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Advisory Opinion 23-04: Taking Alcoholic Beverages onto Licensed Hotel Premises

I. Issue or Question Presented

The following question was posed to the Indiana Alcohol and Tobacco Commission ("Commission"):

Is it legal to allow guests to consume outside alcohol in the lobby, lounge, or restaurant areas of our hotel?

The purpose of this advisory opinion is to provide guidance to retail permittees and the general public as to whether outside alcohol may be carried onto a retail permit premises such as a hotel and, if so, where the outside alcohol may be consumed.

II. Relevant Legal Authority

As a general rule, Indiana Code § 7.1-5-8-5(g) prohibits an individual from knowingly carrying an alcoholic beverage onto a licensed premises and/or consuming an alcoholic beverage on a licensed premises that was not purchased from the permittee at the licensed premises. This offense is a Class C misdemeanor.

IC 7.1-5-8-6(a) also prohibits a person from knowingly carrying liquor into a restaurant or place of public entertainment for the purpose of consuming it, displaying it, selling it, or furnishing it to another person on the premises, or for the purpose of having it served to themselves or another person. It is also prohibited to knowingly consume liquor brought into a public establishment in violation of IC 7.1-5-8-6. Both of these offenses are Class C misdemeanors.

Similarly, IC 7.1-5-8-4(a) prohibits a person who owns or operates a restaurant or place of public or private entertainment from knowingly or intentionally allowing another person to enter the establishment with an alcoholic beverage for sale, gift, or consumption, or for the purpose of serving it to a person who visits the establishment. This offense is a Class B misdemeanor.

However, there are exceptions to the general prohibitions described above. For example, the prohibition against carrying and bringing alcoholic beverages onto a licensed premises does not apply to a private room hired by a guest of a bone fide club or a hotel under IC 7.1-5-8-4(a)(1). For purposes of this advisory opinion, this is the only applicable exception that will be discussed.

Aside from the limited exception allowing hotel guests to consume outside alcohol in private rooms, the service of alcoholic beverages on a retailer's premises must be accomplished by retail permit holders in areas delineated on the permittee's approved floor plan on file with the Commission. According to 905 IAC 1-41-2(c), in a permit premises covered by a retail permit, in a room that contains no bar, the area from which the alcoholic beverages are dispensed must not be located in the eating or dining area and must not be accessible to the consuming public.

Additionally, 905 IAC 1-41-4(a) authorizes the service of alcoholic beverages on porches, verandas, lobbies, and other areas that do not constitute an area with a bar on the following conditions only if: (1) service is done by licensed employees of the retail permit holder; and (2) the area to be serviced is part of the permit premises and delineated in some manner by rail, wall, or hedge.

III. Analysis & Conclusion

In this case, the requestor operates a hotel that holds a Beer, Wine & Liquor – Hotel retailer permit for on-premises consumption. The hotel has two separate bar areas on the premises for guests and patrons that are over the age of twenty-one (21) and has been approved for limited physical separation between the bar areas and dining areas in order to accommodate minors on the premises. The hotel also has two on-site restaurants and two private dining rooms for special events and celebrations. The requestor indicates that occasionally guests bring bottles of alcohol with them to consume on the hotel premises. The requestor would like to know whether guests are legally allowed to consume alcohol brought from outside the hotel in areas such as lobbies, lounges, and restaurants.

As explained above, individuals are generally prohibited from bringing or carrying an alcoholic beverage into a restaurant or other retail establishment—including a hotel—unless a valid exception applies. Under Indiana law, an exception exists that allows hotel guests to bring and carry alcoholic beverages into a private room of the hotel that is rented by a guest, such as a private dining room or a private hotel room with sleeping accommodations. Thus, guests cannot bring or carry outside alcohol onto the hotel premises to be consumed in areas such as lobbies, lounges, and/or restaurants because these are not private rooms hired by a guest of the hotel.

If guests wish to consume alcohol in public areas such as lobbies, lounges and restaurants, the service of alcoholic beverages must be accomplished by an employee of the permit holder, and the employee must hold a valid employee permit issued by the Commission. Furthermore, the area to be serviced must be part of the permit premises floor plan on file with the Commission and delineated in some manner by rail, wall, or hedge. Lastly, the area from which the alcoholic beverages are dispensed must not be located in an eating or dining area and cannot be accessible to the consuming public.

DISCLAIMER: Opinions expressed in this advisory opinion are fact-sensitive and based on the 2023 Indiana Code. Advisory opinions are issued to provide information that is consistent with the relevant statutes, rules and court decisions related to a particular topic or question. Any information that is not consistent with the laws, rules, or regulations is not binding on either the Commission or the public.