

# Client Alert: New Massachusetts Law Allows Conversion of Beer & Wine Licenses to All-Alcohol

By Ryan Clemens on September 2, 2025



On June 30, 2025, Massachusetts Governor Maura Healey signed a new law that allows restaurants and bars to convert their existing Wine and Malt Beverage License to a Non-Transferrable All Alcoholic Beverages License. The conversion option will be available in cities and towns throughout the state that choose to implement the new law. The Legislature's intent in passing the law was, in part, to provide a broader subset of businesses with the option to offer a wider variety of alcoholic beverages in a market where "all alcohol" license availability remains scarce. Upgrading a beer and wine license to an all-alcohol license offers the economic incentive of potentially boosting a licensee's sales and revenue from that wider variety of higher-priced drinks. The compromise is that a restaurant or bar that converts its beer and wine license may no longer transfer the upgraded all-alcohol license. In anticipation of cities and towns implementing the new law, an overview of the conversion process follows.

The Legislature enacted G.L. c. 138, § 12D, which under Subsection (a) establishes that cities and towns can adopt Section 12D. Once adopted, those cities and towns can allow beer and wine license holders to convert their licenses to all-alcohol licenses. Subsection (d) of Section 12D clarifies that the total number of licenses cities and towns may issue pursuant to G.L. c. 138, § 17 does not change; rather, the beer and wine simply changes to an all-alcohol license. Subsections B and C of the Section 12D allow cities and towns to establish reasonable fees for converting licenses and additional requirements for the converted license. Further, converting a license also requires the Alcoholic Beverages Control Commission's (the "ABCC") approval of a Change of License Category Amendment.

Critically, Subsection (a) of Section 12D designates that, after converting, the resulting all-alcohol license becomes non-transferrable, i.e. businesses would not be able to sell or otherwise convey the License to another person or business. The ABCC confirmed the interpretation that the converted All-Alcohol License which businesses receive back are non-transferrable. After a licensee's business ends, the converted all-alcohol license returns to city or town. Licensees should therefore carefully weigh gaining the potential benefits of offering more beverages for sale and the associated revenues against losing the business and monetary value of their transferrable license before applying for a conversion themselves.

Transferable licenses, including those for beer and wine, are important business assets. Ordinarily, licenses can be sold, leveraged, used for collateral for financing, or transferred as part of a broader restaurant deal. Further, in communities where total license numbers are fixed and limited, the private market value of licenses is high; in Boston, for example, beer and wine licenses are valued in the range of \$150-200,000. If a licensee chooses to convert their beer and wine license, they lose the business and monetary value associated

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with the license's transferability. Beer and wine licensees should therefore compare the potential revenue boost against keeping the license transferable.

The City of Boston is currently evaluating their decision to accept the new law; on August 6, 2025, the City Council referred their Agenda Item 1411, an Order To Adopt The Liquor License Conversion as a Local Option in the City of Boston, to the Committee on Government Operations, which has not yet published notice for a meeting on accepting the conversion process. Other Massachusetts communities are contemplating whether to accept the law too. For more information, the text of Section 12D is available [here](#) and the ABCC's advisory on Section 12D is available [here](#).

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