How to Open a Liquor Store: Costs

AdvisedSpaces

Print this checklist and check off each step as you complete it.

STEPS (10)

- [ ] **Step 1: Research Your State's Alcohol Regulatory Framework**
  Your state's regulatory framework determines everything — whether licenses are available, what they cost, how long the process takes, and whether you can sell spirits at all. This is not a formality. It is the gating decision.
- [ ] **Step 2: Write a Liquor Store Business Plan**
  Your business plan must go beyond the generic template. For a liquor store, the critical sections are product mix strategy, inventory financing, regulatory compliance costs, and a shrinkage budget.
- [ ] **Step 3: Find the Perfect Location**
  Location selection for a liquor store is fundamentally different from most retail. Your ideal customer is driving home from work between 4:00 PM and 7:30 PM. The store must be on the going-home side of the commute with easy ingress and egress.
- [ ] **Step 4: Choose Your Business Entity**
  Most single-location liquor stores should start as an LLC and consider S-Corp election when net income exceeds $80,000 per year. Your entity structure affects liability protection, tax treatment, and license compatibility.
- [ ] **Step 5: Secure Financing and Build Your Budget**
  Expect to need $100,000 to $400,000 in total capital depending on whether you are in a quota state. Your three largest expenses are opening inventory, build-out, and the liquor license.
- [ ] **Step 6: Obtain Your Liquor License and All Required Permits**
  In addition to your state liquor license, you need federal TTB registration, local permits, insurance, and compliance training for all staff. The full stack can take 60 to 270 days.
- [ ] **Step 7: Build Out the Store and Install Key Systems**
  Your build-out budget will range from $25,000 to $100,000 depending on the condition of the space. Design for conversion and shrink control — not aesthetics.
- [ ] **Step 8: Establish Distributor Relationships and Stock Inventory**
  In most states, you are legally required to purchase inventory through a licensed distributor. Your opening order will be $35,000 to $80,000 paid COD. The 80/20 rule is your best friend.
- [ ] **Step 9: Hire, Train, and Open**
  Hire a minimum of 2 to 3 part-time employees. Every employee must complete responsible vendor training before selling. A single sale to a minor can cost $1,000 to $10,000 in fines or permanent license revocation.
- [ ] **Step 10: Master Your Numbers and Know Your Customer**
  Your gross margin profile is deceptively simple, but the product mix is everything. A 10% shift from commodity to premium can add $30,000 to $50,000 in annual gross profit on $500,000 in revenue.

NOTES

Read the full guide

https://advisedspaces.com/open/liquor-store

Scan the QR code or visit the link for the complete guide.