



TABC

Distiller's and Rectifier's Permit (D)

Know Your Role As A

Distiller



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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?

- You can manufacture hard liquor (“distilled spirits”) through the distillation process.
- You can also rectify distilled spirits. This process changes a liquor’s character by redistilling with a new ingredient. Think about how adding lemon product to a vodka changes it into limoncello.
- Distilled spirits can be bought and sold between distilleries and transported from the seller’s location to the purchaser’s distillery. **But** you can only use the purchased spirits to do further distillation or rectification — you can’t just buy someone else’s liquor and call it your own.
- Once you’ve finished the liquor, you can bottle, label, package and then sell it to an in-state or out-of-state wholesaler.
- You can store distilled spirits either at a public warehouse that holds a Bonded Warehouse Permit (J/JD) with TABC, or at a private warehouse you own or lease within the same county as your facility.



What Can I Do With My Permit?

Tasting Rooms

Distilleries can serve drinks or give samples to customers only using distilled spirits made by the distiller at the facility. Collectively, you can sell up to 3,000 gallons annually at your tasting room.

To-Go Sales

You can sell a limited number of bottles to go (**except on Sundays**) of up to 3,500 gallons annually. A customer can buy up to two 750ml bottles of liquor made by your facility within a 30-day period. You're responsible for keeping records of each customer's purchase to ensure compliance with this limit.

Tours

You can offer tours of the facility, either for a fee or for free.

For more information on allowable activities, see all applicable [TABC Marketing Practices Advisories](#).



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When Can I Be Open to the Public?

Hours of Sale

You can sell beverages to the public to consume at the licensed premise during these hours:

- **Monday-Saturday: 7 a.m. to midnight (or 1 a.m. Sundays)**
- **Sunday: 10 a.m. to noon (with food service only)**
- **Sunday: Noon to midnight**

For bottle to-go sales, the hours will be the same as a Package Store Permit (P) holder:

- **10 a.m. to 9 p.m. Monday-Saturday (except on Thanksgiving Day, Christmas Day or New Year's Day)**

You can only have on-premise sales on Sundays. To-go sales are not allowed on Sundays.



Product Registration

- When you're ready to sell your product in Texas, you **first need to apply for and receive federal approval from the Alcohol Tobacco Tax and Trade Bureau (TTB)** to get a federal Certificate of Label Approval (COLA).
- **If your product isn't eligible for a TTB COLA, you'll need to provide a copy of the product's TTB formulation with your TABC product registration application.**
 - Products not eligible to receive a TTB COLA are those that don't meet the TTB's definition of a malt beverage through formulation or wine under 7% alcohol by volume.
- Now you can register your product with TABC. Once you've received your license from us, you can submit your product registration information along with your TTB COLA or formulation and make payment through our **Alcohol Industry Management System (AIMS)**. Application fee: \$25
- TABC typically approves a completed product registration application within 30 days of submission.
- You typically only register your product with TABC once. However, certain changes to a label will require a new TTB COLA, which means you'll need to re-register with TABC. See a list of product changes that do **not** require a new TTB COLA [here](#).



Regional Forwarding Center (FC)

Holders of a license or permit in the manufacturing tier, may use a regional forwarding center to temporarily hold and transport product either into or within Texas at a storage facility after applying and paying for an FC.

Certain conditions apply:

- The center must be in an area that allows for the sale of your product.
- The center may be operated by a third party acting as your agent for shipping purposes, so long as that third party has no connection to the distribution or retail tiers.
- No sales can be made from the center. All sales must be done at your facility. No retailer may pick up product at the center — instead, the product must be delivered to the retailer.
- You must keep certain records, listed in TABC Rule §35.6.



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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.



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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.

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.



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 are 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.



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.



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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.



What Other Modules Do I Need to Take?

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

- **Excise Tax Module** – How do I file my excise tax report?
- **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/