

Guide to Opening a Home-Based Food Business

We look forward to working with you as you begin planning your home-based food business. Our new partnership is an essential part of protecting public health in Vermont. This guide will help you determine which license(s) you may need, which regulations apply to your business, who you may need to contact, and how long it will take to get your license.

Ensuring your home-prepared food is safe to your customers is critical to the success of your small business. Here are some things you need to do to reduce the likelihood for cross-contamination, which could make someone sick, and to keep your food safe:

- Separate food for sale from personal food as much as possible.
- Prepare food for sale at times when there are no other activities in the kitchen.
- Keep small children and pets out of the kitchen while preparing food for sale.

First Steps for Licensing

- 1. Decide which license is appropriate for you based on your business proposal. Use the table on page 2 to learn about what types of food preparation are allowed in the home.
- 2. Review applicable regulations. You can find them on our website at healthvermont.gov/food-lodging or request a paper copy be mailed to you.
- 3. Apply at least 30 days before you would like to open. You can <u>apply online</u> or <u>print</u> and mail an application.

A <u>Public Health Inspector</u> will contact you after your application is processed to discuss your business details and to schedule an opening inspection. Inspections can usually be scheduled within 10 business days.

Get Permits from Other Agencies

When you open a new business, there are requirements from other state and local agencies that you must comply with. Some permits can take weeks or months, so you need to contact them early in the process of starting your business. Use the table on page 3 to find out who you may need to contact.

Approvals from these agencies must be in place before scheduling an opening inspection.

Schedule and Complete an Inspection

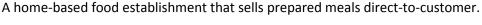
Review the regulations again, and contact your <u>Public Health Inspector</u> if you are ready to schedule an opening inspection.

You cannot have any critical violations left uncorrected to pass an opening inspection. Once you successfully complete an inspection, a copy of the inspection report will be given to you. The opening inspection report serves as your license temporarily until the actual license is emailed to you within 10 business days of final approval.

Home-Based Food Business Categories



Home Caterer License



Examples:

- Prepare dumplings and rice at home for sale at a farmers market.
- Prep food for cooking later at an event or farmers market. (an additional Temporary Food Service Establishment license is required)

License cost: \$155 per year

License Exemption: None. Selling prepared foods (hot or cold) from your home-based business requires a license and inspection.

NOTE for home-based businesses making food products containing meat or poultry: Meals, entrees, or food products which contain greater than 3% raw or 2% cooked meat or poultry must be served hot and sold directly to the end customer for immediate consumption.



A home-based food establishment that sells bread, cakes, muffins, cookies or other baked goods, that do not require refrigeration or temperature control, from your home kitchen using home appliances.

Examples:

- Bake homemade bread for sale at a farm stand.
- Bake cookies and muffins for sale at a farmers market.

Labeling requirements apply (see UVM Extension Food Labeling fact sheet).

Home Bakery License & Exemption

License cost: \$100 per year

License exemption: Less than \$6,500 per year in sales of baked goods does not require a license. Exempt home bakeries can submit the exemption self-declaration online or in print.

NOTE: If your home-based business sells food products to restaurants, then you will not qualify for the exemption. Food products from unlicensed establishments are not considered an "acceptable source" of food for restaurants; they must be sourced from a licensed food establishment.



A home-based food establishment that processes and sells food such as jams, jellies, candies, chocolates, salsa, sauces, salad dressings, etc.

Examples:

- Make candy for sale at a craft sale.
- Make homemade granola for sale at a farmers market.

Labeling requirements apply (see UVM Extension Food Labeling fact sheet).



License exemption: No license is required for small-scale food processors with sales of less than \$10,000 per year in food product. Home food processors need to file a License Exemption Self Declaration.

Home Food Processor Exemption

NOTE: If your home-based business sells food products to restaurants you do not qualify for the exemption. Products from unlicensed establishments are not considered an "acceptable source" of food for restaurants; they must be sourced from a licensed food establishment. This requires a commercial food processor license and the use of a separate room or building as a commercial processing area or facility, the use of a co-packer, or the use of another commercially licensed facility or shared-use kitchen in which to produce your food product.



Other Agency Contacts

A new home-based food business may require permits from multiple agencies. Use this table to determine which agencies and offices you may need to contact.

Office	Service	Contact this office if you are:	Contact Info
Landlord or Property Manager	Permission to have a home- based business in the rental property	Renting the home or apartment that you want to have licensed	
Town Clerk's Office	Local land use, development, and zoning for commercial and residential properties	Starting any home-based business Towns may have their own permits or requirements for home-based businesses.	varies by town
Department of Health Lab or other certified drinking water lab	Water testing for private water systems Testing of private water systems is required and must show an absence of Total Coliform and E. coli bacteria and acceptable levels of nitrites and nitrates.	Need to test your private drinking water system. You must be able to show negative test results that are less than one year old.	healthvermont.gov/lab 802-338-4724 or list of certified labs
Office of the Secretary of State	Business name registration	Doing business using anything other than your own name	sos.vermont.gov 802-828-2386
Department of Taxes	Business tax accounts and licenses to collect and pay applicable taxes	A new business or changing ownership of an existing business	tax.vermont.gov 802-828-2551
Agency of Agriculture, Food & Markets	Meat inspections, regulation of the sale or manufacture of ice cream and other dairy products, regulation of packaging and labels, and scale inspections	Manufacturing ice cream, frozen desserts, or a food containing any meat or products of animal origin	agriculture.vermont.gov 802-828-2430

Questions? Please call the Food and Lodging Program at 802-863-7221 or e-mail FoodLodging@vermont.gov