Know your responsibilities for a

Package Store Permit (P), Local Distributor's Permit (LP), Package Store Tasting Permit (PS) & Local Cartage Permit (E)



The Permit

Your permit must be displayed in a publicly visible place at all times. It is your responsibility to renew it prior to expiration. The expiration date is printed on the face of your permit. Your permit is valid for two (2) years from date of issuance. You will receive a reminder POSTCARD prior to expiration.

RENEW ONLINE or you may download a renewal application from our website.

Licensee/permittees are granted a 30 day grace period in which they can renew, you may not resume selling alcoholic beverages until the renewal is filed and the appropriate fees and late fees are paid.

IMPORTANT!

A \$100 late fee will be assessed for each permit including subordinates if renewed after the expiration date. If you engage in activity during the grace period without the appropriate fees being paid, your license is subject to administrative action.



The Permit

You cannot sell or transfer your permit or let anyone else operate with it. If you anticipate any type of change not limited to; trade name, address, officer, stockholder or entity, please contact your <u>local TABC</u> <u>office</u> for direction and procedures prior to beginning any change.

IMPORTANT!

Failure to comply with the statutes governing such changes may result in a delay of business operation or administrative action against your permit.



The Permit

No package store permittee, except for permits wholly owned by the same persons, may engage in the following:

- 1. Cooperatively setting prices or credit policies or allowing any third party to do so on their behalf
- 2. Share advertising costs
- 3. Utilize the same trade name, trademark, or slogan as another package store in the same county
- 4. Share or utilize the same bookkeeping or computer-processing service, unless the bookkeeping or computer-processing service is in the business of providing such services to the general public
- 5. Transfer funds, merchandise, or equipment from one package store business to another
- 6. Utilize the same person as an employee or independent contractor for two or more package store businesses in any capacity unless, in the case of an independent contractor, the independent contractor is in the business of providing similar services to the general public
- 7. Negotiate, or allow a third party to negotiate, quantity discounts for alcoholic beverages to be purchased by the package store business



Premise Requirements

Package Store Premise shall:

- Be completely separated from the premises of any other businesses by a solid, opaque wall from floor to ceiling, without connecting doors, shared bathroom facilities, or shared entry foyers.
- Have a front door, which opens onto a street, parking lot, public sidewalk, or the public area of a mall or shopping center, through which the public may enter.

If the premises were not occupied as a package store prior to September 1, 1995, the following are additional requirements to those stated above:

 Must have a rear or side entrance, emergency exit which opens onto a street, parking lot, public sidewalk, or the public area or common area of a mall or shopping center.

Purchasing Alcohol

Distilled spirits and **wine** may only be purchased from holders of a:

- Wholesaler's Permit (W)
- General Class B Wholesaler's Permit (X)
- Local Class B Wholesaler's Permit (LX)

Ale and malt liquor may be purchased from a:

- Wholesaler (W)
- General Class B Wholesaler (X)
- Local Class B Wholesaler (LX)
- Brewer' Permit (B) that holds a Brewer's Self-Distribution permit (DA)
- Wine and Beer Retailer's permit (BG) that also holds a Brew pub license (BP)**

^{**}You cannot purchase or acquire ale or malt liquor from another type of retailer.



Purchasing Alcohol

These sales are subject to Credit Law

IMPORTANT!

Alcohol beverages damaged or determined to be unfit for human consumption while in the possession of the retailer, must be destroyed by the retailer and cannot be exchanged or returned to the seller for credit or refund.



The Selling of Alcohol

The holder of a Package Store Permit (P) is authorized to sell malt liquor, ale, wine and distilled spirits in sealed containers to the consumer for off premise consumption only.

No one may possess an open container of an alcoholic beverage on or near the licensed premises where it was sold.

You may sell non-alcoholic products and may conduct other lawful business on the premises, but you may only be open to the general public during lawful hours of operation of a package store.

Premise means the grounds and all buildings at the licensed address, as well as adjacent premises, if they are directly or indirectly under your control.

Hours of Sale

Alcoholic beverages may be sold or served during the following hours:

• 10:00 a.m. to 9:00 p.m. Monday through Saturday

You may not sell alcoholic beverages on:

- Sunday
- Thanksgiving Day
- Christmas Day and
- New Year's Day

IMPORTANT!

If Christmas Day and New Year's Day fall on a Sunday, you must also close the following Monday.



Employees

The minimum age for your employees to sell or otherwise handle alcoholic beverages while working on your premises is 21 years old unless:

- They are your children
- Under your guardianship

Minors on the Licensed Premise

No minor, unless accompanied by his or her parent, guardian, adult husband or adult wife, or other adult person into whose custody he or she has been committed for the time by some court, shall knowingly be allowed on the premises of the holder of a package store permit.

Texas Alcoholic Beverage Code §109.53



Selling to Minors

You or your employees may not permit a person under the age of 21 on your premises unless they are accompanied by their parent(s), adult spouse or court appointed guardian.

You or your employees cannot sell, serve, deliver or give alcoholic beverages to anyone under 21 years of age.

The only defense in the Texas Alcoholic Beverage Code against a charge for selling an alcoholic beverage to a minor states, a person who sells a minor an alcoholic beverage does not commit an offense if the minor falsely represents himself to be 21 years old or older by displaying an apparently valid proof of identification that contains a physical description and photograph consistent with the minor's appearance, purports to establish that the minor is 21 years of age or older, and was issued by a governmental agency.

The proof of identification may include a driver's license or identification card issued by the Department of Public Safety, a passport, or military identification card.



Selling to Minors

The Texas Alcoholic Beverage Commission and/or your local law enforcement agency often conduct underage compliance operations.

Minors are sent into a retail establishment under the supervision of a peace officer in an attempt to purchase and obtain an alcoholic beverage to ensure voluntary compliance of state law.

Sale to Intoxicated Person

You may not sell an alcoholic beverage to an intoxicated person.

Your permit/license can be suspended or cancelled for the sale, service or delivery of an alcoholic beverage to an intoxicated person.



Reporting Disturbances

You and your employees are responsible for the supervision of all persons permitted on the licensed premises. At the first sign of an argument or trouble between your customers, you should require those customers involved to immediately leave the premises. If necessary, call the local law enforcement authority to have them removed.

If a breach of the peace (a disturbance, fight or other violent act) occurs on your premises between any customer(s) and/or employee(s), you must notify the <u>local TABC office</u> as soon as possible, but **not later** than five (5) calendar days after the incident. If a shooting, stabbing or murder, or an incident involving serious bodily injury occurs on the licensed premise, you must notify the local TABC office **not later than** 24 hours from the time of the incident.



Invoices

Invoices for the purchase of all alcoholic beverages by the retailer must be maintained for a period of **four** (4) years from the date of delivery.

Invoices must be signed by the retailer upon delivery of the product.

IMPORTANT!

These invoices are subject to inspection by authorized representatives of the Texas Alcoholic Beverage Commission, or any peace officer.



Credit Law

Distilled spirits and **wine** may only be purchased from a wholesaler (W, X, LX) and is subject to Credit Law.

Ale and **malt liquor** purchased from a wholesaler that does not also hold a Distributor's (BB/BC/BD) license is subject to credit law.

- If credit is extended, these alcoholic beverages, if purchased between the 1st and 15th of the month, must be paid for by the 25th of the month.
- If they are purchased between the 16th and the last day of the month, they must be paid for by the 10th
 of the following month.

If not paid timely, the wholesaler is required by statute to report this non-payment to the TABC and your permit will be placed on the agency's internet-based credit law delinquent list until the reporting wholesaler notifies the TABC that you have paid in full.

No wholesaler is permitted to sell to the retailer while on the <u>credit law delinquent list</u>. An action to cancel or suspend a permit may be initiated for repeat violations of being on the credit law delinquent list.



Inspections

Any authorized representative of the Texas Alcoholic Beverage Commission or any other peace officer has the right and authority to enter your premise and make an inspection of your entire premises for violation(s) of the Texas Alcoholic Beverage Code/Rules.



Signs

The commission will determine which sign you must post at your establishment from information provided on your original application, as well as your renewal applications. These <u>signs</u> are available from the Texas Alcoholic Beverage Commission at no charge, or you can choose to have the sign made as long as the sign meets the below size/word requirements.

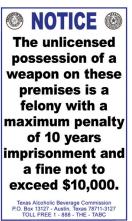


CONSUMPTION SIGN – You are required to display in a prominent place, a sign stating in letters at least two inches high: IT IS A CRIME (MISDEMEANOR) TO CONSUME LIQUOR OR BEER ON THESE PREMISES. Even though the sign is posted, it is still your responsibility to ensure that no one on your premises consumes an alcoholic beverage. The only legal exception is the consumption of beer during an organized free product sampling event. The sign will be provided to you at no charge from the Texas Alcoholic Beverage Commission.



Signs

WEAPONS WARNING SIGN – BLUE – You are required to post a sign at each entrance of your licensed premises informing persons that the unlicensed possession of a weapon on the premises is a felony. The sign will be provided to you at no charge from the Texas Alcoholic Beverage Commission.





OBTAINING FORCED LABOR OR SERVICES IS A CRIME UNDER TEXAS LAW. CALL THE

NATIONAL HUMAN TRAFFICKING HOTLINE 1-888-373-7888 YOU MAY REMAIN ANONYMOUS.

- ADVERTENCIA -

LA OBTENCIÓN DE SERVICIOS O TRABAJO FORZADO ES UN DELITO SEGUN LA LEY DE TEXAS. LLAME A LA LINEA DIRECTA NACIONAL DE TRAFICO HUMANO AL 1-888-373-7888 USTED PUEDE PERMANECER ANÓNIMO.

HUMAN TRAFFICKING HOTLINE NUMBER SIGN – Must be displayed in a prominent place on your premise, unless you hold a food and beverage permit. The sign must be in both English and Spanish. Signs are provided to you at no charge from the Texas

PUBLIC INFORMATION/COMPLAINT SIGN – Must be posted in a prominent place on your premises. The sign shall be no smaller than 6" X 3 ½".

Alcoholic Beverage Commission.

If you have a complaint about the sale or service of alcoholic beverages in this establishment, please contact the Texas Alcoholic Beverage Commission P.O. Box 13127



Austin, Texas 78711-3127 or phone 1-888-THE-TABC complaints@tabc.state.tx.us



Package Store Interests

- A person may have an interest in no more than 250 package store permits.
- A person may only be issued 15 new package store permits during a calendar year.
- The purchase or acquisition of an existing package store business will not be counted towards the 15 per calendar year limit.
- The existing package store must have been operating in the same county for more than one year before the date the person acquired the package store business.

Know your responsibilities for a

Local Distributor's Permit (LP)

Local Distributor's Permit (LP)

The local distributor's permit (LP) is a subordinate to your primary Package Store Permit (P) and will be printed on the face of the primary license and is only issued to the holder of a Package Store Permit (P) and authorizes the sale of alcoholic beverages to;

- Holders of mixed beverage (MB) permits, and
- Holders of private club registration permit (N/NE/NB).



Stamps

TABC issues identification stamps free of charge to local distributors for utilization in making sales to mixed beverage and private club registration permittees.

- All distilled spirits sold by a local distributor's permit to a mixed beverage or private club, must have a
 Texas Alcoholic Beverage Commission identification stamp affixed to the bottle.
- Stamps must be affixed near the top of the brand label in such a manner that some portion of the identification stamp covers and is attached to some part of the brand label, but does not cover any information on the brand labe

All Local Distributor permit holders can now place online orders through a third-party <u>online ordering</u> <u>system</u> for identification stamps external link. All orders are individually reviewed by the Commission for compliance before approval and shipping. For initial logon instructions, please contact idstamps @tabc.texas.gov or (512) 206-3341. An instructional manual can be downloaded from our website.

Brand Label – means the principal display panel that is most likely to be displayed, presented, shown, or examined under normal and customary conditions of display for retail sale.



Stamps

The local distributor (LP) shall prepare a stamp transaction record, making an entry on each date there are transactions involving any of the following transactions:

- Quantity of identification stamps received (Stamps received from TABC)
- Quantity and serial numbers of identification stamps affixed, also showing the invoice date, invoice number, retailer trade name and retailer permit number
- Quantity of identification stamps on hand after each receipt or affixing of such stamps
- If pre-stamping is deployed, local distributor will record the date and number of stamps used per brand and size. Pre-stamped merchandise must be stored separate from regular stock. Stamps issued from pre-stamped stock must be listed individually per invoice line item on sales invoices.
- The serial number for each stamp issued, lost, stolen, voided, destroyed, or issued as a replacement stamp must be recorded.



Stamp Record

YOU MUST MAINTAIN A STAMP RECORD SIMILAR TO THE SAMPLE SHOWN BELOW:

Invoice Date	Invoice No.	Stamp Numbers Beginning/Ending	Tradename	Permit No.	Stamps Issued	Balance On Hand
08/01/2008	00001	AU556876-AU557000	Received-Austin	N/A	N/A	125
08/05/2008	156	AU556876-AU556900	ABC Club	N-123456	25	100
08/07/2008	157	AU556901-AU556930	Junior's Place	MB-987654	30	70

Note: Stamps are issued on flat sheets of 80 stamps or in rolls of 500 stamps.

IMPORTANT!

Stamp records and sales invoices must be maintained on the licensed premises and are subject to inspection and audit by any representative of the commission.

Know your responsibilities for a

Package Store Tasting Permit (PS)



Eligibility

A Package Store Tasting Permit (PS) may only be issued to a holder of a package store permit (P) or wine only package store permit (Q).

A package store tasting permit may not be considered a permit authorizing the sale of alcoholic beverages for on-premise consumption.



Tastings

The holder of a Package Store Tasting Permit (PS) is authorized to conduct product tastings of distilled spirits, wine, beer and malt based or spirit based coolers on the premises of a Wine Only Package Store Permit (Q) or Package Store (P) during regular business hours.

- May conduct product tastings only of alcoholic beverages the permit holder is authorized to sell.
- Only products purchased from authorized sources may be used in the tastings
- Beer and malt based coolers must be purchased from a licensed beer distributor.
- Ale, malt liquor, wine, distilled spirits, and spirit-based coolers must be purchased from a licensed wholesaler.

Tastings – Notification

Written notification of the tasting must be posted at the licensed premises of the permit holder no later than 48 hours prior to the event.

The notification must include:

- a) The type and brand of alcoholic beverages to be tasted;
- b) The date and hours the tasting is to take place; and
- c) The address of the premises where the tasting is to occur.

IMPORTANT!

A copy of the notification shall be kept on file and available for inspection on the premises during all tasting hours.

Tastings – Sample Portions

Not more than twenty (20) different products may be available for tasting at any one time.

Sample portions at product tasting shall be limited to no more than:

- a) 1/2 oz. of distilled spirits;
- b) 1 oz. of wine; and
- c) 1 oz. of beer and coolers.

During the tasting:

- No more than two (2) containers of each brand or type of product being tasted may be open on the premises at one time.
- No charge of any kind may be made for sample servings.
- No samples may be removed from licensed premises.

IMPORTANT!

At the conclusion of the tasting, all empty or partially full containers of alcoholic beverages used in the tasting shall be locked up or removed from the premises.

Tastings – Advertising and Dispensing

Advertising for the tasting is restricted to on-site communication, direct mail, electronic mail or the permit holder's web site.

The holder of a distiller's or rectifier's permit (D), distiller's agent's permit (DK), nonresident seller's permit (S), or manufacturer's agent's permit (T) or that permit holder's agent or employee may participate in and conduct product tastings of alcoholic beverages and may open, touch, or pour alcoholic beverages, make a presentation, or answer questions at the tasting.

- Any alcoholic beverage tasted must be purchased from the package store permit holder on whose premises the tasting is held.
- The permit holder may not require the purchase of more alcoholic beverages than are necessary for the tasting.
- Except as listed above, person other than the permittee or the permittee's agent or employee may not dispense or participate in the dispensing of alcoholic beverages.

*A package store tasting permit may not be considered a permit authorizing the sale of alcoholic beverages for on-premise consumption.

Know your responsibilities for a

Local Cartage Permit (E)

Local Cartage Permit (E)

A Local Cartage Permit (E) is required to deliver alcoholic beverages.

- Each vehicle covered by the local cartage permit shall be plainly marked with the local cartage permit class (E) and permit number.
- The letter/number must not be less than 1 ½ inches in height.
- The letter/number shall not be covered from public view when the vehicle is being used in the alcoholic beverage business. (See example below)

TABC PERMIT NO. E-____

- A local cartage permit may not deliver less than 2.4 gallons of distilled spirits in a single delivery.
- No deliveries can be made to Private Club Registration permits (N/NE/NB) in a dry are

Hours of Delivery

Alcoholic beverages may be sold to and/or delivered to authorized buyers during the following hours:

5:00 A.M. to 9:00 P.M., Monday through Saturday

No sales or deliveries can be made on:

- Sunday
- Thanksgiving Day
- Christmas Day and
- New Year's Day

IMPORTANT!

If Christmas Day or New Year's Day falls on a Sunday, then no sales or deliveries can be made on the following Monday.



Educational Programs

The Texas Alcoholic Beverage Commission has developed <u>educational programs</u> to assist in your efforts to voluntarily comply with the law. Agents are available to come to your place of business to help instruct you and your employees concerning the laws that apply to your business. Your <u>local TABC</u>

<u>Office</u> will have information concerning this project.



Seller-Server Training

The commission approves <u>seller-server training programs</u> sponsored by private businesses and issues certificates to individuals who successfully complete the program. The program covers the laws concerning the sale or service of alcoholic beverages to minors and intoxicated persons, as well as techniques used to prevent such sales.

Depending on the prior violation history of your permit, the actions of an employee may not be attributable to the employer and the employer may claim an exemption from administrative action if:

- The employer requires only those engaged in the sale, service, or delivery, including managers, to successfully complete a commission-approved seller-server training program within 30 days of their initial employment,
- The employee that has committed the violation has completed the program and has a current certificate prior to the violation, and
- The employer has not directly or indirectly encouraged the employee to violate such law.



Seller-Server Training

The commission shall require the permittee to produce evidence indicating that the above three criteria were met. Such evidence shall indicate that the permittee had adopted policies.

These policies and procedures should be designed to prevent the sale, service and consumption of alcoholic beverages by minors and sale or service to intoxicated persons. The policy should also express a strong commitment by the permittee to prohibit such sales, service and consumption.

In addition, the permittee should have had the employee acknowledge in writing that they have read and understood the policies and procedures.

A current list of commission approved seller-server training schools is available on our website.



Local Fees and Taxes

The governing body of an incorporated city or town may levy and collect a fee not to exceed one-half of the state fee for each license issued for premises located within the city or town. The commissioners court of a county may levy and collect a fee equal to one-half the state fee for each license issued for premises located within the county. Those authorities may not levy or collect any other fee or tax from the licensee except general ad valorem taxes, the hotel occupancy tax levied under Chapter 351, Tax Code, and the local sales and use tax levied under Chapter 321, Tax Code. The commission or administrator may cancel a license if it finds the licensee has not paid a fee levied under this section.

A licensee who sells an alcoholic beverage without first having paid a fee levied under this section commits a misdemeanor punishable by a fine of not less than \$10 nor more than \$200.

Cancel or Deny Permit

The commission or administrator may cancel or deny a permit for the retail sale or service of alcoholic beverages, including a permit held by the holder of a food and beverage certificate, if it finds that the permit holder or applicant has not paid delinquent ad valorem taxes due on that permitted premises or due from a business operated on that premises to any taxing authority in the county of the premises.

A permit holder or applicant is presumed delinquent in the payment of taxes due if the permit holder or applicant:

- 1. Is placed on a delinquent tax roll prepared under Section 33.03, Tax Code;
- 2. Has received a notice of delinquency under Section 33.04, Tax Code; and
- 3. Has not made payment required under Section 42.08, Tax Code.

Forfeiture of Conduct Surety Bond

If your business premise is located within 1,000 feet of a public school the permit holder will be required to provide a Conduct Surety Bond in the amount of \$10,000.00.

Forfeiture of Conduct Surety Bond (Rule 33.24): When a license or permit is cancelled or there are three or more violations of the Alcoholic Beverage Code while the conduct surety bond is in place, the commission shall notify the licensee or permittee, in writing, of its intent to seek forfeiture of the bond.

Licensee or permittee may, within thirty days of the notice request a hearing on the question of whether the criteria for the forfeiture of the bond have been satisfied.

Upon entry of final order against the licensee or permittee in the hearing, the commission shall notify the surety company, bank or credit union to remit to the state the amount of surety required within ten days after notification

Cancellation of Bond by Bond Company

33.24(k)(1)... "Surety may terminate liability by giving the proper 30 day written notice..." — a Notice of Cancellation is sent to the commission notifying the bond is being cancelled. Letters are sent by this office notifying applicant to provide another bond and a 30 grace period to provide is given. Permit will be cancelled if they fail to maintain surety.

Congratulations!



This certifies that:

Package Store Permit (P), Local Distributor's Permit (LP), Package Store Tasting Permit (PS) & Local Cartage Permit (E)

Certificate of Completion

Name:			
		ed the Responsibilities Course for a Package Store Permit (P), Local Distriburmit (PS) & Local Cartage Permit (E) offered by the Texas Alcoholic Bevera	-
Business	Trade Name:		
		ss:	
you v addit	Check this box if you would like additional information in regards to your responsibilities.	By signing this certificate you acknowledge that you have completed this Responsibilities Course.	Press the Print to print your Completion the print dialogous, change to Print" from "page 44" to pyour certificate
•		Applicant Signature/Title/Position	
		 Date	

Press the Print button to print your Certificate of Completion. After the print dialogue box opens, change "Pages to Print" from "All" to "page 44" to print only your certificate.

Distributor's Permit (LP),