MARKETING PRACTICES ADVISORY – MPA015

Infusion of Distilled Spirits

To: Alcoholic Beverage Industry

Scope of the Advisory

This advisory provides guidance for retailers authorized to sell alcoholic beverages for on-premises consumption using the process known as “infusion.” As we understand, this process is a traditional art wherein distilled spirits (such as vodka or tequila) are infused with fresh or dried produce, fruit, and/or something similar over a period of time to generate desired flavors. After the distilled spirit has been infused and reaches its desired flavor, the infusion ingredients may or may not be discarded. The resulting liquid is stored in a container for consumption by consumers.

General Requirements

Holders of a Mixed Beverage Permit, Private Club Registration Permit, and Private Club Exemption Certificate may infuse distilled spirits they are authorized to sell. An infused product should be filled in a container other than the original manufacturer’s bottle. Permittees other than the manufacturer are prohibited from adding liquids or other ingredients to the original manufacturer’s bottle. The agency considers the infusion process to be similar to a margarita machine to produce frozen margaritas. The stamp identification number on the bottle of the distilled spirits used in the infusion should be recorded in a log for audit purposes, and the identification stamp should be mutilated before discarding the bottle per Chapter 28 of the Alcoholic Beverage Code. Distilled spirits used in an infusion should be purchased from a Local Distributor Permit holder. As prohibited by Section 102.07(a)(5) of the Alcoholic Beverage Code, a distiller or wholesaler may not furnish, give, rent, lend, or sell to a retailer the container for the infused product or any other equipment used in selling or dispensing alcoholic beverages.

Please note: This advisory does not state an opinion relating to the addition of CBD and other related hemp-derived ingredients or compounds to alcoholic beverages.
Statement From TABC

This advisory is issued pursuant to Alcoholic Beverage Code § 5.57. It represents the opinion of the staff of the Commission. We hope this opinion will assist you in your endeavors. If you would like additional information or have questions regarding this advisory, you may contact me in writing at P.O. Box 13127, Austin, TX 78711; by email to advisories@tabc.texas.gov; or by phone at 512-206-3411.

Sincerely,

Thomas Graham
Director of Tax & Marketing Practices