

**Alcohol at events related to your charity’s aims**

You can sell alcohol as refreshments at an event or activity your charity is running that is directly connected to the charity’s aims, such as amateur sports fixtures or theatre performances, providing:

* the event is directly related to your charity’s aims, as they appear in your governing document
* the bar is only open because the charity activity is happening
* only guests, participants or spectators at the event use the bar

You may need to [pay tax on the profits from trading](https://www.gov.uk/government/publications/trustees-trading-and-tax-how-charities-may-lawfully-trade-cc35) from selling alcohol if the event is not directly related to your charity’s aims. But you won’t have to pay tax on profits you make from selling alcohol during charitable events. For example, an amateur sports charity could run a bar to serve participants and spectators during a charitable sports fixture.

**Alcohol sales as a way of fundraising**

You can also sell alcohol to raise funds at events, or in other ways that aren’t directly connected to your charity’s aims but you may have to pay tax on the profits. For example, a charity could run a beer tent at a local show.

If your charity’s profits are [below the level set by HM Revenue and Customs](https://www.gov.uk/charities-and-trading), you may be exempt from tax.

**Risks from selling alcohol**

Selling alcohol might have a negative impact on your charity’s resources or reputation. For example, if a local pub objected or if your charity buys more alcohol than it can sell.

If the sale of alcohol presents a significant risk to your charity, you must run the bar through a separate organisation. For example, you could:

* form an independent club
* set up a new company that is owned by your charity
* get an existing company to run the bar for you

The relationship between the charity and the separate organisation has to be on a commercial basis - so the organisation might rent the space to run the bar from your charity. For example, a charity that puts on theatrical performances could open its bar to the wider community if it set up a separate company to run the bar.

This way of operating can be complicated to set up. HM Revenue and Customs provides advice on [tax issues for charities with subsidiary trading companies](https://www.gov.uk/charities-and-trading). But you may need to get legal advice from [a solicitor](http://solicitors.lawsociety.org.uk/) or another organisation. For example, [LawWorks clinics](http://lawworks.org.uk/clinics) offer legal advice.

**Licences and permissions to sell alcohol**

You need an [alcohol licence from your local authority](https://www.gov.uk/alcohol-licence-your-area) to sell alcohol at an event. You may also need a [temporary event notice](https://www.gov.uk/temporary-events-notice).

Check for any restrictions on selling alcohol in:

* your charity’s governing document
* the property’s lease or title deeds

It’s also a good idea to check that:

* your neighbours and the local community don’t object to your plans
* having a bar doesn’t stop your charity meeting its other aims, such as running a youth club

**Free alcohol at charity events**

Your charity can give alcohol away at events or meetings without a licence, but you must make it clear that the value of the alcohol is not included in any ticket price or entrance fee.