

NEWS & INSIGHTS

What type of liquor license is best for your business?

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MARCH 6, 2025



If your business plans to sell alcohol in Pennsylvania, you will need a liquor license issued by the state. However, there are various types of liquor licenses available that depend on what type of alcohol you want to sell, how much you want to sell, and the type of business you run.

It is worth noting that Pennsylvania has introduced new types of licenses and permits since the 1990s, so it's important to refresh your knowledge of what is available. Moreover, for certain licenses, there are restrictions on the number of liquor licenses issued per county based on population. This means that if all the licenses have already been issued in your county, you may have to wait until one becomes available due to an establishment closing, a

license being revoked, or for any other reason.

You can [click here to see the full list of types of licenses](#), including the full description of everything stipulated with each license.

Here are some quick facts about each:

Club (C) and Catering Club (CC) liquor licenses

These are given to organized clubs – think VFWs, American Legions, ethnic clubs, etc. – that operate for the use of their members. The club licensee is generally prohibited from selling alcohol to nonmembers, but a catering club licensee may sell to nonmembers during a “catered event.” The advantage of a C or CC license is that it can sell alcohol until 3 a.m., while restaurant licenses can only sell until 2 a.m.

Distributor (D) Liquor License

A D license is commonly used for neighborhood beer distributors. The alcohol sold there is for offsite consumption. This is the only license (other than a brewery) where the licensee can sell kegs of beer; however, they can also sell single bottles of beer.

The D license has undergone some recent changes that have freed their sales from strictly beer. Some of these changes were brought on during the Pandemic, when sales to restaurants and bars dwindled and distributors needed some new sales outlets. For example, Distributors are now allowed to sell wine slushies in “to-go” cups, a rule that has remained in place despite the height of the Pandemic being long over.

Importing Distributor (ID) Liquor License

It’s the same as a distributor license, but this license allows the holder to serve as a wholesaler, selling beer to distributors and retail licensees for them to sell. Any out-of-state brewery must sign an agreement with an ID in order to bring their beer to market in Pennsylvania.

Restaurant (R) Liquor License

This license is for establishments that serve food, are no less than 400 square feet, have tables and seating, and have enough food to accommodate at least 30 customers at once. The license can sell as much as 192 ounces of to-go beer – which totals two six-packs of 16-ounce bottles. Recent changes also allow it to obtain permits to sell wine bottles and canned cocktails to go.

Eating Place (E) Liquor License

The requirements are basically the same as the R license, the only difference is the establishment must be 300 square feet or more. However, unlike a restaurant license that can sell beer, wine, and spirits, this license may **only** sell beer. These were commonly called “Pizza Shop” licenses but are harder and harder to find. A recent law change allowed anyone holding an E license to pay a large fee to convert it to an R license, which most owners took advantage of.

Limited Winery (LK) License

Businesses can produce wine – up to 200,000 gallons – and sell alcoholic wines, ciders, fermented fruit beverages, meads, and wine coolers on-site.

Limited Distillery (AL) License

Similar to the LK license, the main difference is that the AL license holder can produce up to 100,000 gallons of distilled liquor. There is also a Distillery license for manufacturers that will produce more than 100,000 gallons of spirits.

Brewery (G) License

G licensees can sell malt or brewed beverages from their licensed premises, as well as sell the products of other Pennsylvania-licensed alcohol producers.

One interesting aspect of the Limited Winery, Limited Distillery, and Brewery licenses is that they can sell beer, wine, and liquor made by any other Pennsylvania-licensed alcohol producers. That makes these manufacturer licenses desirable for restaurants that can’t afford the bidding process for a full restaurant liquor license. However, the sale of alcohol that is not created by the license holder cannot exceed 50% of the license holder’s own product.

Determining the correct type of liquor license to fit your business is one of the most important decisions you’ll face – it can make or break your business. If you have any questions about obtaining any type of liquor license in Pennsylvania or another state, please [contact me](#) at any time.

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