

ALCOHOLIC BEVERAGE CODE  
TITLE 3. LICENSES AND PERMITS  
SUBTITLE A. PERMITS  
CHAPTER 22. PACKAGE STORE PERMIT

Sec. 22.01. AUTHORIZED ACTIVITIES. The holder of a package store permit may:

(1) purchase liquor in this state from the holder of a winery, wholesaler's, class B wholesaler's, or wine bottler's permit;

(2) sell liquor in unbroken original containers on or from his licensed premises at retail to consumers for off-premises consumption only and not for the purpose of resale, except that if the permittee is a hotel, the permittee may deliver unbroken packages of liquor to bona fide guests of the hotel in their rooms for consumption in their rooms;

(3) sell malt and vinous liquors in original containers of not less than six ounces; and

(4) sell liquor to holders of airline beverage permits as provided in Section 34.05 of this code.

Acts 1977, 65th Leg., p. 419, ch. 194, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1979, 66th Leg., p. 2117, ch. 819, Sec. 6, eff. June 13, 1979.

Sec. 22.02. FEE. The annual state fee for a package store permit is \$500.

Acts 1977, 65th Leg., p. 420, ch. 194, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1983, 68th Leg., p. 1344, ch. 278, Sec. 11, eff. Sept. 1, 1983; Acts 1995, 74th Leg., ch. 480, Sec. 1, eff. Sept. 1, 1995.

Sec. 22.03. DELIVERIES TO CUSTOMERS. (a) The holder of a package store permit or wine only package store permit issued for a location within a city or town or within two miles of the corporate limits of a city or town, who also holds a local cartage permit, may make deliveries of and collections for alcoholic beverages off the premises in areas where the sale of the beverages is legal. The

permittee must travel by the most direct route and may make deliveries and collections only within the county or the city or town or within two miles of its corporate limits, and only in response to bona fide orders placed by the customer, either in person at the premises, in writing, by mail, or by telegraph or telephone. This section shall not be construed as preventing a holder of a package store permit or wine only package store permit from delivering alcoholic beverages to the holder of a carrier's permit for transportation to persons who have placed bona fide orders and who are located in an area that the holder of a package store permit or wine only package store permit, who also holds a local cartage permit, is authorized to directly deliver to under this section. The holder of a package store permit or wine only package store permit may also deliver alcoholic beverages to the holder of a carrier's permit for transportation outside of this state in response to bona fide orders placed by persons authorized to purchase the beverages.

(b) The holder of a package store permit who also holds a local cartage permit may transport alcoholic beverages to a commercial airline in a regional airport located all or partly in an adjoining county if the airport is governed by a board, commission, or authority, some of whose members reside in the county where the package store is located.

Acts 1977, 65th Leg., p. 420, ch. 194, Sec. 1, eff. Sept. 1, 1977.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 253 (S.B. [1229](#)), Sec. 1, eff. September 1, 2007.

Sec. 22.04. LIMITATION ON PACKAGE STORE INTERESTS. (a) No person may hold or have an interest, directly or indirectly, in more than five package stores or in their business or permit.

(b) For the purpose of this section:

(1) a person has an interest in any permit in which his spouse has an interest; and

(2) as to a corporate permittee, the stockholders, managers, officers, agents, servants, and employees of the corporation have an interest in the permit, business, and package

stores of the corporation.

(c) The limitations prescribed in this section do not apply to an original or renewal package store permit issued before May 1, 1949, and in effect on that date. The commission or administrator shall renew each permit of that type on proper application if the applicant is otherwise qualified. If a person who holds or has an interest in more than five package store permits under the authority of this subsection has one of the permits cancelled, voluntarily or for cause, he may not obtain an additional permit in lieu of the cancelled permit. No person who has more than five package store permits may place any of the permits in suspense with the commission.

(d) This section does not apply to the stockholders, managers, officers, agents, servants, or employees of a corporation operating hotels, with respect to package stores operated by the corporation in hotels.

Acts 1977, 65th Leg., p. 420, ch. 194, Sec. 1, eff. Sept. 1, 1977.

Sec. 22.05. CONSOLIDATION OF PERMITS. If one person or two or more persons related within the first degree of consanguinity have a majority of the ownership in two or more legal entities holding package store permits, they may consolidate the package store businesses into a single legal entity. That single legal entity may then be issued permits for all the package stores, notwithstanding any other provision of this code. After the consolidation, none of the permits may be transferred to another county.

Acts 1977, 65th Leg., p. 421, ch. 194, Sec. 1, eff. Sept. 1, 1977.

Sec. 22.06. PROHIBITED INTERESTS. (a) Except as otherwise provided in Section [102.05](#) of this code and in Subsection (b) of this section, no person who holds a package store permit or owns an interest in a package store may have a direct or indirect interest in any of the following:

(1) a manufacturer's, retail dealer's on-premise, or general, branch, or local distributor's license;

(2) a wine and beer retailer's, wine and beer

retailer's off-premise, or mixed beverage permit; or

(3) the business of any of the permits or licenses listed in Subdivisions (1) and (2) of this subsection.

(b) A package store permit and a retail dealer's off-premise license may be issued to the same person.

Acts 1977, 65th Leg., p. 421, ch. 194, Sec. 1, eff. Sept. 1, 1977.  
Amended by Acts 1979, 66th Leg., p. 347, ch. 158, Sec. 1, eff. Aug. 27, 1979; Acts 1979, 66th Leg., p. 1445, ch. 634, Sec. 3, eff. Aug. 27, 1979.

Sec. 22.07. VIOLATION WHEN LICENSE ALSO HELD. If a person holding a package store permit who also holds a retail dealer's off-premise license for the same location violates a provision of this code or a rule or regulation of the commission, the violation is a ground for the suspension or cancellation of both the package store permit and the retail dealer's off-premise license for the premises where the violation was committed.

Acts 1977, 65th Leg., p. 421, ch. 194, Sec. 1, eff. Sept. 1, 1977.

Sec. 22.08. TRANSFER OF BEVERAGES. The owner of more than one package store who is also the holder of a local cartage permit may transfer alcoholic beverages between any of his licensed premises in the same county between the hours of 7 a.m. and 9 p.m. on any day when the sale of those beverages is legal, subject to rules prescribed by the commission.

Acts 1977, 65th Leg., p. 421, ch. 194, Sec. 1, eff. Sept. 1, 1977.

Sec. 22.10. OPENING CONTAINERS PROHIBITED. Except as authorized under Section 52.01 of this code, no person may break or open a container containing liquor or beer or possess an opened container of liquor or beer on the premises of a package store.

Acts 1977, 65th Leg., p. 421, ch. 194, Sec. 1, eff. Sept. 1, 1977.  
Amended by Acts 1993, 73rd Leg., ch. 934, Sec. 28, eff. Sept. 1, 1993.

Sec. 22.11. CONSUMPTION ON PREMISES PROHIBITED. Except as authorized under Section 52.01, no person may sell, barter,

exchange, deliver, or give away any drink or drinks of alcoholic beverages from a container that has been opened or broken on the premises of a package store.

Acts 1977, 65th Leg., p. 422, ch. 194, Sec. 1, eff. Sept. 1, 1977.  
Amended by Acts 1993, 73rd Leg., ch. 934, Sec. 28, eff. Sept. 1, 1993.

Sec. 22.12. BREACH OF PEACE. The commission or administrator may suspend or cancel a package store permit after giving the permittee notice and the opportunity to show compliance with all requirements of law for the retention of the permit if it finds that a breach of the peace has occurred on the licensed premises or on premises under the control of the permittee and that the breach of the peace was not beyond the control of the permittee and resulted from his improper supervision of persons permitted to be on the licensed premises or on premises under his control.

Acts 1977, 65th Leg., p. 422, ch. 194, Sec. 1, eff. Sept. 1, 1977.

Sec. 22.13. AGE OF PACKAGE STORE EMPLOYEES. (a) A package store permittee may not knowingly utilize or employ any person under the age of 21 to work on the premises of a package store in any capacity or to deliver alcohol off the premises of a package store.

(b) This section shall not apply to a person who was under the age of 21 and employed by a package store on September 1, 1995.

(c) This section shall not apply to a person who is employed by the person's parent or legal guardian to work in a package store that is owned by the parent or legal guardian.

Added by Acts 1995, 74th Leg., ch. 480, Sec. 2, eff. Sept. 1, 1995.

Sec. 22.14. SEPARATE PREMISES REQUIRED. (a) The premises of a package store shall be completely separated from the premises of other businesses by a solid, opaque wall from floor to ceiling, without connecting doors, shared bathroom facilities, or shared entry foyers.

(b) The premises of a package store shall have a front door through which the public may enter which opens onto a street, parking lot, public sidewalk, or the public area of a mall or

shopping center.

(c) For all premises built or first occupied as a package store on or after September 1, 1995, the premises of a package store shall include:

(1) a rear or side entrance which opens onto a street, parking lot, public sidewalk, or the public area or common area of a mall or shopping center, which may be used for receipt and processing of merchandise but which shall in any event serve as an emergency exit from the premises; and

(2) a bathroom which complies with Title III of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. Section 12101 et seq.).

(d) Subsections (a), (b), and (c) shall not apply to a package store that qualifies for exemption under Section 11.50 or to a package store in a hotel that qualifies for exemption under Section 102.05.

(e) The holder of a package store permit may sell nonalcoholic products and may conduct other lawful business on the premises of a package store, but the premises must be closed to entry by the general public during all hours in which the sale of liquor by a package store is prohibited by law. For purposes of this subsection, "the general public" shall mean retail customers and shall not include vendors, service personnel, and other persons entering the premises for purposes other than the purchase of goods sold on the premises.

Added by Acts 1995, 74th Leg., ch. 480, Sec. 2, eff. Sept. 1, 1995.

Sec. 22.15. CONDUCTING SEPARATE BUSINESSES AS A COMMON OPERATION. (a) No package store permittee, except for permittees wholly owned by the same persons, may conduct business in a manner so as to directly or indirectly coordinate operations with another package store as if they shared common ownership. For purposes of this section, "coordinate operations as if they shared common ownership" includes engaging in any of the following practices:

(1) cooperatively setting prices or credit policies or allowing any third party to do so on their behalf;

(2) sharing advertising;

(3) utilizing the same trade name, trademark, or slogan as another package store in the same county;

(4) sharing or utilizing 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) transferring funds, merchandise, or equipment from one package store business to another;

(6) utilizing 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; and

(7) negotiating, or allowing a third party to negotiate, quantity discounts for alcoholic beverages to be purchased by the package store business utilizing the sales volume of another package store business to increase the discount.

(b) The prohibition set forth in Subsection (a)(3) regarding trade names, trademarks, and slogans shall not prevent any package store business from utilizing a trade name, trademark, or slogan which the business was using on September 1, 1995.

(c) Before the commission may renew a package store permit, an individual who is an owner or officer of the permittee must file with the commission a sworn affidavit stating that the permittee fully complies with the requirements of this section.

(d) Any package store permittee who is injured in his business or property by another package store permittee by reason of anything prohibited in this section may institute suit in any district court in the county where the violation is alleged to have occurred to require enforcement by injunctive procedures and to recover triple damages plus costs of suit including reasonable attorney's fees.

Added by Acts 1995, 74th Leg., ch. 480, Sec. 2, eff. Sept. 1, 1995.

#### Sec. 22.16. OWNERSHIP BY PUBLIC CORPORATIONS PROHIBITED.

(a) A package store permit may not be owned or held by a public corporation, or by any entity which is directly or indirectly owned

or controlled, in whole or in part, by a public corporation, or by any entity which would hold the package store permit for the benefit of a public corporation.

(b) For purposes of this section, a public corporation means:

(1) any corporation or other legal entity whose shares or other evidence of ownership are listed on a public stock exchange; or

(2) any corporation or other legal entity in which more than 35 persons hold an ownership interest in the entity.

(c) Before the commission may renew a package store permit, an individual who is an owner or officer of the permittee must file with the commission a sworn affidavit stating that the permittee fully complies with the requirements of this section.

(d) This section shall not apply to a package store located in a hotel.

(e) Any package store permittee who is injured in his business or property by another package store permittee or by any other person by reason of anything prohibited in this section may institute suit in any district court in the county where the violation is alleged to have occurred to require enforcement by injunctive procedures and to recover triple damages plus costs of suit including reasonable attorney's fees.

(f) This section shall not apply to a corporation:

(1) which was a public corporation as defined by this section on April 28, 1995; and

(2) which holds a package store permit on April 28, 1995, or which has an application pending for a package store permit on April 28, 1995; and

(3) which has provided to the commission on or before December 31, 1995, a sworn affidavit stating that such corporation satisfies the requirements of Subdivisions (1) and (2).

Added by Acts 1995, 74th Leg., ch. 480, Sec. 2, eff. Sept. 1, 1995.

Sec. 22.17. SALE TO CUSTOMER IN STORE AT CLOSING. Notwithstanding any other provision of this code, if a customer has entered a package store during hours in which the



package store may sell alcohol and is still in the store at the time the hours of legal sale end, the permittee may allow the customer to remain in the store for a reasonable amount of time to finish shopping, and the permittee may sell an alcoholic beverage to that customer even though the sale occurs after the designated end of the hours of legal sale.

Added by Acts 2015, 84th Leg., R.S., Ch. 1009 (H.B. [824](#)), Sec. 1, eff. June 19, 2015.