



TABC

Mixed Beverage Permit (MB)

Know Your Role As A

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TABC wants your business to prosper. One part of your success is understanding how Texas law affects your business. We've designed this course to provide the basics of what you can and can't do with your business. This is a summary of your responsibilities and isn't meant to be an exhaustive list. Please see the [Alcoholic Beverage Code](#) (Code), [TABC Administrative Rules](#) (Rules) and our [Marketing Practices Advisories](#) for more details.



What Can I Do With My Permit?

The Basics

- Purchase malt beverages, wine, and distilled spirits from certain types of businesses.
- Sell those alcoholic beverages for customers to enjoy at your bar or restaurant.
- If you're a restaurant (we define that below), sell for to-go and delivery alcoholic beverages to customers under certain conditions.
- Hold temporary events at locations other than your bar or restaurant under certain conditions.

Am I A Bar or A Restaurant?

The line between bar vs. restaurant can become blurry. Under the Alcoholic Beverage Code, an establishment is a restaurant if it:

- (A) Operates its own permanent food service facility with commercial cooking equipment on its premises;
and
- (B) Prepares and offers to sell multiple entrees for consumption on or off the premises.

Why does it matter? In certain parts of the state only a restaurant can be eligible for a Mixed Beverage Permit.



Who Can I Buy Wine and Malt Beverages From?

You can only purchase certain types of alcohol from different types of businesses. First, you cannot buy alcohol from retailers like grocery stores or corner stores. That is strictly forbidden and could result in significant fines and penalties. Here are the types of businesses you can buy from:

Malt Beverages can be purchased from businesses that hold these licenses:

- General (BB) and Branch Distributors (BC)
- Brewer's Self-Distribution License (SD)
- Package Store Permit (P) with a Local Distributor's Permit (LP)

Malt beverage purchases are subject to "cash law". For more information, see TABC's **Cash and Credit Law Module**.

Wine can be purchased from businesses that hold these permits:

- Winery Permit (G)
- Wholesaler's Permit (W) and General Class B Wholesaler's Permit (X)
- Package Store Permit (P) with a Local Distributor's Permit (LP)

Wine purchases are subject to "credit law." For more information, see TABC's **Cash and Credit Law Module**.

Distilled Spirits – see the next slide



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Mixed Beverage Permit (MB)

How Are Distilled Spirits Different?

Texas law treats distilled spirits differently than malt beverages and wine, and you need to be familiar with these differences. Refer to Chapters 28 and 201 for more details.

Purchasing Distilled Spirits From Local Distributors

Your Mixed Beverage Permit limits distilled spirits purchases to Package Stores (P) in your county that hold a Local Distributor's Permit (LP). You cannot purchase distilled spirits from a wholesaler, distillery, or a package store that does not hold a Local Distributor's Permit. That is strictly forbidden and could result in significant fines and penalties.

Identification Stamps

Package Stores that hold a Local Distributor's Permit places a TABC Identification Stamp on each container of distilled spirits sold to you. Your bar or restaurant must follow these requirements:

- You may not possess or allow at your business any bottles of distilled spirits that do not have an official identification stamp on them.
- You or your employees must destroy the identification stamp immediately after finishing the bottle by scratching through it enough to make it illegible. It is not sufficient to simply mark through the stamp with ink, dye, or a writing instrument.

Distilled spirit purchases are subject to "credit law." For more information, see TABC's **Cash and Credit Law Module**.



When Can I Be Open to the Public?

Regular Hours of Sale and Consumption

The Mixed Beverage Permit allows you to sell alcohol during these hours:

- **Monday through Friday: 7:00 A.M. to 12:00 Midnight**
- **Saturday: 7:00 A.M. to Sunday 1:00 A.M.**
- **Sunday: 10:00 A.M. to 12:00 P.M. with food service, and until 12:00 A.M. otherwise.**

What About After Midnight?

Your business can stay open until 2:00 A.M. every day if allowed by your local jurisdiction. If you wish to remain open during these late hours, you need to apply for a Late Hours Certificate (LH) from TABC.

What Can I Do After Closing Time?

You cannot serve or consume any alcoholic beverage 15 minutes after closing. You are responsible for ensuring this is strictly followed. You and your staff are not required to leave your bar or restaurant and can stay to clean up or do office work.



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Mixed Beverage Permit (MB)

What Do I Need to Know About Bonds?

Conduct Surety Bond: \$5,000

A retailer who does not hold a Food and Beverage (FB) Certificate is required to file a \$5,000 conduct surety bond with TABC through a qualified surety company, a CD, or letter of credit. You risk forfeiting the surety bond if you violate TABC laws or rules. Here are more details on conduct surety bond forfeiture:

- If your permit is canceled by TABC, you forfeit the bond, and the surety company, bank, or credit union is obligated to pay TABC the \$5,000.
- If your business has been found to have committed three different violations of law or rule, you forfeit your bond.
- You have the right to request a hearing on the bond forfeiture within 30 days of receiving notice.

Under most circumstances, you are only required to post a conduct surety bond for the first three years of your business if you have not had any Code or rules violations.



What Are Other Rules I Need to Know?

Brand Substitution is Prohibited

You cannot pour a different brand from what the customer ordered without the customer's consent. This is not only a bad business practice, but also against the law. In fact, you can wind up in court in a lawsuit brought by the customer.

Bottle Refilling is Prohibited

Similarly, you cannot refill a distilled spirits bottle once it has been emptied. For example, if you finish a bottle of high-end vodka, you cannot then refill it with well vodka. This rule even applies if you refill with the same brand.

Chips and Flats

Alcoholic beverages damaged or determined to be unfit for human consumption while in the possession of the retailer, must be destroyed by the retailer and cannot be exchanged or returned to the seller for credit or refund.

Outdoor Advertising / Marketing Laws

You may not advertise any prices which may be seen from the street on any sign, billboard, marquee, or any display on or outside of the building.

For more information on allowable activities, see all applicable [TABC Marketing Practices Advisories](#).



What Are Other Rules I Need to Know?

Outside Alcohol

You may NOT let customers or employees bring alcoholic beverages into your premises. Only those alcoholic beverages invoiced to you can be brought into the premises.

Outgoing Alcohol

You can allow alcohol to leave your bar or restaurant only under certain limited circumstances:

- Customers can take an unfinished (or unopened) bottle of wine with them when they leave.
- If you are a restaurant, then customers can order alcohol to-go so long as it is with a food order.
- If you are a restaurant, then you can have alcohol delivered to a customer, either by your employees or by the holder of a Consumer Delivery Permit. See attached link for [delivery and to-go guidance](#).



What About Sales at Temporary Events?

- Notify or get TABC approval in advance depending on the type of event you're holding.
- For small private events, you must submit a File and Use Notification (FUN) form to TABC.
- For larger, public events, you must seek TABC approval using a Temporary Event Approval (TEA) request form. Submit TEA event requests at least 10 days in advance or you'll risk paying a late filing fee.
- See our [Temporary Event Authorization page](#) for more specific information about criteria for the File and Use Notification and the Temporary Event Approval requests and the steps for applying.



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Mixed Beverage Permit (MB)

What Are My Record Keeping Requirements?

Record Keeping Requirements

All alcoholic beverages on your premises must be covered by invoice and these invoices must remain on your premises for a period of two years.

- These invoices are subject to inspection by authorized representatives of the Texas Alcoholic Beverage Commission, or any peace officer.
- Invoices must be signed by the retailer upon delivery of the product.



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Mixed Beverage Permit (MB)

What Else Do I Need To Know?

License and Sign Posting

You must always display your permit in a publicly visible place. TABC will determine which [signs](#) you must post at your establishment from information provided on your original application, as well as your renewal applications.

Employees

The minimum age is 18 for your employees to prepare, serve or otherwise handle an alcoholic beverage. Minor employees cannot engage in sales or otherwise handle alcohol products.

License Renewal

Your license is valid for two years from the date its issued. You're responsible for renewing your license or permit before it expires. You can apply for renewal starting 30 days before your license's expiration date. TABC will send you a notice of renewal.

TABC Inspections

Any TABC authorized representative or other peace officer has the right and authority to enter and inspect your entire premises for violation(s) of the Texas Alcoholic Beverage Code or TABC Rules.

Inspection refusal is a violation of the Alcoholic Beverage Code and class A misdemeanor.



TABC

Mixed Beverage Permit (MB)

Public Safety Considerations

You're responsible for maintaining public safety at your facility. This includes maintaining order among customers and with staff. Make your employees aware of these requirements and call law enforcement when you need assistance. Public safety violations can result in administrative penalties — potentially even cancellation of your license.

Serving Minors

You are responsible for ensuring that your employees do not sell, serve or give alcoholic beverages to anyone younger than 21. **Check IDs.** The only exception is if the minor is in the visible presence of a parent, spouse over 21 or legal guardian. Valid proof of identification may include a: state-issued driver's license or ID card issued by the Texas Department of Public Safety, passport or military ID card.

Serving People Who Are Intoxicated

The same principle applies to customers who are intoxicated. **Don't overserve.** If a customer enters your business inebriated, provide water or soft drinks but not alcohol. If you refuse service to an intoxicated person, make sure another patron isn't ordering drinks for the person.

Reporting Breaches of the Peace

Texas law requires a license or permit holder to report any breach of the peace — a disturbance, fight or other violent act — to TABC within five calendar days of the incident. You must report any breach involving a shooting, stabbing, murder or incident resulting in serious bodily injury within 24 hours of the incident.



Safe Harbor Protection

Safe Harbor

- Depending on the violation history of your permit, the actions of your employee may not be attributable to you (the employer) and you may claim an exemption from administrative action (e.g., penalties and/or suspension) if:
 1. The employer requires all personnel engaged in the sale, service or delivery of alcoholic beverages, including managers, to successfully complete a commission-approved seller-server training program within 30 days of their initial employment.
 2. The employer has a written policy for responsible alcohol service and consumption read by each employee.
 3. The employee that has committed the violation has completed the program and has a current certificate before the violation.
 4. The employer has not directly or indirectly encouraged the employee to violate such law.
 5. The person that committed the violation is not the permit holder.

Seller-Server Training

- The program covers the laws concerning the sale or service of alcoholic beverages to minors and intoxicated persons, as well as techniques that may be used to prevent such sales.
- TABC approves [seller-server training programs](#) sponsored and taught by private businesses.



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Mixed Beverage Permit (MB)

What Other Programs are Available?

Retailer Education and Awareness Program – REAP

[REAP](#) provides owners, managers and general employees of retail establishments continued education to help them follow the state's alcoholic beverage laws.

Texas Responsible Alcohol Delivery Training – TRAD

TRAD is specifically for delivery drivers who will be delivering alcoholic beverages directly to consumers. Trainees must be 21 or older at the time of registration and have a valid driver's license.



What Other Modules Should I Take?

You have now completed the Know Your Role module. Please proceed to the following modules for additional guidance for your permit.

- **Food and Beverage Module** – What is required of my food and beverage certificate?
- **Cash and Credit Law Module** – What is cash and credit law?
- **Marketing Practices Module** – What marketing promotions and advertisements are allowed?
- **Brewpub Module** – What can I do with my Brewpub License? (if applicable)
- **Excise Tax Module** – How do I file my excise tax report? (if holder of a brewpub license)



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Mixed Beverage Permit (MB)

Questions?

Please contact your local TABC office.

tabc.texas.gov/contact-us/