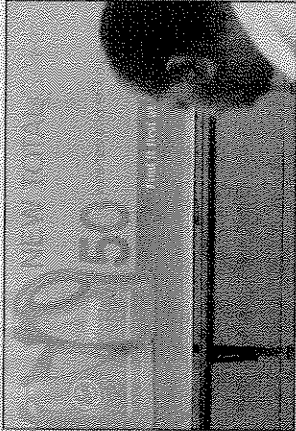


# BUSINESS



P&G puts a fashionable new spin on some venerable laundry products. **3**



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TUESDAY, AUGUST 26, 2008

## ASK A LAWYER

### You'll need a seller to get liquor license

**Q. I want to open a restaurant. How do I obtain a liquor license?**

Due to population restrictions enacted in New Jersey in 1948, most municipalities are not able to issue new liquor licenses. As a result, most people obtain a liquor license by purchasing an existing one.

There are several different types of liquor licenses but for your use as a restaurant, you will want to acquire what is known as a Plenary Retail Consumption Liquor License. You can determine if there is a license available for acquisition by calling the municipal clerk or secretary of the Alcoholic Beverage Control Board of the municipality in which you will locate your restaurant.

It is important to note that liquor licenses cannot be transferred from one municipality to another. The clerk can provide you with a list of the holders of all liquor licenses and can advise you as to which licenses are not in use (i.e., "pocketed"). You can then contact the license holder to determine if he or she wants to sell the license.

If you reach an agreement with the license holder, you would enter into a purchase and sale agreement, file a 12-page application with the municipality for a "person-to-person" (from the seller to the buyer) and "place-to-place" (from the seller's establishment to your new establishment) transfer of the liquor license, and publish legal notices of the proposed transfer.

The municipality would then conduct a background investigation of the buyer and its principals that would include fingerprinting, to ensure that the buyer is not legally disqualified to hold a license, is reputable and will operate in a reputable manner. The background check also ensures that the transfer and proposed restaurant liquor license operation do not violate state or local laws, regulations and ordinances (including distance requirements); and that the buyer has disclosed the source of all funds to purchase the license. The buyer is not entitled to utilize the license until it is transferred by resolution of the local issuing authority.

In the event that you cannot acquire a license, then, unless prohibited by the municipality, your customers may bring their own alcoholic beverages (beer and wine only) and you can supply glasses, ice, etc. but you cannot charge a corkage fee.

*Wendy Berger is a member of the real estate department of Cole, Schotz, Meisel, Forman & Leonard PA, the largest law firm in Bergen County. She can be reached at wberger@coleschotz.com, or 201-525-6203. This is not intended to be legal advice, which can only be given after the attorney understands the facts of a particular matter and the goals of a client.*

Do you have a business question for a lawyer? Send it to BusinessNews@northjersey.com.