



TABC

TEXAS ALCOHOLIC BEVERAGE COMMISSION

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MARKETING PRACTICES BULLETIN – MPB034

Possession of Alcoholic Beverages for Cooking Purposes

Dear Alcoholic Beverage Industry Members:

This bulletin is intended to announce certain amendments to the Texas Alcoholic Beverage Code with regard to possession of certain alcoholic beverages by permit holders for cooking purposes. The 81st Legislature has passed legislation to allow certain retailers to possess distilled spirits for cooking purposes by agency administrative rule.

This bulletin is intended to provide guidelines for possession of distilled spirits pending adoption of a rule.

Wine and Beer Retailer Permittees

House Bill 2237 amends §25.09 to allow for wine and beer on-premise retailers to possess alcoholic beverages in excess of 17 percent by volume, if it is used for cooking purposes only. The Commission has developed the following guidelines to ensure the beverages are stored and utilized in compliance with Texas law:

- Each alcoholic beverage used for cooking purposes in excess of 17% alc/vol must be labeled individually, "For Cooking Use Only."
- All alcoholic beverages in excess of 17% alc/vol should be stored separately from the alcoholic beverages utilized for consumer consumption.
- No alcoholic beverages in excess of 17% alc/vol designated for cooking purposes may be served or consumed in liquid form by staff or customers.
- All receipts for the purchase of these alcoholic beverages must be retained on the premises until bottles are empty and disposed of.

Mixed Beverage Permittees

House Bill 2237 amends §28.06 to allow for mixed beverage permit holders to possess "uninvoiced" alcoholic beverages for cooking purposes. The bill allows the holder to possess these beverages without requiring they be purchased from a local distributor (LP) or listed on an invoice with other product purchased for resale. The Commission has developed the following guidelines to ensure compliance and prevent the appearance of the violation of state law:

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- Alcoholic beverages used for cooking purposes may be purchased, tax stamped and invoiced by an LP or may be purchased at retail from a licensed retailer. Beverages purchased at retail without a tax stamp may not be served or sold in liquid form.
- Each alcoholic beverage used for cooking purposes must be labeled individually, "For Cooking Use Only."
- All alcoholic beverages used for cooking purposes should be stored separately from the alcoholic beverages utilized for consumer consumption.
- Alcoholic beverages used for cooking purposes without a TABC Liquor Tax Stamp may not be served or consumed in liquid form by staff or customers.
- All receipts for the purchase of these alcoholic beverages must be retained on the premises until bottles are empty and disposed of.

These guidelines are the opinion of the staff of the Commission, and it should be noted that any permittee/licensee may pursue a different opinion through administrative proceedings with the State Office of Administrative Hearings. The commission will continue to monitor this issue and make necessary regulatory changes as statutorily applicable. We hope this opinion will assist you in your endeavors. If you would like additional information or have questions regarding this bulletin, you may contact me in writing at P.O. Box 13127, Austin, TX 78711, by email at marketing.practices@tabc.state.tx.us, by phone at 512-206-3411 or by facsimile at 512-206-3349.

Sincerely,



Thomas Graham
Supervisor of Marketing Practices

cc: Alan Steen, Administrator
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