

October 26, 2016

CJ Mackey
Bradford Area Golf Association, Inc.
VIA E-MAIL

RE: Bar Tabs

Dear Mr. Mackey:

ISSUE: This correspondence is in response to your e-mail dated September 14, 2016, wherein you inquire as to whether it is lawful for your licensed privately-owned public golf course to allow customers to run a bar tab for alcoholic beverage purchases.

Records of the Pennsylvania Liquor Control Board (“PLCB”) indicate that Bradford Area Golf Association, Inc. holds Privately-Owned Public Golf Course Liquor License No. PGR-47 (LID 9136) for use at premises located at 1401 West Warren Road, Bradford, Pennsylvania. You are currently listed as the PLCB-approved secretary under this license.

OPINION: As a preliminary matter, please note that if a customer’s bill includes only food and non-alcoholic beverages, a licensee may accept payment in whatever method it chooses. However, if the bill includes alcoholic beverages, then payment of the bill must be in accordance with the Liquor Code and the PLCB’s Regulations.

Section 493(2) of the Liquor Code generally prohibits sales or purchases of alcoholic beverages by retail licensees, including privately-owned public golf course liquor licensees, on credit. 47 P.S. § 4-493(2). However, retail licensees are permitted to accept cash, checks, debit cards, or credit cards issued by banking institutions as payment for alcoholic beverages. Id. Additionally, retail licensees may accept licensee-issued credit cards as payment for alcoholic beverages, as long as the customer has made a written application for the same to the licensee and proper records are maintained by the licensee. 47 P.S. § 4-493(2); 40 Pa. Code § 11.192. If a retail licensee fails to ensure payment through one of these methods at the time of purchase and permits the customer to leave the premises without tendering payment, this may be considered an impermissible extension of credit. However,

there is nothing in the Liquor Code that would prohibit a retail licensee from allowing a customer to run a tab on purchase of alcohol, as long as the tab is closed out and paid before the person leaves, and the tab does not carry over to the customer's next visit.

Should you have any additional questions regarding this matter, the Liquor Code, or the PLCB's Regulations, please do not hesitate to contact this office.

THIS OPINION APPLIES ONLY TO THE FACTUAL SITUATION DESCRIBED HEREIN AND DOES NOT INSULATE THE LICENSEE OR OTHERS FROM CONSEQUENCES OF CONDUCT OCCURRING PRIOR TO ITS ISSUANCE. THE PROPRIETY OF THE PROPOSED CONDUCT HAS BEEN ADDRESSED ONLY UNDER THE LIQUOR CODE AND REGULATIONS. THE LAWS AND POLICIES ON WHICH THIS OPINION IS BASED ARE SUBJECT TO CHANGE BY THE LEGISLATURE OR THE PENNSYLVANIA LIQUOR CONTROL BOARD.

Sincerely,



RODRIGO J. DIAZ
CHIEF COUNSEL

cc: Pennsylvania State Police, Bureau of Liquor Control Enforcement
Jerry W. Waters, Director of Office of Regulatory Affairs
Tisha Albert, Director, Bureau of Licensing
Jeffrey Lawrence, Assistant Director, Bureau of Licensing

LCB Advisory Opinion No. 16-432