

MICHIGAN LIQUOR CONTROL COMMISSION OVERVIEW

Under Article IV,
Section 40 of the
**Michigan Constitution
of 1963**, the
Commission shall
exercise complete
control of the
alcoholic beverage
traffic within this state,
subject to statute.





The historical mission of the Michigan Liquor Control Commission has been:

To make alcoholic beverages available for consumption while protecting the consumer and the general public through regulation of those involved in the sale and distribution of these alcohol beverage products.

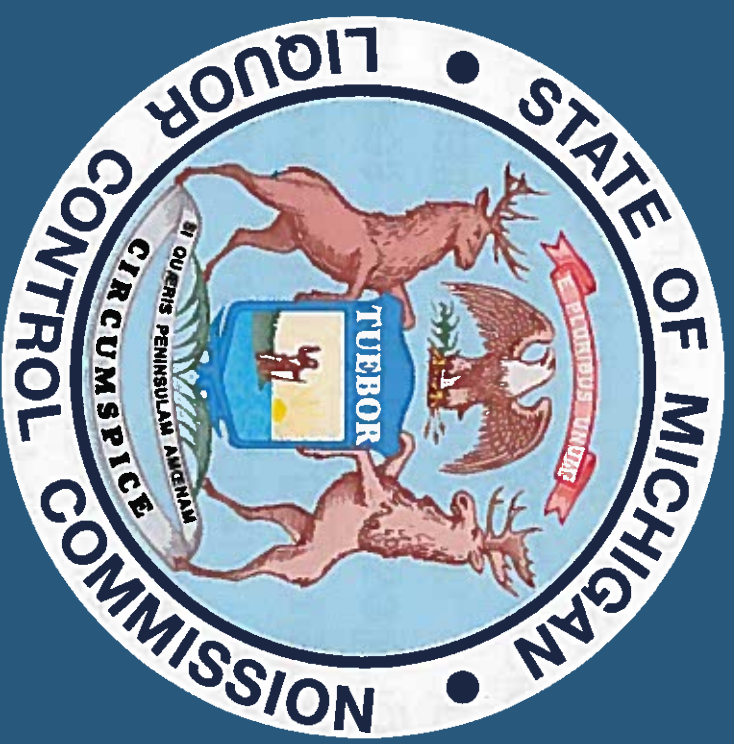
Two of the Commissioners are designated as **Hearing Commissioners** who preside over violation matters.

The other three are designated as **Administrative Commissioners** and act as an appeal board for decisions rendered by the hearing commissioners, and are also responsible for all other matters, including licensing, rule-making, policy, declaratory rulings, and enforcement.

The Governor designates one of the five Commissioners to serve as the **Chairman**.

Five main functions of the Liquor Control Commission:

- Licensing
- Enforcement
- Hearings and Appeals
- Revenue Collection
- Wholesale Distribution of Distilled Spirits



Enforcement

The Commission enforces the Michigan Liquor Control Code and the Promulgated Rules of the Commission.

The Commission does not have enforcement authority over unlicensed entities, or over unlicensed areas and property.



Wholesale of Distilled Spirit Products

The State of Michigan operates a system of distilled spirits wholesale and distribution via outsourcing to private warehouse and distribution companies.

The Commission purchases from vendors and then sells at wholesale to the licensed on-and-off-premises retailers in the state. Prior to 1996, the State of Michigan operated wholesale warehouses throughout the state. Under legislative changes in 1996, the state outsourced the warehousing and delivery function of spirit products to private “authorized distribution agents” (ADAs).

Product Selection and Availability

The Legislature and Commission have **improved and expanded** the use of instant rebate coupons for spirits, and modernized value-added products.

These changes make these products more marketable to customers, resulting in **more sales for retailers and revenue to the state.**

Revenue Collection

The beer and wine tax collection process was changed in 2014 by the Legislature to make the wholesale licensees responsible for the collection and payment of taxes, effective February 1, 2015.

