

CHANGES OF OWNERSHIP NOTIFICATION

32B-5-309 & 310, 32B-7-405, 32B-8a-202, 32B-10-207, 32B-13-302, 32B-17-302

If you are planning to change any portion of the ownership of your business that holds a DABS license, it is best to call ahead first and discuss these changes with your DABS compliance specialist. This includes any changes to parent companies, or individuals inside a current entity, such as an LLC, corporation, partnership, etc.



Some small ownership changes can be done internally, but DABS does need to know what they are. However, the commission must approve changes greater than 50%.

It is still important that **any closure of ten days or more** must first be approved by the DABS. If the business is closed for more than 10 days without DABS approval, there will be no license to transfer.

Package agencies may not make any ownership changes, or the contract may be terminated. Any change in ownership must be approved by the Department. New owners must apply for new contracts, which must be approved by the DABS Commission.

Non-retail license types must notify DABS immediately of any change of ownership. These include:

- Beer Wholesalers
- Liquor transport licensees
- Liquor warehouses
- Local industry representatives
- Manufacturing licensees
- Off-premise beer licensees
- Special use permits

For all retail licensees, notification must be made immediately if the new owner will be performing the day-to-day operations of the business and intends to continue to sell alcohol before the commission grants a new license. In this case, both parties must enter into an interim management agreement. This agreement must be submitted and approved by DABS before the new operator may use the previous owner's license to purchase and sell alcoholic products.



An interim management agreement FORM is available on our DABS website (go to abs.utah.gov), or an agreement may be written into a purchase agreement or single document by your attorney, as long as all the legal elements for the agreement are included and first approved by DABS.

If an interim management agreement is not needed, then the retail licensee has 60 days to notify DABS of any ownership changes. Retail licensees include the following:

- All restaurants
- Airport Lounges
- Bars
- Banquet and reception centers
- Beer recreational or taverns
- Hospitality amenities
- Arena, hotels, and resorts