

## AGENCY

The **Montana Alcoholic Beverage Control Division (ABCD)** is part of the state’s Department of Revenue. It maintains control of alcoholic beverage licensing, enforcement of alcoholic beverage laws and wholesale distribution of distilled spirits. The ABCD’s mission is to provide effective and efficient administration of the Montana Alcoholic Beverage Code with an emphasis in customer service and public safety by applying uniform and fair regulations while ensuring an orderly system for the convenient distribution and responsible consumption of alcoholic beverages.

State of Montana  
Department of Revenue  
Alcoholic Beverage Control Division

## WET and DRY COUNTIES

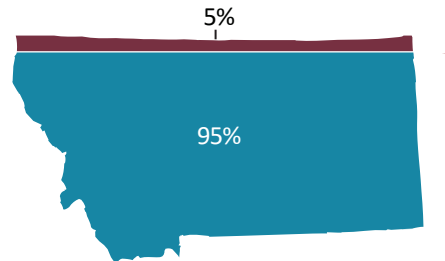
The state does not limit dry localities. There is a local option to prohibit sale and consumption of alcohol beverages. There are a few Indian reservations that are dry.

Over 21+ Population -- July 2021  
Census.gov **878,509**

## REVENUE

MT distributes its distilled spirits business revenue into two avenues\*:

- General Fund (95%)  
(Includes: schools, roadways, etc.)
- Department of Health and Human Services (5%)  
(Includes: prevention and treatment programs)



Figures are from FY2022

\*Distilled spirits revenue for the control state including profit and taxes, it does not include beer and wine tax

## AGENCY HISTORY

Montana ended its retail monopoly of table wine (14% or less alcohol by volume) in October 1979 and raised this level six years later in 1985 to 16% alcohol by volume.


Retail privatization occurred in 1995, while the state continues to maintain control of wholesale operations for distilled spirits and fortified wine.

## ENFORCEMENT

The ABCD contracts with the MT Department of Justice to conduct investigations and audits. The ABCD is responsible for regulatory efforts and administrative action.

The Licensing Bureau is charged with licensing and regulatory responsibilities for all entities intending to produce, import, distribute, and/or sell alcoholic beverages in Montana. The bureau processes applications, renewals, transfers, and registrations, as applicable, for retail, wholesale, and manufacturing alcoholic beverage licenses and permits. The bureau is responsible for the compliance of licensees and permit holders, and for providing information and explanations regarding licensing activity or related laws, rules, policies, and procedures.

**\$59,456,687**  
FY 2022 Net Revenue



From 2016 through 2022, the Montana Alcoholic Beverages Control Division has contributed more than **\$325 million** in profit to the state.

## DISTRIBUTION

Distilled spirits are only sold in state agency franchised stores that are contracted with the ABCD, with the exception that in-state distillers are allowed to provide up to 2oz samples per day per person for on-premises consumption at their distillery. In addition, they can sell up to 1.75 liters per person per day for off-premises sales. These products do not come through the state warehouse first.

The ABCD ships to all agency stores via a third-party contract carrier. Licensed bars, restaurants and the general public purchase distilled spirits from agency stores. Agency stores may deliver to the licensees. Although beer and table wine are not distributed through the state warehouse, the ABCD is responsible for licensing and regulating these beer wholesalers and table wine distributors.

The ABCD operates a 100,000 square foot central warehouse in Helena from where all distilled spirits products are distributed. The warehouse typically contains 200,000 cases.

Does jurisdiction allow direct shipping of wine?



Estimated tax per standard drink:

**SPIRITS: \$0.055**  
**WINE: \$0.040**  
**BEER: \$0.013**

## OFF- and ON-PREMISE OUTLETS

Montana has control of distilled spirits at wholesale and has 95 agency stores.

- Montana has policies that regulate the density of off-premises outlets in a neighborhood/precinct/condensed area for agency liquor stores only and that number is determined by population for spirits, but not for beer and wine.
- Jurisdiction does not allow the sale of spirituous liquor in convenience stores.
- Servers of open containers are required to be over 18 years old. Otherwise, there are no regulations regarding selling closed container alcohol products.
- The sale of beer and table wine are permitted in grocery stores.
- Sunday sales are allowed.
- Keg registration is required.
- Certain licensees may delivery alcohol with a delivery endorsement.
- Responsible Alcohol Sales and Service (RASS) training is mandatory in the state.
- Drive-thru, curbside and cocktails to go allowed with specific license types.

## MONTANA ALCOHOLIC BEVERAGE CONTROL DIVISION IN ACTION:

2011- Montana passed the Responsible Alcohol Sales and Service Act (RASS). It requires every licensee ensure that all employees who serve or sell alcohol, and their immediate supervisor to successfully complete training within 60 days of hire and every three years thereafter. The state's server training program, Your Community Matters, trains more servers and sellers every year than the other 9 online training programs approved by the state.

2020 - Alcoholic Beverage Control Division combines outreach and education making it the Outreach and Education Unit. The Alcoholic Beverage Control Outreach and Education Unit is responsible for educating and informing servers and sellers, license holders, distributors, manufacturers, law enforcement, and the public on topics related to the Montana alcoholic beverage code and rules. This responsibility is accomplished through a variety of educational presentations and training materials.

## DEFINITIONS

Control systems -- jurisdictions that directly control the distribution and sale of beverage alcohol in their borders.

Three-tier system -- the method of alcohol distribution developed after Prohibition in the United States. Producers/manufacturers (first tier) can sell products only to wholesalers/distributors (second tier) who then sell to retailers (third tier).

Revenue Per Capita -- revenue per person.

Wet and dry counties -- Wet jurisdictions are those that permit the sale of spirits, wine, or beer for on-premise and off-premise consumption. Dry jurisdictions prohibit some or all alcohol sales, whether on- or off-premise.

Sources: 2018 Survey Database, Alcohol Beverages Revenues & Taxes 2020 Report (June 2022), Alcohol Policy Information System (APIS), Montana Alcoholic Beverage Control Division, Alcohol Policy Information System (APIS), Census.gov