

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, or class B wholesaler's permit;

(2) purchase malt beverages in this state from the holder of a general or branch distributor's license;

(3) sell liquor and malt beverages in unbroken original containers on or from the holder's 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 and malt beverages to bona fide guests of the hotel in their rooms for consumption in their rooms;

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

(5) sell liquor to holders of passenger transportation permits as provided in Section [48.03](#).

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.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. [1545](#)), Sec. 80, eff. September 1, 2021.

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 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 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 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.

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. [1545](#)), Sec. 81, eff. September 1, 2021.

Sec. 22.04. LIMITATION ON PACKAGE STORE INTERESTS. (a) A person may not hold or have an interest, directly or indirectly, in more than 250 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) Except as provided by Section [22.041](#), the commission may not issue more than 15 original package store permits to a person in

a calendar year.

(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.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 82, eff. September 1, 2019.

Sec. 22.041. ACQUISITION OF EXISTING PACKAGE STORE BUSINESS. (a) The commission may issue an original package store permit to a person for an existing package store business if:

(1) the person acquired by purchase or otherwise the existing package store business; and

(2) the existing package store business has been operating in the same county for more than one year before the date the person acquired the package store business.

(b) A package store permit issued under this section is not subject to the permit limit under Section 22.04(c).

Added by Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 83, eff. September 1, 2019.

Sec. 22.05. TRANSFER OF PERMITS. The holder of a package store permit may not transfer the permit to another county.

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

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 84, eff. September 1, 2019.

Sec. 22.06. PROHIBITED INTERESTS. (a) Except as otherwise provided in Section 102.05, 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 brewer's, retail dealer's on-premise, or general or branch distributor's license;

(2) a wine and malt beverage retailer's, wine and malt

beverage 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) Repealed by Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 410(a)(6), eff. September 1, 2021.

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.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 85, eff. September 1, 2021.

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 410(a)(6), eff. September 1, 2021.

Sec. 22.08. TRANSFER OF BEVERAGES. (a) The owner of more than one package store may transfer alcoholic beverages between any of the owner's 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.

(b) The holder of a package store permit may not transport alcoholic beverages under Subsection (a) unless:

(1) the permit holder provides the commission with a description, as required by the commission, of each motor vehicle used by the permit holder to transport alcoholic beverages; and

(2) each motor vehicle is plainly marked or lettered to indicate that it is being used by the permit holder to transport alcoholic beverages.

(c) When transporting alcoholic beverages under this section, the holder of a package store permit may not violate the motor carrier laws of this state.

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

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 86, eff. September 1, 2021.

Sec. 22.10. OPENING CONTAINERS PROHIBITED. Except as

authorized under Section 14.07, 22.18, or 37.01(d), a person may not break or open a container containing liquor or a malt beverage or possess an opened container of liquor or a malt beverage on the premises of a package store.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 87, eff. September 1, 2021.

Sec. 22.11. CONSUMPTION ON PREMISES PROHIBITED. Except as authorized under Section 14.07, 22.18, or 37.01(d), a person may not 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.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 88, eff. September 1, 2021.

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.

Sec. 22.18. TASTINGS. (a) The holder of a package store permit may conduct product tastings of distilled spirits, wine, malt beverages, or spirit-based coolers on the permitted premises during regular business hours as provided by this section.

(b) Written notification of a product tasting must be posted on the premises of the package store permit holder not later than 48 hours before the tasting event. The notification shall clearly state:

(1) the type and brand of alcoholic beverage to be tasted;

(2) the date and hours the tasting is to take place; and

(3) the address of the premises where the tasting is to occur.

(c) A copy of the notification shall be kept on file and available for inspection on the premises during all tasting hours.

(d) Sample portions at a product tasting shall be limited to not more than:

- (1) one-half ounce for distilled spirits;
- (2) one ounce for wine; and
- (3) one ounce for malt beverages and coolers.

(e) Not more than 20 different products may be made available for tasting at any one time.

(f) No charge of any sort may be made for a sample serving.

(g) A person may be served more than one sample. Samples may not be served to a minor or to an obviously intoxicated person. A sample may not be removed from the permitted premises.

(h) During the tasting, not more than two containers of each brand or type of product being tasted may be open on the premises at one time.

(i) At the conclusion of the tasting, all empty or open containers of alcoholic beverages used in the tasting shall be removed from the premises or stored in a locked, secure area on the permitted premises.

(j) A tasting event authorized by this section may not be advertised except by on-site communications, by direct mail, by electronic mail, or on the permit holder's Internet website.

(k) Except as provided by Subsection (l) or elsewhere in this code, a person other than the package store permittee or the permittee's agent or employee may not dispense or participate in the dispensing of alcoholic beverages under this section.

(l) The holder of a distiller's or rectifier's permit or nonresident seller's permit or that permit holder's agent or employee may participate in and conduct product tastings of alcoholic beverages at a retailer's premises and may open, touch, or pour alcoholic beverages, make a presentation, or answer questions at the tasting. Any alcoholic beverage tasted under this subsection must be purchased from the package store permit holder on whose premises the tasting is held. The permit holder may not require the purchase of more alcoholic beverages than are necessary for the tasting. This section does not authorize the holder of a distiller's or rectifier's permit or nonresident seller's permit or that permit holder's agent or employee to withdraw or purchase an alcoholic beverage from the holder of a wholesaler's permit or provide an alcoholic beverage for tasting on a retailer's premises

that is not purchased from the retailer.

(m) For the purposes of this code and any other law or ordinance:

(1) a package store permit does not authorize the sale of alcoholic beverages for on-premise consumption; and

(2) none of the permit holder's income may be considered to be income from the sale of alcoholic beverages for on-premise consumption.

Added by Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. [1545](#)), Sec. 89, eff. September 1, 2021.