

**MICHIGAN LIQUOR CONTROL CODE OF 1998 (EXCERPT)**  
**Act 58 of 1998**

**436.1521 Limitation on tavern or class C licenses; renewal of license; conditions; revocation; transfer of license; "development district" defined.**

Sec. 521. (1) Beginning December 29, 2006, the commission shall not issue a tavern or class C licenses under this section. However, those licenses issued under this section before December 29, 2006 remain valid and may be renewed if in compliance with this section. The commission shall renew licenses issued under this section before December 29, 2006 for persons who operate businesses that meet all of the following conditions:

- (a) The business is a full service restaurant, is open to the public, and prepares food on the premises.
  - (b) The business is open for food service not less than 10 hours per day, 5 days a week.
  - (c) At least 50% of the gross receipts of the business are derived from the sale of food for consumption on the premises. For purposes of this subdivision, food does not include beer and wine.
  - (d) The business has dining facilities to seat not less than 25 persons.
  - (e) The business is located in a development district with a population of not more than 50,000, in which the district, after a public hearing, has found that the issuance of the license would prevent further deterioration within the development district and promote economic growth within the development district.
- (2) If in any licensing year the sale of food for consumption on the premises of the business represents less than 50% of the gross receipts for the business, the commission, after due notice and proper hearing, shall revoke the license issued under subsection (1).
- (3) A license issued under this section is transferable as to ownership or location only within the development district.
- (4) As used in this section, "development district" means any of the following:
- (a) An authority district established under part 3 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4301 to 125.4329.
  - (b) An authority district established under part 4 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4401 to 125.4420.
  - (c) A downtown district established under part 2 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201 to 125.4230.
  - (d) A principal shopping district established under 1961 PA 120, MCL 125.981 to 125.990n, before January 1, 1996.

**History:** 1998, Act 58, Imd. Eff. Apr. 14, 1998;—Am. 1998, Act 282, Imd. Eff. July 27, 1998;—Am. 2006, Act 502, Imd. Eff. Dec. 29, 2006;—Am. 2021, Act 19, Eff. Aug. 23, 2021.