label for identification purposes.

Requests for monitoring are cross-checked with the branch exemption lists and label samples. If the branch confirms the rice alcohol as previously exempt, the Liquor Control and Licensing Branch will sign the form and return it to the importer or distributor confirming that the shipment may be released into British Columbia.

## **2.5 Products not eligible for exemption**

Any other alcohol product that has not been sufficiently denatured to make it unsuitable for drinking falls under this category. If the Branch issues a refusal letter, sales of these products must be made under the policies and importation procedures established by the Liquor Distribution Branch [telephone (604) 252-3000 for more information].

Any manufacturer or importer found selling or buying a non-alcoholic product not exempted under Section 62 may have the product seized and face a fine of \$500.00 or more.

### ***Authority References***

*Liquor Control and Licensing Act* Section 62 (1)(a) and (b), (2), (3), (3.1), (4), (5), (6), and (7).  
*Liquor Control and Licensing Act Regulation*, section 62 (1)(a) and (b), (2), (3)(a)(i) and (ii) and (b), Liquor Control and Licensing Branch policy.



## SECTION 3: Pure Grain Alcohol Permits

### 3.0 Introduction

The *Liquor Control and Licensing Act* defines pure grain alcohol as “absolute alcohol manufactured from grain”. Pure grain alcohol is a clear, colorless, flammable liquid that is distilled from cereal grain and has a very high ethanol content. It is called “pure” because it lacks any flavor derived from the mash used to distill it, nor does it have any flavor added to it after distillation (as is done, for example, with gin). The grain from which it is produced can be any of the common cereal grains.

Pure grain alcohol is not considered suitable for drinking in its pure form, and the health risks of ingesting it are severe. However, it has widespread commercial and industrial use. These include fish hatcheries (as an anesthetic to minimize stress for salmonids), dental laboratories (in the production of crowns and bridges), environmental testing laboratories (for testing drinking water), pharmaceutical companies (as a decontaminant or cleaning agent), veterinary hospitals (in the treatment of antifreeze poisoning), and as an ingredient in baked goods and herbal tinctures.

These issues are discussed under the following headings;

- Application process for grain alcohol permits;
  - Three-year permit, and
  - Single use permits
- Purchasing pure grain alcohol with a permit; and
- Where a Liquor Control and Licensing Branch permit is not required.

### 3.1 General Conditions

#### *Policy Rationale*

The purchase of pure grain alcohol without a permit is generally prohibited. The general manager has authority under the Act to issue a permit to purchase grain alcohol to the following:

- A person engaged in British Columbia in a mechanical or manufacturing business or scientific pursuit requiring the use of pure grain alcohol; and
- A person who proposes to use grain alcohol for a purpose that is not contrary to the public interest.

There are two types of grain alcohol permits available from the branch: a single use (one time only) permit and a three year permit. The general manager also has the power to stipulate the maximum quantity of pure grain alcohol that may be purchased or kept in possession.

### 3.2 Application process for grain alcohol permits

Copies of the application form, entitled Grain (Ethyl) Alcohol Application for Permit (LCLB 048) are available by clicking on the “Application Fees and Forms” link under the Main Menu on our website.

Requests for permits must contain the following information:

- Amount of grain alcohol requested;
- The purpose/intended use of the grain alcohol;
- The location, size, and security measures in place for the storage facility in which the alcohol will be stored;
- The names of the persons buying the alcohol; and
- Documentation to prove that the grain alcohol will be used exclusively for business purposes, such as a business licence, business registration, corporate registration, PST or GST registration number.

Any requests of a personal nature for pure grain alcohol permits will be refused. Permits are issued for commercial, scientific, or institutional use only. Permits are not transferable, and there is no fee for either type of permit.

### 3.2.1 Three-Year Permits

Branch policy does not limit the amount of alcohol that may be approved under the three year permit as long as the amount requested is consistent with the intended purpose and the storage facility is adequate.

Three year permits are renewable providing the applicant's information and storage provisions remain the same. Permit renewals must be received at least 14 days prior to the expiry date of the permit. A new permit must be obtained if the quantities of alcohol requested change or if the facility has relocated.

The branch may also require an inspection of the storage facility at any time to ensure the facility is adequate and secure, for example:

- prior to issuing the permit;
- in response to complaints;
- as part of random compliance testing;
- if the quantities of alcohol requested change;
- if the facility has relocated; or
- at the discretion of the general manager.

### 3.2.2 Single Use Permits

If the applicant has requested a single use permit, the branch considers the following prior to issuing a permit:

- Applicant eligibility;
- Intended use of the product;
- If it is in the public interest to issue a permit; and
- Documentation to prove that the grain alcohol will be used exclusively for business purposes, such as a business licence, business registration, corporate registration, PST or GST registration number.

Single use permits are for smaller quantities of grain alcohol, and are generally issued to small manufacturers (e.g. beekeepers, musical instrument manufacturers), and individual health care practitioners (e.g. naturopaths, veterinarians, and herbalists). Branch policy limits the maximum allowable amount under a single use permit to 16L. Single use permits expire after 60 days and there is no fee for a single use permit. The branch does not approve permits for personal use.

### **3.3 Purchasing pure grain alcohol with a permit**

Permit holders can purchase grain alcohol from government liquor stores or from commercial alcohol suppliers (such as Brenntag).

Most pure grain alcohol is distilled to 95% alcohol by volume. This is the level of purity that can be reached by the normal distillation process. Pure grain alcohol can also be put through a second process to render it virtually water free. This type of pure grain alcohol is called anhydrous, and its alcohol content is 99%. In British Columbia, both 95% and 99% pure grain alcohol is available. Organic pure grain alcohol is also available through some suppliers.

### **3.4 Where an LCLB permit is not required**

A grain alcohol permit is not required for pharmacists, for use in compounding medicines or as a solvent or preservative used solely in connection with the pharmacy business, or by physicians and hospitals for use as a sterilizing agent.

Wineries who wish to fortify their wines with grain alcohol require a “user licence” issued by Excise Duty and Taxes of Revenue Canada and do not require an additional permit from the branch.

The general manager of the Liquor Distribution Branch may sell grain alcohol to hospitals, universities, and any provincial or federal government agency. Individuals can also purchase grain alcohol from the Liquor Distribution Branch with a prescription from a medical doctor. No LCLB permit is required for these purchases.

#### ***Authority References***

*Liquor Control and Licensing Act, sections 8, 9. Liquor Control and Licensing Branch Policy, Liquor Distribution Act, section 18.*





## SECTION 4: Liquor Delivery Services

### 4.0 Introduction

The Liquor Control and Licensing Act permits a delivery service to purchase liquor on behalf of a customer and deliver the liquor to the customer. This policy explains what types of businesses are allowed to offer liquor delivery service and the rules related to preventing delivery to minors and record keeping.

### 4.1 Liquor Delivery Services

#### *Policy Rationale*

Liquor delivery services are allowed by the Act but are not licensed. This policy explains what types of businesses are included in the concept of liquor delivery services and the rules related to preventing delivery to minors and record keeping.

#### *Policies*

#### 4.1.1 Types of business allowed to operate a liquor delivery service

The Liquor Control and Licensing Act permits a delivery service to purchase liquor on behalf of a customer and deliver the liquor to the customer. A delivery service is a business primarily engaged in the transportation of people or goods which may include liquor as one of the items it will transport. In addition, flower shops and gift-basket or hamper businesses may offer their customers the option to add liquor to their products for delivery in accordance with this policy.

No special licence or authorization is required from the Liquor Control and Licensing Branch in order to operate a liquor delivery service; however, there are regulations controlling the delivery of liquor which must be followed. In addition, delivery services should ensure they meet all local or First Nations government requirements which may be in effect where the business operates.

#### 4.1.2 Rules related to preventing delivery to minors and record keeping

The Liquor Control and Licensing Act and Regulation impose the following requirements on delivery services:

- Orders must be placed by a customer before the liquor is purchased by the delivery service; a delivery service must not keep a stock of liquor in anticipation of forthcoming orders.
- Orders must be filled only from a government liquor store, agency store, or licensee retail store (private liquor store).
- Deliveries must be made by and to people legally able to consume liquor (i.e., not underage, intoxicated, or under the influence of drugs), and only at a place where liquor may be legally possessed or consumed.
- Only customers 19 years of age or older may place an order for liquor. When proof of age is required, customers must show two pieces of identification at the time of delivery. One of those pieces must be a government issued identification card such as a driver's licence with photo, name and birth date. The other piece must contain the person's name along with a signature or picture.
- A liquor delivery service may only advertise that it will deliver beer, wine, and spirits (or use the word 'liquor'). It must not indicate any brands or prices of the liquor. It is the delivery service which is advertised. Advertising by a delivery service of the availability of particular liquor brands is prohibited

- The charge for the liquor must be the price paid by retail customers at a government liquor store, agency store or licensee retail store, plus a separate delivery charge. Customers must be informed of both types of charges when they place an order.
- Deliveries must occur between 9:00 a.m. and 11:30 p.m. on the same day as the order was placed.
- Delivery transaction records must be kept for at least one year. These must include the name and address of the purchaser, the time and date of delivery, the price of the liquor and the delivery service charge.

#### **4.1.3 Delivery by licensed or appointed liquor outlets**

This policy does not apply to liquor delivery by a Licensee Retail Store or an appointed agency store. Specific delivery policy for these stores are found in the Terms and Conditions guides for LRS's, Off-Site Retail Wine Stores, and in the case of on-site manufacturer's stores, the Terms and Conditions guides for Breweries/Distilleries and Wineries.

#### **Authority References**

*Liquor Control and Licensing Act*, section 38(2); Liquor Control and Licensing Regulations, section 61; Liquor Control and Licensing Branch Policy.

## **SECTION 5: Unlicensed internet liquor sales**

### **5.0 Introduction**

It is not lawful to sell liquor, or to provide liquor in consideration of some other purchase, without a licence. Through the Liquor Control and Licensing Act and its regulations, and by requiring anyone who holds a liquor licence to meet strict terms and conditions of that licence, the government works to protect public safety.

### **5.1 Unlicensed internet sales**

#### ***Policy Rationale***

To be eligible for any kind of licence or appointment for the retail sale of liquor a person must have a store front operation with a legal interest in the proposed physical site of the business. When there is no physical establishment from which the business would operate (where it is a “virtual” business), the business cannot be licensed.

Following an extensive review of the liquor retail industry in 2001-2002, the government consolidated the various licence categories and made other changes to modernize the BC liquor industry. In order to promote stability in the industry following those changes, at this time no new private liquor store licences or Liquor Distribution Act store appointments are being issued.

#### ***Policies***

##### **5.1.1 Unlicensed internet liquor sales prohibited**

Licensed establishments may use the internet as part of their advertising and sales strategy. However, unlicensed internet based retail liquor sales – what are commonly referred to as “virtual liquor stores” – are not permitted.

#### **Authority References**

*Liquor Control and Licensing Act*, sections 38(1) and 51.1; Liquor Control and Licensing Regulation, section 56; Liquor Control and Licensing Branch Policy.



## SECTION 6: Isolated sports and recreation lodges—provision of liquor for guests

### 6.0 Introduction

The British Columbia government regulates and monitors the liquor industry to protect the public from the harm that may be caused by making and selling liquor. Through the Liquor Control and Licensing Act and regulations, and by requiring anyone who holds a liquor licence to meet strict terms and conditions of that licence, the government works to protect public safety.

### 6.1 Isolated sports lodges providing liquor to its guests

#### *Policy Rationale*

It is not lawful to sell liquor, or to provide liquor in consideration of some other purchase, without a licence. Liquor may not be consumed in a public place unless that place holds a liquor licence. Generally, a sports or recreation lodge is required to be licensed before it is permitted to sell or serve liquor to its guests. However, isolated sports lodges in some circumstances may be deemed private places where liquor may be consumed by guests.

#### *Policies*

#### 6.1.1 Definition of “isolated sports and recreation lodges”

A sports or recreation lodge (e.g. a fishing or hunting lodge) is deemed to be isolated if it is not served by or accessible from a public highway and is normally accessed only by plane or boat and access to the buildings and grounds of the lodge is permitted only to overnight guests and live-in staff. A lodge which meets these conditions is deemed to be a private place where liquor consumption can occur without a licence. Individuals may lawfully consume liquor they have brought to the lodge for their personal use. (A lodge which is open to casual visitors who may happen to come by is a public place and must have a liquor licence to serve and sell liquor.)

#### 6.1.2 Guest responsibilities

Since an isolated lodge is a private place, guests are responsible for the safe keeping of their liquor and may consume their liquor on the grounds or in a lounge or dining room area or elsewhere, subject to management’s discretion to prohibit consumption in any part of the lodge. The lodge must not keep custody of, or serve, the liquor for guests.

#### 6.1.3 Provision of liquor as a service for guests

As a service to its guests, an isolated sports or recreation lodge may purchase liquor ordered in advance by guests and deliver it to the guests at the lodge. This type of liquor delivery service is subject to the following conditions:

- Guests must place their order with the lodge before the liquor is purchased (the lodge must not keep a stock of liquor in anticipation of forthcoming orders);
- The liquor must be purchased from a government liquor store, agency store or licensee retail store;

- Only customers 19 years of age or older may place an order for liquor. When proof of age is required, customers must show two pieces of identification at the time of delivery. One of those pieces must be a government issued identification card such as a driver's licence with photo, name and birth date. The other piece must contain the person's name along with a signature or picture;
- A lodge may advertise that it will deliver beer, wine, and spirits (or use the word 'liquor') upon request of a guest. The advertising must not indicate any brands or prices of the liquor;
- The lodge must charge the price paid by retail customers at a government liquor store, agency store or licensee retail store (the price the lodge bought the liquor for) and may add a separate fee for delivery (the guest must be informed of both charges when the order is placed);
- The cost of the liquor and the delivery fee cannot be part of an all-inclusive fishing/hunting package.
- A liquor order may be picked up prior to the arrival of the guest, however, each order must be stored separately in a secure location until the guest picks it up;
- Deliveries must be made by and to people legally able to consume liquor (i.e., not underage, intoxicated, or under the influence of drugs);
- A record of the liquor delivery, including the order form, the name and address of purchaser, date of the purchase, price of the liquor, time of delivery and delivery service charge, must be available for inspection (delivery records must be kept for at least one year);
- The lodge is responsible for the safe storage of the liquor order until it is delivered to the guest after which the guest is responsible for the liquor;
- Departing customers may take their left over liquor with them: Liquor left at the lodge cannot be sold or given to another guest.

A lodge may at any time choose to apply for a liquor or food primary licence which would enable it to provide full liquor service for its guests.

#### Authority References

*Liquor Control and Licensing Act*, section 38(1) and (2); Liquor Control and Licensing Regulation, section 61; Liquor Control and Licensing Branch Policy.

## SECTION 7: Non-profit liquor clubs

### 7.0 Introduction

The British Columbia government regulates and monitors the sale and service of liquor to protect the public from the harm that may be caused by making and selling liquor. Through the Liquor Control and Licensing Act and its Regulation, and by requiring anyone who holds a liquor licence to meet strict terms and conditions of that licence, the government works to protect public safety. The members of non-profit liquor clubs may purchase and consume liquor as a club activity subject to the provisions of this policy.

### 7.1 Non-profit liquor clubs

#### *Policy Rationale*

It is not lawful to sell liquor, or to provide liquor in consideration of some other purchase, without a licence. Individuals with particular interests in various types of liquor may want to join a group of like minded enthusiasts to discuss liquor and their knowledge of liquor products, sample new or unusual liquors or purchase particular brands of new, unusual or hard to get liquor products as an extension of their private interest. This policy is designed to permit this type of private interest to be expressed in a social setting.

#### *Policies*

##### 7.1.1 Definition of “liquor club”

A “liquor club” is a non-profit group or association of private individuals (who will usually formalize themselves as a society and incorporate under the Society Act) who band together because of their interest in and appreciation of liquor. A “scotch club,” for instance, may have members attend events where varieties of scotch are tasted and their respective merits discussed; newsletters, distillery tours, films about production and other background events may be part of the club’s activities. Similarly, a “wine club” may be composed of individuals who have an interest in wine and who want to meet with others interested in wine. A bona fide club will provide a variety of activities related to the type of liquor the club focuses on such as winery tours, newsletters, food pairings, lectures and documentary films about the liquor product. A liquor club does not need a liquor licence to operate.

There are two key features of a liquor club which distinguish it from a business: 1) it must be non-profit and 2) its operations must be governed by its membership. Very large clubs may engage staff and have big budgets, but they must be governed by their members and their financial accounts must show no profits from the purchase and distribution of liquor to the members. While the club may retain a small “float” month by month, over a period of time its members must have paid in only the cost of the liquor they ordered and delivery expenses. A liquor club may also impose a membership fee to cover non-liquor administrative expenses. A “club” which is not governed by its membership and makes, or intends to make, a profit is a business and must obtain a liquor licence. (See the LCLB website for information on how to apply for various liquor licences: [www.pssg.gov.bc.ca/lclb/applicants/index.htm](http://www.pssg.gov.bc.ca/lclb/applicants/index.htm).)

##### 7.1.2 Tastings and charges for tasting event

A liquor club may hold tastings of liquor for its members and guests and may recoup the cost of the liquor. When a liquor club sponsors an event for which members are charged a fee to consume liquor or a liquor tasting event without a charge at a location other than a private



residence, the club must ensure that the venue is appropriately licensed or the club must obtain a special occasion licence. (See the Special Occasion Licence manual on the LCLB website).

### **7.1.3 Special orders and liquor purchases**

A liquor club may purchase special orders from a government liquor store or offer its members a monthly selection of liquor as part of the benefits of membership. Any liquor purchase must be solely on the request of some or all of the members of the club. A liquor club must not sell liquor to non-members. The club may charge its members for liquor products only the retail cost of the liquor plus a delivery service charge to cover reasonable costs of delivery.

### **7.1.4 Advertising the club**

Any public information about the club must focus solely on the club itself, clearly indicating that the club is non-profit and that membership is open to individuals (over age 19) who are interested in the particular type of liquor the club focuses on and who want to join with other individuals in pursuit of this interest. Club information (including internet sites) may specify that club members can obtain liquor through the club, explain how the liquor ordering and distribution occurs and the types of monthly liquor selection that members can expect. A club may advise its members through a club newsletter, email to members or its internet site that club members may obtain particular brands at specified prices if the member places an order.

#### **Authority References**

*Liquor Control and Licensing Act*, section 38(1) and (2); Liquor Control and Licensing Regulation, section 61; Liquor Control and Licensing Branch Policy.