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# Ohio Liquor Agency Qualifications and Requirements

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**STATE OF OHIO**  
**Department of Commerce**  
**Division of Liquor Control**

## State Liquor Agency Authority

The Liquor Control Act of 1933 created the Ohio Department of Liquor Control, now Division of Liquor Control, which is responsible for controlling the distribution and sale of spirituous liquor to retail and wholesale (liquor permit holders) customers. Ohio Revised Code Section 4301.17 provides that a person engaged in a mercantile business may act as an agent for the Division of Liquor Control for the sale of spirituous liquor.

## Procedure

### Advertisement

When it is determined by the division that an agency will be established or re-established in a particular area, an ad is placed in the local newspaper for that area. Interested persons have one week to reply to the advertisement by requesting an application from the Division of Liquor Control.

### Applications

To become a liquor sales agent, contact the Agency Operations Section at 614-644-2380 and request an application for that specific area. In addition, any person who has notified the Division by letter of their interest in becoming a contract liquor agent for a specified area will be sent an application, and those applications will be retained on a list for one year. To be eligible, potential applicants for liquor agencies must be engaged in, or be prepared to be engaged in, a mercantile business in the area specified. Applicants have three weeks to complete and return the application to the Division.

## Qualifications

### Personal

1. The applicant must be over 21 years of age, a U.S. citizen and Ohio resident, and have no criminal record or serious liquor law violations for either the individual applicant or officers of an applicant corporation.
2. The applicant must have knowledge or experience in operating a retail business, and/or equivalent management skills.
3. The applicant must have adequate financial resources to establish a retail business. Contracts will not be awarded to anyone in bankruptcy or receivership, or who is delinquent in their taxes.
4. The applicant must provide equal opportunity to all job applicants without regard to race, color, national origin, sex, age, physical handicap, or marital status.

### Location

1. The applicant must be the owner and operator of a mercantile business located in the State of Ohio.
2. The applicant must be able to provide the specified amount of linear feet of shelving for the display of liquor and specified square feet of storage space. In addition, the applicant must provide an updated cash register and computer for recording daily sales and maintaining cash, an office work area, telephone, and file cabinet.
3. The applicant must be able to commence sales operation under the terms of the contract on the date specified by the Division.

## Selection Process

The evaluation committee, comprised of Division of Liquor Control personnel, reviews each responsive application. Applications are scored on an objective point basis and a site visit is conducted at each location. The evaluation committee then issues a recommendation in writing to the superintendent. The superintendent acts on the recommendation and makes the final selection.

## Contract Highlights

In accordance with the agency contract, the Division of Liquor Control will provide spirituous liquor to the contract agent, who will comply with the following:

1. The agent shall receive spirituous liquor from a contract carrier company by tailgate delivery. The agent shall carefully store the consignment of liquor in their place of business. The inventory provided is valued at \$20,000 to \$80,000.
2. The agent shall account for all sales and make daily deposits of proceeds derived from the sale of spirituous liquor into the Division's bank account.
3. The agent shall pay the premium and maintain a blanket surety bond.
4. The agent will be paid a commission of 6% on retail sales and 4% on wholesale sales (if awarded wholesale sales).
5. The agent shall be liable for any damage to the liquor stock after it comes into his/her care, except stock loss due to fire, flood or other natural disaster, or incurred as the result of a breaking and entering.

6. All expenses of operating the agent's business shall be borne by the agent, except for postage, paper bags, envelopes, and computer printer paper.

## Questions Most Asked by Potential Agents

### 1. Will you send me an application for a liquor agency?

If your name has been placed on a list of potential applicants for a specific area, you will be sent an application once that area is placed on the list of projected openings.

### 2. Is there an application fee?

No.

### 3. How much does it cost to run a liquor agency and how do I pay for the liquor?

The spirituous liquor is provided by the Division on a consignment basis to each agent. The agent makes daily deposits into the Division's bank account by the next business day for the previous day's liquor sales receipts. The agent is obligated to pay the premium for a surety bond that is based on the size of inventory. (Such premiums cost between \$80.00 - \$235.00 annually). The overall expenses of operating the business are paid entirely by the agent.

### 4. What type of business qualifies for a liquor agency contract?

A person must be engaged in an existing mercantile business, or be prepared to operate a mercantile business, to act as an agent for the Division of Liquor Control (ORC 4301.17).

### 5. Can I start a new business?

Yes. An applicant can establish a business to include a liquor agency. A business plan, contingent lease agreement, and proof of financial resources must be provided during the application process.

### 6. Do I receive beer and wine permits with the agency?

Yes. Beer and wine carryout permits (C-1-2) are issued on a population quota basis for each municipality and township and must be applied for separately through the Division's Licensing Section. If no C-1-2 permits are available under the quota, the Division is authorized to issue such permits to a contracted liquor agency if the area is wet for those sales privileges. Permits issued outside the quota may not be transferred and must be cancelled if the holder no longer operates an agency.

### 7. Can I put the liquor agency in my bar?

No. Ohio liquor law (ORC 4301.17) states that no mercantile business that sells beer or intoxicating liquor for consumption on the premises under a permit issued by the Division shall operate an agency store at such premises.

### 8. Will I be denied a liquor agency contract if a public institution is within 500 feet of my business?

Ohio liquor law (ORC 4301.17) states that if the proposed agency store is located within 500 feet of a school, church, library, public playground, or township park, the Division shall not enter into an agency contract until it has provided notice, with an opportunity for a complete hearing on the advisability of entering into the contract.

### 9. Can I put the liquor agency in my drive-thru carry out?

The liquor agency can be placed in a walk-in carry out attached to a drive thru-business. Customers cannot purchase spirituous liquor while in their cars at a drive-thru.

### 10. How do I get paid for selling liquor for the Division?

The division will issue a commission check to the agent based on the reported liquor sales. Currently, the Division pays twice a month, based upon sales reported.

### 11. How much space is required?

Space requirements are based on sales volume for the specific location. Shelving requirements range from 250 to 650 linear feet and storage areas from 200 to 1,500 square feet.

### 12. How much work is involved in a liquor agency?

There is daily banking to be completed before the close of the next banking day, as well as daily reporting of sales. The agent must also complete price changes that occur at the 1st of the month, maintain the liquor inventory, conduct liquor sales, and take a monthly physical inventory.

### 13. Can I sell my liquor agency?

No. Liquor agencies cannot be sold as an asset of the agent's mercantile business. When a business is sold, the agent must notify the Division of the pending sale and give the 90 day termination notice. Once these are received, the Division will begin the agency application process to select a new agent.

**The following may be returned to the Division of Liquor Control, to be retained for the agency application process of your desired location.**

I am interested in operating a liquor agency at the following location when the area is placed on the list of projected openings:

Proposed Agency Location  
(Give complete address)

Please send an application to:

Name \_\_\_\_\_

Address \_\_\_\_\_

City/State \_\_\_\_\_

Zip Code \_\_\_\_\_

Phone Number \_\_\_\_\_

### Send to:

**The Ohio Department of Commerce  
Division of Liquor Control**

Attn: Agency Operations  
P.O. Box 4005, 6606 Tussing Rd.  
Reynoldsburg, Ohio 43068-9005

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