



TABC Retail Dealer's On-Premise License (BE)

Know Your Role As A

**Retail Dealer's On-Premise License
(BE)**



TABC Retail Dealer's On-Premise License (BE)

TABC wants your business to prosper. One part of your success is understanding how Texas law affects your business. We've designed this course to provide the basics of what you can and can't do with your business. This is a summary of your responsibilities and isn't meant to be an exhaustive list. Please see the [Alcoholic Beverage Code](#) (Code), [TABC Administrative Rules](#) (Rules) and our [Marketing Practices Advisories](#) for more details.



TABC Retail Dealer's On-Premise License (BE)

What Can I Do With My License?

Purchasing

You are allowed to purchase malt beverages only from certain businesses that hold these licenses:

- General and Branch Distributor's License
- Brewers that hold a Self-Distribution License
- Brewpubs that hold a Wine & Malt Beverage Retailer's Permit

Sales

You can sell malt beverages to customers either to enjoy at your establishment, or to-go. Customers are not allowed to resell the malt beverages they purchase from you.

You and your employees are not allowed to possess any other type of alcohol other than malt beverages at your establishment. However, your customers can bring in their own alcohol, including wine and distilled spirits, and you can provide them with ice, glasses, mixers, etc. Just be careful that you and your employees are not serving non-malt beverage drinks to your customers.

All purchases are subject to restrictions known as "cash law." For more information, see **TABC's Cash and Credit Law Module**.



TABC Retail Dealer's On-Premise License (BE)

When Can I Be Open to the Public?

Hours of Sale

You can sell malt beverages during these standard hours:

- **Monday through Friday: 7:00 A.M. to 12:00 Midnight**
- **Saturday: 7:00 A.M. to Sunday 1:00 A.M.**
- **Sunday: 10:00 A.M. to 12:00 P.M., and until 12:00 A.M.**

What about after midnight?

Your business can stay open until 2:00 A.M. every day if allowed by your local jurisdiction. If you wish to remain open during these late hours, you need to apply for a Late Hours Certificate (LH) from TABC.

What can I do after closing time?

You cannot serve or consume any alcoholic beverage 15 minutes after closing. You are responsible for ensuring this is strictly followed. You and your staff are not required to leave your bar or restaurant and can stay to clean up or do office work.



TABC Retail Dealer's On-Premise License (BE)

What Do I Need to Know About Bonds?

Conduct Surety Bond: \$5,000

A retailer who does not hold a Food and Beverage (FB) Certificate is required to file a \$5,000 conduct surety bond with TABC through a qualified surety company, a CD, or letter of credit. You risk forfeiting the surety bond if you violate TABC laws or rules. Here are more details on conduct surety bond forfeiture:

- If your permit is canceled by TABC, you forfeit the bond, and the surety company, bank, or credit union is obligated to pay TABC the \$5,000.
- If your business has been found to have committed three different violations of law or rule, you forfeit your bond.
- You have the right to request a hearing on the bond forfeiture within 30 days of receiving notice.

Under most circumstances, you are only required to post a conduct surety bond for the first three years of your business if you have not had any Code or rules violations.



TABC Retail Dealer's On-Premise License (BE)

What Do I Need to Know About Bonds?

Performance Bond: \$2,000 (Bexar, Dallas, Harris, or Tarrant Counties only)

A performance bond is only required if your BE is in Bexar, Dallas, Harris, or Tarrant County, and if your business is not eligible for a Food and Beverage Certificate. If this describes your business, then you must post an additional \$2,000 performance bond in addition to your conduct surety bond.

A performance bond differs from a conduct surety bond because it increases in size with each code or rule violation:

- After a first violation, the \$2,000 performance bond is forfeited to the commission, and you must repost a \$4,000 bond.
- After a second violation, the \$4,000 performance bond is forfeited to the commission, and you must repost a \$6,000 bond.
- After a third violation, the \$6,000 performance bond is forfeited, and your license could be canceled. Any remaining conduct surety bond is also forfeited.



TABC Retail Dealer's On-Premise License (BE)

What About Sales at Temporary Events?

- Notify or get TABC approval in advance depending on the type of event you're holding.
- For small private events, you must submit a File and Use Notification (FUN) form to TABC.
- For larger, public events, you must seek TABC approval using a Temporary Event Approval (TEA) request form. Submit TEA event requests at least 10 days in advance or you'll risk paying a late filing fee.
- See our [Temporary Event Authorization page](#) for more specific information about criteria for the File and Use Notification and the Temporary Event Approval requests and the steps for applying.



TABC Retail Dealer's On-Premise License (BE)

What Are My Record Keeping Requirements?

Record Keeping Requirements

All alcoholic beverages on your premises must be covered by invoice and these invoices must remain on your premises for a period of two years.

- These invoices are subject to inspection by authorized representatives of the Texas Alcoholic Beverage Commission, or any peace officer.
- Invoices must be signed by the retailer upon delivery of the product.



TABC Retail Dealer's On-Premise License (BE)

What Else Do I Need to Know?

License and Sign Posting

You must always display your license in a publicly visible place. TABC will determine which [signs](#) you must post at your establishment from information provided on your original application, as well as your renewal applications.

Employees

The minimum age is 18 for your employees to prepare, serve or otherwise handle an alcoholic beverage. Minor employees cannot engage in sales or otherwise handle alcohol products.

License Renewal

Your license is valid for two years from the date its issued. You're responsible for renewing your license or permit before it expires. You can apply for renewal starting 30 days before your license's expiration date. TABC will send you a notice of renewal.

TABC Inspections

Any TABC authorized representative or other peace officer has the right and authority to enter and inspect your entire premises for violation(s) of the Texas Alcoholic Beverage Code or TABC Rules.

Inspection refusal is a violation of the Alcoholic Beverage Code and class A misdemeanor.



TABC Retail Dealer's On-Premise License (BE)

Public Safety Considerations

You're responsible for maintaining public safety at your facility. This includes maintaining order among customers and with staff. Make your employees aware of these requirements and call law enforcement when you need assistance. Public safety violations can result in administrative penalties — potentially even cancellation of your license.

Serving Minors

You are responsible for ensuring that your employees do not sell, serve or give alcoholic beverages to anyone younger than 21. **Check IDs.** The only exception is if the minor is in the visible presence of a parent, spouse over 21 or legal guardian. Valid proof of identification may include a: state-issued driver's license or ID card issued by the Texas Department of Public Safety, passport or military ID card.

Serving People Who Are Intoxicated

The same principle applies to customers who are intoxicated. **Don't overserve.** If a customer enters your business inebriated, provide water or soft drinks but not alcohol. If you refuse service to an intoxicated person, make sure another patron isn't ordering drinks for the person.

Reporting Breaches of the Peace

Texas law requires a license or permit holder to report any breach of the peace — a disturbance, fight or other violent act — to TABC within five calendar days of the incident. You must report any breach involving a shooting, stabbing, murder or incident resulting in serious bodily injury within 24 hours of the incident.



TABC

Retail Dealer's On-Premise License (BE)

Safe Harbor Protection

Safe Harbor

- Depending on the violation history of your license, the actions of your employee may not be attributable to you (the employer) and you may claim an exemption from administrative action (e.g., penalties and/or suspension) if:
 1. The employer requires all personnel engaged in the sale, service or delivery of alcoholic beverages, including managers, to successfully complete a commission-approved seller-server training program within 30 days of their initial employment.
 2. The employer has a written policy for responsible alcohol service and consumption read by each employee.
 3. The employee that has committed the violation has completed the program and has a current certificate before the violation.
 4. The employer has not directly or indirectly encouraged the employee to violate such law.
 5. The person that committed the violation is not the permit holder.

Seller-Server Training

- The program covers the laws concerning the sale or service of alcoholic beverages to minors and intoxicated persons, as well as techniques that may be used to prevent such sales.
- TABC approves [seller-server training programs](#) sponsored and taught by private businesses.



TABC Retail Dealer's On-Premise License (BE)

What Other Programs are Available?

Retailer Education and Awareness Program – REAP

[REAP](#) provides owners, managers and general employees of retail establishments continued education to help them follow the state's alcoholic beverage laws.

Texas Responsible Alcohol Delivery Training – TRAD

TRAD is specifically for delivery drivers who will be delivering alcoholic beverages directly to consumers. Trainees must be 21 or older at the time of registration and have a valid driver's license.



TABC Retail Dealer's On-Premise License (BE)

What Other Modules Should I Take?

You have now completed the Know Your Role module. Please proceed to the following modules for additional guidance for your license.

- **Food and Beverage Module** – What is required of my food and beverage certificate?
- **Cash and Credit Law Module** – What is cash and credit law?
- **Marketing Practices Module** – What marketing promotions and advertisements are allowed?
- **Brewpub Module** – What can I do with my Brewpub License? (if applicable)
- **Excise Tax Module** – How do I file my excise tax report? (if holder of a brewpub license)



TABC

Retail Dealer's On-Premise License (BE)

Questions?

Please contact your local TABC office.

tabc.texas.gov/contact-us/