

123.39 Suspension or revocation of license or permit — civil penalty.

1. *a.* (1) The director or the local authority may suspend a class “B”, special class “B” native wine, class “C”, special class “C”, class “E”, or class “F” retail alcohol license, or charity beer, spirits, and wine special event license for a period not to exceed one year, revoke the license, or impose a civil penalty not to exceed one thousand dollars per violation.

(2) The director may suspend a certificate of compliance, a class “D” retail alcohol license, a manufacturer’s license, a broker’s permit, a class “A” native distilled spirits license, a class “A” or special class “A” beer permit, a class “A” wine permit, a wine direct shipper’s permit, or a wine carrier permit for a period not to exceed one year, revoke the license, permit, or certificate, or impose a civil penalty not to exceed one thousand dollars per violation.

b. A license, permit, or certificate of compliance issued under [this chapter](#) may be suspended or revoked, or a civil penalty may be imposed for any of the following causes:

(1) Misrepresentation of any material fact in the application for the license, permit, or certificate.

(2) Violation of any of the provisions of [this chapter](#).

(3) Any change in the ownership or interest in the business operated under a retail alcohol license which change was not previously reported in a manner prescribed by the director within thirty days of the change and subsequently approved by the local authority, when applicable, and the department.

(4) An event which would have resulted in disqualification from receiving the license, permit, or certificate when originally issued.

(5) Any sale, hypothecation, or transfer of the license, permit, or certificate.

(6) The failure or refusal on the part of any license, permit, or certificate holder to render any report or remit any taxes to the department under [this chapter](#) when due.

c. A criminal conviction is not a prerequisite to suspension, revocation, or imposition of a civil penalty pursuant to [this section](#).

d. A local authority which acts pursuant to [this section](#), [section 123.32](#), or [section 123.50](#) shall notify the department in writing of the action taken, and shall notify the license or permit holder of the right to appeal a suspension, revocation, or imposition of a civil penalty to the department.

e. Before suspension, revocation, or imposition of a civil penalty by the director, the license, permit, or certificate holder shall be given written notice and an opportunity for a hearing. The director may appoint a member of the department or may request an administrative law judge from the department of inspections, appeals, and licensing to conduct the hearing and issue a proposed decision. Upon the motion of a party to the hearing or upon the director’s own motion, the director may review the proposed decision in accordance with [chapter 17A](#). Upon review of the proposed decision, the director may affirm, reverse, or modify the proposed decision. A license, permit, or certificate holder aggrieved by a decision of the director may seek judicial review of the director’s decision in accordance with [chapter 17A](#).

f. Civil penalties imposed and collected by the local authority under [this section](#) shall be retained by the local authority. Civil penalties imposed and collected by the department under [this section](#) shall be credited to the general fund of the state pursuant to [section 123.17, subsection 10](#).

2. Local authorities may suspend any retail alcohol license for a violation of any ordinance or regulation adopted by the local authority. Local authorities may adopt ordinances or regulations for the location of the premises of retail alcohol licensed establishments and local authorities may adopt ordinances, not in conflict with [this chapter](#) and that do not diminish the hours during which alcoholic beverages may be sold or consumed at retail, governing any other activities or matters which may affect the retail sale and consumption of alcoholic beverages and the health, welfare and morals of the community involved.

3. When a retail alcohol license is suspended after a hearing as a result of violations of [this chapter](#) by the licensee or the licensee’s agents or employees, the premises which were licensed by the license shall not be relicensed for a new applicant until the suspension has terminated or time of suspension has elapsed, or ninety days have elapsed since the

commencement of the suspension, whichever occurs first. However, [this section](#) does not prohibit the premises from being relicensed to a new applicant before the suspension has terminated or before the time of suspension has elapsed or before ninety days have elapsed from the commencement of the suspension, if the premises prior to the time of the suspension had been purchased under contract, and the vendor under that contract had exercised the person's rights under [chapter 656](#) and sold the property to a different person who is not related to the previous licensee by marriage or within the third degree of consanguinity or affinity and if the previous licensee does not have a financial interest in the business of the new applicant.

4. If the cause for suspension is a first offense violation of [section 123.49, subsection 2, paragraph "h"](#), the director or local authority shall impose a civil penalty in the amount of five hundred dollars in lieu of suspension of the license or permit.

[C35, §1921-f32, 1921-f126; C39, §[1921.032](#), [1921.129](#); C46, 50, 54, 58, 62, §123.32, 124.34; C66, 71, §123.32, 123.102, 124.34; C73, 75, 77, 79, 81, §123.39]

[85 Acts, ch 32, §32](#); [88 Acts, ch 1241, §12](#); [93 Acts, ch 91, §16, 17](#); [94 Acts, ch 1017, §2](#); [2000 Acts, ch 1154, §12](#); [2002 Acts, ch 1119, §128](#); [2018 Acts, ch 1060, §19 – 21](#); [2019 Acts, ch 113, §21, 22](#); [2022 Acts, ch 1099, §33 – 35, 88](#); [2023 Acts, ch 19, §1878, 2408](#); [2023 Acts, ch 66, §26](#)

Referred to in [§123.23](#), [123.24](#), [123.41](#), [123.42](#), [123.43](#), [123.46A](#), [123.50](#), [123.135](#), [123.173A](#), [123.180](#), [123.186](#), [123.187](#), [123.188](#)

See Code editor's note on simple harmonization at the beginning of this Code volume

Subsections 1, 3, and 4 amended