

ALCOHOLIC BEVERAGE CODE

TITLE 3. LICENSES AND PERMITS

SUBTITLE A. PERMITS

Text of chapter effective on September 1, 2021

CHAPTER 48. PASSENGER TRANSPORTATION PERMIT

Sec. 48.01. AUTHORIZED ACTIVITIES. A passenger transportation permit authorizes the permit holder to sell or serve the types of alcoholic beverages specifically authorized by this chapter.

Added by Acts 1985, 69th Leg., ch. 540, Sec. 2, eff. June 12, 1985.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 230 (H.B. 2196), Sec. 1, eff. September 1, 2019.

Reenacted by Acts 2021, 87th Leg., R.S., Ch. 915 (H.B. 3607), Sec. 2.001(a), eff. September 1, 2021.

Sec. 48.02. PERMIT FOR EXCURSION BOAT. (a) A passenger transportation permit may be issued for:

(1) a regularly scheduled excursion boat which is licensed by the United States Coast Guard to carry passengers on the navigable waters of the state if the boat:

- (A) carries at least 45 passengers;
- (B) weighs at least 35 gross tons; and
- (C) is at least 55 feet long; or

(2) a boat that:

- (A) carries at least 350 passengers;
- (B) weighs at least 90 gross tons; and
- (C) is at least 80 feet long.

(b) The holder of a passenger transportation permit issued under Subsection (a)(1) may sell the same alcoholic beverages as the holder of a mixed beverage permit if:

(1) the home port of the boat is in an area where the sale of mixed beverages is legal or the boat is regularly used for voyages in international waters as provided by Subsection (h); and

(2) the owner or operator of the boat is the sole permit holder for the boat.

(c) The holder of a passenger transportation permit issued under Subsection (a)(1) may sell the same alcoholic beverages as the holder of a wine and malt beverage retailer's permit if the home port of the boat is in an area where the sale of malt beverages and wine is legal.

(d) The holder of a passenger transportation permit issued under Subsection (a)(2) may sell the same alcoholic beverages as the holder of a mixed beverage permit if:

(1) the home port of the boat is in an area where the sale of mixed beverages is legal; or

(2) the boat is regularly used for voyages in international waters as provided by Subsection (h).

(e) A passenger transportation permit issued under this section is inoperative in a dry area.

(f) For purposes of Section 11.38, the home port of the boat is treated as the location of the permitted premises.

(g) The provisions of Section 109.53 that relate to residency requirements and compliance with Texas laws of incorporation do not apply to the holder of a passenger transportation permit under this section.

(h) A passenger transportation permit may be issued under this section to a boat regularly used for voyages in international waters regardless of whether the sale of mixed beverages is lawful in the area of the home port. A person having authority to deliver alcoholic beverages to a passenger transportation permit holder in the county where the permitted premises is located may deliver alcoholic beverages purchased by the permit holder.

Added by Acts 1985, 69th Leg., ch. 540, Sec. 2, eff. June 12, 1985.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 149, eff. September 1, 2021.

Sec. 48.03. PERMIT FOR AIRLINE. (a) A passenger transportation permit may be issued to any corporation operating a commercial airline in or through the state.

(b) The holder of a passenger transportation permit issued under this section may:

(1) sell or serve alcoholic beverages in or from any size container on a commercial passenger airplane operated in compliance with a valid license, permit, or certificate issued under the authority of the United States or of this state, even though the plane, in the course of its flight, may cross an area in which the sale of alcoholic beverages is prohibited; and

(2) store alcoholic beverages in sealed containers of any size at any airport regularly served by the permittee, in accordance with rules and regulations promulgated by the commission.

(c) Only the holder of a package store permit may sell liquor to the holder of a passenger transportation permit issued under this section. For the purposes of this code, a sale of liquor to a holder of a passenger transportation permit shall be considered as a sale at retail to a consumer.

(d) The holder of a package store permit may sell liquor in any size container authorized by Section 101.46 to holders of a passenger transportation permit issued under this section, and may purchase liquor in any size container for resale from the holders of a wholesaler's permit. A holder of a wholesaler's permit may import, sell, offer for sale, or possess for resale to package store permittees to resell to holders of a passenger transportation permit liquor in any authorized size containers.

(e) The preparation and service of alcoholic beverages by the holder of a passenger transportation permit issued under this section is exempt from a tax imposed by this code and from the tax imposed by Chapter 151, Tax Code.

(f) Section 109.53 does not apply to a passenger transportation permit issued under this section.

Added by Acts 1985, 69th Leg., ch. 540, Sec. 2, eff. June 12, 1985.
Amended by Acts 1986, 69th Leg., 3rd C.S., ch. 1, Sec. 1, eff. Sept. 24, 1986; Acts 1989, 71st Leg., ch. 1104, Sec. 3, eff. June 16, 1989; Acts 1997, 75th Leg., ch. 165, Sec. 30.171, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 3.001, eff. September 1, 2011.

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 149, eff. September 1, 2021.

Sec. 48.04. PERMIT FOR PASSENGER TRAIN. (a) A passenger transportation permit may be issued to any corporation organized under the Business Organizations Code or former Title 112, Revised Statutes, or under the Rail Passenger Service Act of 1970, as amended (45 U.S.C.A. Section 501 et seq.), operating a commercial passenger train service in or through the state.

(b) The holder of a passenger transportation permit issued under this section may sell or serve alcoholic beverages in or from any size container on a passenger train even though the train, in the course of its travel, may cross an area in which the sale of alcoholic beverages is prohibited.

(c) The preparation and service of alcoholic beverages by the holder of a passenger transportation permit issued under this section is exempt from a tax imposed by this code and from the tax imposed by Chapter 151, Tax Code.

(d) Section 109.53 does not apply to a passenger transportation permit issued under this section.

(e) This subsection applies only to a passenger train operated by or on behalf of the Texas State Railroad Authority. An alcoholic beverage purchased by a consumer on a passenger train for present consumption may be removed from the train for consumption on property that is part of a public entertainment facility owned or leased by the Texas State Railroad Authority. An alcoholic beverage in an open container purchased by a consumer on property that is part of a public entertainment facility owned or leased by the Texas State Railroad Authority may be consumed on a passenger train.

Added by Acts 1985, 69th Leg., ch. 540, Sec. 2, eff. June 12, 1985.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 10.02, eff. September 28, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 431 (S.B. 559), Sec. 1(2), eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1255 (H.B. 1905), Sec. 2, eff.

September 1, 2015.

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. [1545](#)), Sec. 149, eff. September 1, 2021.

Acts 2021, 87th Leg., R.S., Ch. 915 (H.B. [3607](#)), Sec. 2.001(b), eff. September 1, 2021.

Sec. 48.05. PERMIT FOR PASSENGER BUS. (a) A passenger transportation permit may be issued to any corporation operating a commercial passenger bus service in or through the state using a passenger bus that:

(1) is designed and used for the regularly scheduled intercity transportation of passengers for compensation;

(2) is characterized by integral construction with:

(A) an elevated passenger deck over a baggage compartment;

(B) a passenger seating capacity of at least 16 and not more than 36; and

(C) a separate galley area;

(3) is at least 35 feet in length; and

(4) while transporting passengers for compensation, also transports an attendant who:

(A) is not the operator of the bus; and

(B) has attended a commission-approved seller training program.

(b) The holder of a passenger transportation permit issued under this section may:

(1) sell or serve alcoholic beverages in or from any size container on a passenger bus even though the bus, in the course of its drive, may cross an area in which the sale of alcoholic beverages is prohibited; and

(2) store alcoholic beverages at the permitted location.

(c) The preparation and service of alcoholic beverages by the holder of a passenger transportation permit issued under this section is exempt from a tax imposed by this code and from the tax imposed by Chapter [151](#), Tax Code.

(d) Section [109.53](#) does not apply to a passenger

transportation permit issued under this section.

(e) Only a holder of a wholesale permit may sell liquor to the holder of a passenger transportation permit issued under this section. A sale of liquor to the holder of a passenger transportation permit issued under this section shall be considered as a sale at retail to a consumer.

Added by Acts 1985, 69th Leg., ch. 540, Sec. 2, eff. June 12, 1985.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. [1545](#)), Sec. 149, eff. September 1, 2021.