



**TABC**

**Package Store Permit (P)  
Local Distributor's Permit (LP)**

**Know Your Role As A**

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**Package Store Permit (P)  
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# Package Store Permit (P) Local Distributor's Permit (LP)

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.



## What Can I Do With My Permit?

### Selling Alcohol

You are authorized to sell malt beverages, wine, and distilled spirits in sealed containers to the consumer for off-premises consumption only.\*\* Keep in mind the following requirements:

- No one may possess an open container of an alcoholic beverage on or near the licensed premises except for a tasting event. See slide below for more information on conducting tasting events at your store.
- You may sell non-alcoholic products and 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. See lawful hours of operation below.

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



## What Do I Need to Know About My Physical Location?

Your package store building must meet certain requirements:

- The store must be completely separated from any other businesses by a solid, opaque wall from floor to ceiling, without connecting doors, shared bathroom facilities, or shared entry foyers.
- In addition, your store must 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.
- Similarly, your store must have a rear or side entrance that can serve as an emergency exit or for the delivery of merchandise.
- Finally, your store must have a bathroom that complies with Title III of the Americans with Disabilities Act As Amended.



## Who Can I Buy Alcoholic Beverages From?

Your Package Store Permit authorizes you to purchase distilled spirits and wines from the following permit holders:

- Wholesaler's Permit (W) (Distilled Spirits & Wine)
- General Class B Wholesaler's Permit (X) (Wine only)
- Winery Permit (G)

Distilled spirits and wine purchases are subject to “credit law”. For more information, see TABC’s **Cash and Credit Law Module**.

Your Package Store Permit authorizes you to purchase malt beverages from the following license holders:

- General (BB) and Branch Distributors (BC)
- Brewers License (BW) with a Self-Distribution License (SD)
- Brewpub License (BP) with a Wine and Malt Beverage Retailer’s Permit (BG)

Malt beverage purchases are subject to “cash law”. For more information, see TABC’s **Cash and Credit Law Module**.



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## When Can I Be Open to the Public?

### Hours of Sale

Your Package Store Permit allows you to be open and sell alcoholic beverages to members of the public only during the following hours:

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

You may not be open or sell alcoholic beverages on Thanksgiving Day, Christmas Day, or New Year's Day. If Christmas Day and New Year's Day fall on a Sunday, you must also close the following Monday.

### What About Sales to Customers at Closing?

If a customer entered your store before 9:00 p.m., you may let the customer remain in the store for a reasonable amount of time to finish shopping and make their purchases.



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## Can Product Be Exchanged or Refunded?

You cannot receive a refund or credit for alcoholic beverages purchased. Alcoholic beverages may be replaced/exchanged with the same or similar product, provided that one of the following circumstances applies:

- Product was damaged upon or prior to delivery by the wholesaler or distributor.
- Product was unfit for consumption upon delivery to the retailer.
- Upon request by the manufacturer of the product, TABC may determine that a consumer safety issue occurred during the product's manufacturing process and authorize it be removed from the market.
- Malt beverages that have not expired (expiration date) may be exchanged with the supplier for identical brands, quantity and size up to 25 cases at a time.

### What About Damaged Products?

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



## What Can I do With My Local Distributor's Permit?

The Local Distributor's Permit (LP) allows you to sell alcoholic beverages to bars and restaurants. It is known as a subordinate permit and can only be issued to a business that holds a Package Store Permit. As the holder of a LP Permit, you are authorized to sell alcoholic beverages to:

- Holders of Mixed Beverage (MB) and Mixed Beverage with Food and Beverage (FB) Certificate,
- Holders of Private Club Registration permits (N/NE/NB), and
- Nonprofit Temporary Event permits (NT)

These types of permits may *only* purchase distilled spirits from packages stores that hold a Local Distributor's Permit.





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## What Are Identification Stamps?

TABC requires that all distilled spirits have a TABC identification stamp affixed to each bottle sold to an on-premise permit holder who is authorized to sell mixed beverages.

TABC issues identification stamps to Local Distributors free of charge. An instructional presentation is also provided for download through the TABC [Tax ID Stamps](#) webpage.

All Local Distributor permit holders can now place online orders through an external third-party [online ordering system](#) for identification stamps.

All orders are individually reviewed by the Commission for compliance before approval and shipping. For initial logon instructions please contact [dstamps@tabc.texas.gov](mailto:dstamps@tabc.texas.gov) or call (512) 206-3341.



## What Are My Stamp Recordkeeping Requirements?

In order to ensure that all distilled spirits sold at a bar or restaurant have been validly purchased, you must prepare a stamp transaction record. This includes making these entries each date you sell distilled spirits using your LP Permit:

- 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.



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## Identification 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.

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. Failure to account for each stamp is a violation of the Alcoholic Beverage Code and Rule and can subject your business to administrative penalties.



## Can My Package Store Conduct Product Tastings?

Yes. You are authorized to conduct product tastings at your package store during regular business hours. You are not allowed to charge a customer for a sample. You must have previously purchased the products to be used in the tastings from the appropriate seller:

- Malt beverages must be purchased from a licensed distributor, brewery, or brewpub authorized to sell directly to the retail level.
- Distilled spirits and wine must be purchased from a licensed wholesaler.

You must post a written notification of the tasting at least 48 hours prior to the event and keep a record of the notification. The notification must include:

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

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



## Are There Limits to What Samples I Can Offer?

Yes. You cannot offer more than 20 different products for tasting at any one time.

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

- 1/2 oz. of distilled spirits;
- 1 oz. of wine; and
- 1 oz. of malt beverages.

During the tasting:

- No more than two 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.

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.



## Who Can Dispense Samples?

You and your employees can dispense and participate in the sampling event. You are responsible for ensuring that minors and intoxicated persons are not served samples.

In addition, employees and representatives of certain other businesses can participate in the sampling:

- Distiller's and Rectifier's permit (D),
- Nonresident Seller's permit (S), and
- Brewer's License (BW)

Their employees and representatives 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 under the following conditions:

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



## Can I Deliver Alcoholic Beverages?

A package store may deliver alcoholic beverages:

- Each vehicle used to deliver must be plainly marked and lettered identifying the vehicle as transporting alcoholic beverages.
- The identification letter/numbers must not be less than 1 ½ inches in height.

Deliveries using a Local Distributor's Permit:

- A package store with a Local Distributors permit (LP) may not deliver less than 2.4 gallons of distilled spirits in a single delivery to a mixed beverage or private club permit in a wet area.
- No deliveries can be made to Private Club Registration permits (N/NE/NB) in a dry area.
- Only within the same county as your package store.

Deliveries to Consumers:

- Deliveries may be made to consumers within the city limits, or 2-mile radius provided the delivered address is in a wet area for the type of alcohol product being delivered.



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# **When Can a Local Distributor Deliver Alcoholic Beverages?**

## **Hours of Delivery**

Your Local Distributor's Permit allows you to deliver alcoholic beverages to bars and restaurants members of the public only during the following hours:

- **5:00 a.m. to 9:00 p.m. Monday through Saturday**

You may not be open or sell alcoholic beverages on Thanksgiving Day, Christmas Day, or New Year's Day. If Christmas Day and New Year's Day fall on a Sunday, you must also close the following Monday.





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## What Else Do I Need to Know?

### Permit & Sign Posting

You must always display your permit 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

Except for the owner's minor children, package store employees must be at least 21 years old.

### Permit Renewal

Your permit is valid for two years from date of issuance. Your Local Distributor's Permit expires on the same date as your primary permit. It is your responsibility to renew your permit prior to expiration. You can apply for renewal starting at 30 days out from your permit's expiration date. TABC will send you notice of your renewal.

### TABC 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 inspect your entire premises for violation(s) of the Texas Alcoholic Beverage Code/Rules.

### No Minors Allowed

Persons younger than 21 years of age are not allowed to enter your package store unless accompanied by a parent, legal guardian, or spouse over the age of 21.



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## 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 sell or 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 purchasing alcohol 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.



## Safe Harbor Protection

### Safe Harbor

- Depending on the violation history of your permit, 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 regarding 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.



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## **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.



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## What Other Modules Should I Take?

You've now completed the Know Your Role module. Please proceed to the following modules for additional guidance for your permit.

- **Cash and Credit Law Module** – What is cash and credit law?
- **Marketing Practices Module** – What marketing promotions and advertisements are allowed?



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**Questions?**

**Please contact your local TABC office.**

[tabc.texas.gov/contact-us/](http://tabc.texas.gov/contact-us/)