ALCOHOLIC BEVERAGE CODE

TITLE 3. LICENSES AND PERMITS

SUBTITLE B. LICENSES

CHAPTER 64. GENERAL DISTRIBUTOR'S LICENSE

Sec. 64.01. AUTHORIZED ACTIVITIES. (a) The holder of a general distributor's license may:

- (1) receive malt beverages in unbroken original packages from brewers and brewpubs and from general or branch distributors;
- original packages in which they are received to general or branch distributors, to local distributor permittees, to permittees or licensees authorized to sell to ultimate consumers, to private club registration permittees, to authorized outlets located on any installation of the national military establishment, or to qualified persons for shipment and consumption outside the state; and
- (3) serve free malt beverages for consumption on the licensed premises.
- (b) All sales made under the authority of this section except sales to general, local, or branch distributor's licensees must be made in accordance with Sections 61.73 and 102.31 of this code.

Acts 1977, 65th Leg., p. 477, ch. 194, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1979, 66th Leg., p. 53, ch. 33, Sec. 3, eff. Aug. 27, 1979.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 750 (S.B. 515), Sec. 3, eff. June 14, 2013.

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 230, eff. September 1, 2021.

Sec. 64.03. SALE OF MALT BEVERAGES TO PRIVATE CLUBS. The holder of a general distributor's license may sell and deliver malt beverages to private clubs located in wet areas without having to secure a prior order. All sales made under the authority of this

section must be made in accordance with Sections 61.73 and 102.31.

Acts 1977, 65th Leg., p. 477, ch. 194, Sec. 1, eff. Sept. 1, 1977.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 231, eff. September 1, 2021.

- Sec. 64.04. RECORDS. (a) Each holder of a general or branch distributor's license shall make and keep a daily record of every receipt of malt beverages and of every sale of malt beverages, including the name of each purchaser. Each transaction shall be recorded on the day it occurs. The licensee shall make and keep any other records that the commission or administrator requires.
- (b) All required records shall be kept available for inspection by the commission or its authorized representative during reasonable office hours for at least two years.
- (c) The failure to make or keep a record as required by this section, the making of a false entry in the record, or the failure to make an entry as required by this section is a violation of this code

Acts 1977, 65th Leg., p. 478, ch. 194, Sec. 1, eff. Sept. 1, 1977. Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 232, eff. September 1, 2021.

Sec. 64.05. PERSONS INELIGIBLE FOR LICENSE. A general distributor's license may not be issued to a person who is the holder of a package store permit or a wine only package store permit.

Acts 1977, 65th Leg., p. 478, ch. 194, Sec. 1, eff. Sept. 1, 1977.

Sec. 64.06. WAREHOUSES; DELIVERY TRUCKS. Section 62.08 of this code applies to the use of warehouses and delivery trucks by general distributor's licensees.

Acts 1977, 65th Leg., p. 478, ch. 194, Sec. 1, eff. Sept. 1, 1977.

Sec. 64.07. MAY SHARE PREMISES. (a) Any number of general and branch distributors may use the same delivery vehicles,

premises, location, or place of business as licensed premises if the malt beverages owned and stored by each of the distributors are segregated.

- (b) If delivery vehicles are shared by any number of distributors who also hold any class of wholesaler's permits, liquor or malt beverages may be transported.
- (c) The provisions of Subsections (a) and (b) that relate to shared delivery vehicles apply only to those general or branch distributors who hold a territorial designation from a brewer under Section 102.51.

Acts 1977, 65th Leg., p. 478, ch. 194, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1987, 70th Leg., ch. 359, Sec. 3, eff. Aug. 31, 1987.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 233, eff. September 1, 2021.

- Sec. 64.08. MALT BEVERAGES FOR USE IN FOOD PRODUCTS INDUSTRY. (a) The holder of a general distributor's license may sell malt beverages for use as an ingredient in the manufacturing and processing of food products.
- (b) The malt beverages must be sold in containers of not less than one-half barrel. The sale is subject to the requirements of Section 102.31. The seller shall keep records of shipments and sales of malt beverages in a manner prescribed by the commission or administrator.
- (c) A person may not resell malt beverages purchased under this section, divert the malt beverages to use for beverage purposes, possess the malt beverages with intent that the malt beverages be used for beverage purposes, or possess the malt beverages under circumstances from which it may reasonably be deduced that the malt beverages are to be used for beverage purposes.
- (d) Taxes imposed by this code do not apply to malt beverages sold under this section.

Added by Acts 1991, 72nd Leg., ch. 348, Sec. 1, eff. Aug. 26, 1991. Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 234(a), eff. September 1, 2019.

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 234(b), eff. September 1, 2021.

Sec. 64.09. MALT BEVERAGES FOR EXPORT. (a) In this section "malt beverages for export" means malt beverages a distributor holds for export to another state in which the distributor has been assigned a territory for the distribution and sale of the malt beverages. The term includes malt beverages that are illegal to sell in this state because of alcohol content, containers, packages, or labels.

- (b) The holder of a general distributor's license who receives malt beverages for export from the holder of a brewer's or nonresident brewer's license may:
- (1) store the malt beverages for export at the distributor's premises;
- (2) transport the malt beverages for export outside the state in the distributor's own vehicles; or
- (3) deliver the malt beverages for export to a common carrier for export and delivery outside the state.
- (c) The holder of a general distributor's license is not liable for any state tax on the malt beverages for export.
- (d) Section 101.67 does not apply to malt beverages for export.

Added by Acts 2003, 78th Leg., ch. 489, Sec. 4, eff. Sept. 1, 2003. Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 235, eff. September 1, 2021.

- Sec. 64.10. IMPORTING MALT BEVERAGES. (a) In this section, "importer" means a person who imports malt beverages into the state in quantities in excess of 288 fluid ounces in any one day.
- (b) The holder of a general distributor's license may import malt beverages into this state only from the holder of a nonresident brewer's license and may transport those beverages into this state

only:

- (1) in a motor vehicle that is:
- (A) owned or leased in good faith by the license holder; and
- (B) printed or painted with the designation required by the commission; or
- (2) by a railway carrier or by a motor carrier registered under Chapter 643, Transportation Code, or with the Federal Motor Carrier Safety Administration.
- (c) The holder of a general distributor's license transporting malt beverages under Subsection (b)(1) shall provide to the commission:
- (1) a full description of each motor vehicle used by the license holder for transporting malt beverages; and
 - (2) any other information the commission requires.
- (d) A carrier transporting malt beverages as authorized by Subsection (b)(2) must hold a carrier permit issued under Chapter 41 and the provisions of Chapter 41 relating to the transportation of liquor apply to the transportation of the malt beverages. A carrier may not transport malt beverages into the state unless it is consigned to an importer.

Added by Acts 2019, 86th Leg., R.S., Ch. 1359 (H.B. 1545), Sec. 236, eff. September 1, 2021.