

2023 Update for Tax Assessor-Collectors Association of Texas

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County/City Statutory Authority



Shall Certify TABC License and Permit Applications

- Shall certify the wet/dry status of a location for which a TABC license or permit is sought.
- City/County shall certify within 30 days.

TX Alc. Bev. Code, Sections 11.37 & 61.37

May Collect a Local Fee

- May collect a local fee from businesses to which TABC has issued an alcohol license/permit.
- Local governments may contract with a 3rd party to collect these unpaid local fees.

TX Alc. Bev. Code, Sections 11.38 & 61.36

Limit on Charging a Local Restaurant Fee AND Local Alcohol Fee (NEW)

- A local government with a public health district that charges a fee for a business to acquire or renew a local restaurant license/permit may not also charge that business a local fee based on the business's acquisition or renewal of their TABC license/permit.
- TABC has no role in enforcing this law. For compliance questions, cities and counties should consult with their legal advisors.

TX Health and Safety Code, Section 437.01235

Wet/Dry Status Certification



- Only the city or county can declare a location as wet or dry (not TABC).
- The City Secretary or County Clerk receives certification forms from applicants for TABC licenses and permits.
- Determine status: look at local option election results for the proposed location.
 - Certify the application if the location to be covered by the license/permit has been authorized by local option election for the sale of the type of alcoholic beverages that would be covered by the license/permit
 - If you are unsure about your local option elections, consult with your city/county attorney, city/county manager, or county elections department.
 - TABC publishes a list of Texas city and county local options elections on our website.
 Cities/Counties should not rely on this. The data could be outdated.

Wet/Dry Status Certification: Guidance



Certification Guide:

- On TABC's website to help determine which certification to select based on the most recent local option election.
- Applications for BG/FB, BG or BE
 - If the location is being certified as wet for those permit types, then the % of alcohol must also be certified.
- Applications for a Winery Permit (G)
 - May be issued for a location where the sale of wine has not been authorized by a local option election (TX AB Code 16.011).
- Applications for General Distributor's License (BB), Branch Distributor's License (BC), Wholesaler's Permit (W), or General Class B Wholesaler's Permit (X)
 - May be issued in an area where the sale of any alcoholic beverage is legal. (Section 251.79 of the Code)



Application Certification Guide

DISCLAIMER: This guide is for reference only. Please refer to the Alcoholic Beverage Code and

The Texas Alcoholic Beverage Code ("Code") provides the Texas Alcoholic Beverage Commission with the authority to regulate all aspects of alcoholic beverage manufacture, distribution, and consumption in the State of Texas. The Code allows local communities (county, city, justice precinct, etc.) the right to determine the types of alcohol allowed to be sold within their local jurisdictions.

This guide provides an overview of the regulatory provisions of the Code and rules that apply to City and County Clerks when certifying the welfdry status on an application for a TABC license or permit. It does not answer every question that may arise.

Sections 11.37 and 61.37 of the Code outline the relevant timelines and obligations for local officials certifying the wel/dry status of an applicant's address. Please consult with your local counsel for legal advice pertaining to those provisions, as well as compliance with any local ordinances pertaining to alcoholic beverages. The Alcoholic Beverage Code and Rules are available online at tabc.texas.gov.

Effective on Sept. 1, 2021

CITY/COUNTY CERTIFICATION	APPLICANT APPLYING FOR
LAST LOCAL OPTION ELECTION HELD FOR:	PERMIT/LICENSE APPLICATION
The legal sale of malt beverages for off-premise consumptions only	BF, BB, BC, BW ¹ , G ²
The legal sale of malt beverages	BF, BE, BB, BC, BA, G ²
The legal sale of malt beverages and wine for off-premise consumption only ³	BF, BQ, Q, BB, BC, X, BW ¹ , G ²
The legal sale of malt beverages and wine ³	BF, BQ, Q, BE, BG, BB, BC, X, BW, G
The legal sale of all alcoholic beverages for off-premise consumption only ⁴	BF, BQ, Q, P, BB, BC, X, W, BW', G, D'
The legal sale of all alcoholic beverages except mixed beverages ⁴	BF, BQ, Q, P, BE, BG, BB, BC, X, W, BW, G, D ¹
The legal sale of all alcoholic beverages including mixed beverages ⁴	BF, BE, BQ, BG, MB, Q, P, BB, BC X, W, BW, G, D
The legal sale of mixed beverages ⁴	BF, BE, BQ, BG, MB, Q, P, BB, BC X, W, BW, G, D
The legal sale of mixed beverages in restaurants by food and beverage certificate holders only ⁴	BF, BE, BQ, BG w/FB, RM, Q, P, BB, BC, X, W, BW, G, D
The legal sale of wine on the premises of a holder of a winery permit	G, GS

- 1 Off-Premise only
- A Winery Permit (G) may be issued in a dry area. (Section 16.011 of the Code).
- (3) If the election occurred prior to Sept 1, 1999, wine is allowable up to 14%. If the election occurred after Sept 1, 1999, wine is allowable up to 17%.
- 4 Regardless of when the election occurred, if election occurred for any "all alcoholic beverages" then wine up to 17% is allowable.

Wet/Dry Status Certification: Forms



- Two types of forms you might receive from applicants:
 - Licensing Application Summary Form, or
 - Required Certifications (L-CERT) Form
 - Both types are valid and accepted by TABC.





Alcohol Industry Management System



Online Hub for Businesses

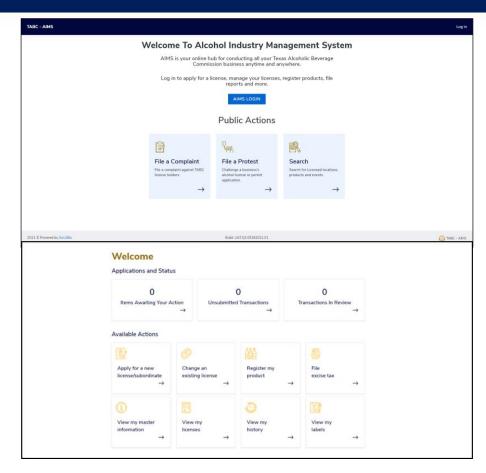
- AIMS is only for businesses
- Local governments may be able to certify applicants in AIMS in the future

AIMS Primary Functions

- Licensing
- Product registration
- Excise tax reports

Status Updates and Notices

- Pending application status
- Issues with applications
- Renewals and reports deadline notices



Wet/Dry Status Certification: Forms



Licensing Application Summary Forms

Generated by applicants using AIMS to submit their TABC applications.



С	ERTIFICATE OF CO	OUNTY CLERK	
Section 11.37 & 61.37			
Not later than the 30th day after county clerk shall certify wheth sale of alcoholic beve		en in the request is in	a wet area and whether the
I hereby certify on this which the license/permit is sough Court for a Wine and Beer Reta		prohibited by any val	, that the location for id order of the Commissioner'
Most current election for give	n location was held for:		
 legal sale of all alcoholic beve 	rages for off-premise consum	ption	
☐ legal sale of all alcoholic beve	erages		
legal sale of all alcoholic beve	erages except mixed beverage	es .	
legal sale of all alcoholic beve	erages including mixed bevera	ges	
 legal sale of mixed beverages 			
 legal sale of mixed beverages 	in restaurants by food and be	everage certificate hol	ders
 legal sale of wine on the prem 	nises of a holder of a winery po	ermit	
legal sale of beer/wine (17%)	on-premise or beer/wine off-p	remise AFTER Sept.	1,1999
legal sale of beer/wine (14%)	on-premise or beer/wine off-p	remise BEFORE Sep	t. 1,1999
		20	to certify this location

County Clerk

CERTIFICATE (OF CITY SECRET	ARY FOR: (P, C), BF & BQ)
	Section 11.37 8	61.37	
Not later than the 30th day after the city secretary or clerk shall certi whether the sale of alcoholic bev	fy whether the location or	address given in the re	quest is in a wet area and
hereby certify on this	day of	1	, that the location fo
which the license/permit is sougl icense/permit, and not prohibited i			
OR			
I hereby refuse on this	day of	, 20	to certify this location
SIGN HERE			
City Secretary/Clerk			
Only Secretary Oronk			
ony sectetary/oters	,TEXAS		

Wet/Dry Status Certification: Forms



- Required Certifications (L-CERT) Forms
 - Generated by applicants using TABC's PDF forms available on TABC's website to submit their TABC applications.







Local Fees: Overview



- Authority: Cities/counties may levy and collect a fee for each TABC license and permit issued or renewed for premises located within the city or county. However, the following are exempt from such fees:
 - Passenger transportation, carrier, private club registration, and local cartage permits;
 - Mixed beverage permit during the three-year period following the issuance of the permit; and
 - NEW Any TABC licensee/permittee for which the local government charges a fee to acquire/renew a local restaurant permit (pending Governor Abbott's signature / veto).

Assessing the Fee

- The fee may not exceed 1/2 the statutory fee for that license or permit as provided in the Texas Alcoholic Beverage Code as of August 31, 2021.
- The fee for a brewer's license or a brewer's self-distribution license may not exceed 50% of the fee set by TABC rule for the license.
- The Mixed Beverage Permit is the only one that upon issuance, you are not able to collect a fee on. You will have to wait until the three-year period following the issuance of these permits.

TX Alc. Bev. Code, Sections 11.38 & 61.36 TX Health and Safety Code, Section 437.01235

Local Fees: Maximum Fee Chart



- TABC provides a chart that indicates the maximum Local Fee that a county may collect for each license and permit type.
- www.tabc.Texas.gov → Public Information → Information for Local Government Officials

TIER	LICENSE/PERMIT TYPE	TWO-YEAR FEE IN CODE AUG. 31, 2021 (no surcharge)	MAXIMUM LOCAL FEE (for two-year period) Effective Sept. 1, 2021
Upper Tier	Brewer's License (BW) (consolidation of a Manufacturer's License and Brewer's Permit)	N/A	\$1,500
Upper Tier	Distiller's and Rectifier's Permit (D)	\$3,000	\$1,500
Upper Tier	Winery Permit (G)	\$150	\$75
Upper Tier	Out-of-State Winery Direct Shipper's Permit (DS)		N/A (Out-of-state)
Upper Tier	Nonresident Brewer's License (BN)		N/A (Out-of-state)
Upper Tier	Nonresident Seller's Permit (S)	\$300	\$150
Middle Tier	General Distributor's License (BB)	\$600	\$300
Middle Tier	Wholesaler's Permit (W)	\$3,750	\$1,875
Middle Tier	General Class B Wholesaler's Permit (X)	\$600	\$300
Lower Tier	Mixed Beverage Permit and Mixed Beverage w/ Food & Beverage Certificate (FB) required (MB)		
	ORIGINAL	\$6,000	EXEMPT per Code Sec. 11.38(d)
	\$1,125 1ST RENEWAL\$4,500 \$2,900 in 1st year of 2-year renewal period		EXEMPT per Code Sec. 11.38(d) in 1st year of
	2ND RENEWAL	\$3,000	\$1,500

Local Fees: TABC Data



- 5% Invoice Details by Month
 - indicates the total direct deposit returned to counties
- TABC Licenses & Permits Issued
 - list of all active TABC permits by county
- Liquor/Beer Issued 4x6 Cards
 - · List of all permits renewed or approved by month and the total state fee collected

Types of Information

Tax Assessor-Collectors

Several datasets help county tax assessor-collectors:

- . 5% Invoice Details by Month: Look through up to four years of monthly statements to verify the amount of permit or fee money due to your county
- TABC Licenses and Permits Issued: Check the new licenses or permits issued in your county by visiting the Texas Open Data Portal Browser Compatibility: Do not use Internet Explorer to access this link. Use Google
- Liquor/Beer Issued 4x6 Cards: Visit our Public Inquiry system and enter the information into the available fields. There are several types of information to
- All A complete list of licenses/permits
- o Third-year notification Mixed Beverage Permits reaching collection
- Reissued Licenses and permits with changes
- · New Newly issued licenses and permits
- Change of expiration date Licenses and permits with updated
- . Mailed Renewal Applications: Find information about mailed renewal applications in our Public Inquiry system.
- . Data and Archives: View data and historic information, including per capital

TABC Guide for Tax Assessor-Collectors (PDF) 🕹

01/18/2022 Package Store Permit (P)

Don's & Ben's Liquor OMEGA ASSET GROUP INC. 500 N Loop 1604 E Suite 100 San Antonio, TX 782321238

LOCATION:

22015 IH 10 West, Suite 105 San Antonio, TX 78257

200044590 Liquor

1,000.00

ORIGINAL ISSUED: 01/18/2022

EXPIRES: 01/17/2024

ISSUED

01/18/2022

Local Fees: 5% Reimbursement (Counties)



- TABC is required by law to remit 5% of each license fee (not permit fee) back to the county where the license was issued.
- See Code Section 61.35(e).

Licenses That Qualify	Licenses and Permits That Do NOT Qualify
Brewer's License (BW)	Wine and Malt Beverage Retailer's On-Premise Permit (BG)
Brewer's Self-Distribution License (SD)	Wine and Malt Beverage Off-Premise Permit (BQ)
General Distributor's License (BB)	Retail Dealer's On Premise Late Hours License (BL)
Branch Distributor's License (BC)	Importer's License (BI)
(Malt Beverage) Retail Dealer's On-Premise License (BE)	Importer's Carrier's License (BJ)
(Malt Beverage) Retail Dealer's Off-Premise License (BF)	
Brewpub License (BP)	

Local Fees: Delinquent Payments



Delinquent Local Fees for TABC Licenses/Permits Issued

- Cities/counties may contract with other local governments that are authorized to levy these types of fees or with an attorney or vendor to collect these local license/permit fees if they are more than 60 days past due.
- TABC may cancel or suspend a license/permit if it finds that the permittee has not paid the local fee within 180 days after the date the fee was levied.

Delinquent Ad Valorem Taxes

• TABC may cancel or deny a license/permit for the retail sale or service of alcoholic beverages if it finds that the license/permit holder or applicant has not paid delinquent ad valorem taxes due on that licensed/permitted premises or due from a business operated on that premises to any taxing authority in the county of the premises.

TX Alc. Bev. Code, Sections 11.38 & 61.36

Notifying TABC of Delinquent Payments



- Before Notifying TABC of a Delinquent Payment
 - Make sure that TABC has APPROVED the license/permit
 - Attempt to collect the liabilities due.
 - Contact the license/permit holder via phone, mail or email;
 - Advise the license/permit holder of the consequences for failing to pay the liabilities due.

Notifying TABC of Delinquent Payments



Upon Notification by a City/County of an Amount Owed Greater than \$1,000

- TABC's Licensing Division Places a "review" on the License/Permit
 - Licensing forwards that notification to the Audit and Compliance Division.
 - Audit opens an administrative action against the license/permit;
 - Audit generates and hand delivers letter advising the license/permit of the delinquency and actions required to resolve the delinquency, 21 days from the receipt;
 - After 21 days and NO payment:
 - Audit schedules a settlement hearing:
 - If amount owed is paid at that time, case is dismissed.
 - Audit generates settlement agreement for cancellation of the license/permit OR

 license/permit can request a hearing before SOAH.

Notifying TABC of Delinquent Payments



- When Sending Your List of Delinquent Licensees/Permittees to TABC
 - Include no more than 10 delinquent licensees/permittees in each email.
 - If you have more than 10, you may submit additional emails.
- Do Not Send TABC Multiple Notifications for a Delinquent Licensee/Permittee
 - Once reported the licensee/permittee remains on the list until you notify TABC that the liability has been paid.
- Check status of License/Permit to ensure they are still Current/Active
- Notify TABC as soon as possible when payment has been made.

Contact TABC Support with Questions



Delinquent Fees Due – email <u>city-countyfeesowed@tabc.texas.gov</u> General TAC questions – email <u>Marcy.Hello@tabc.texas.gov</u>

Local Questions/Concerns

- Region 1 (Lubbock) <u>LIC.Region1@tabc.texas.gov</u> or 806-793-3221
- Region 2 (Arlington) LIC.Region2@tabc.texas.gov or 817-652-5912
- Region 3 (Houston) <u>LIC.Region3@tabc.texas.gov</u> or 713-426-7900
- Region 4 (Austin) <u>LIC.Region4@tabc.texas.gov</u> or 512-206-3333
- Region 5 (San Antonio) LIC.Region5@tabc.texas.gov or 210-731-1720

TABC Online Support



- www.TABC.Texas.Gov → Public Information → Information for Local Government Officials
 - Tax Assessor-Collectors
 - 5% Invoice Details by Month
 - TABC Licenses and Permits Issued
 - Liquor/Beer Issued 4x6 Cards
 - Mailed Renewal Applications
 - City Secretaries / County Clerks
 - Local Certifications Guide
 - Maximum Local Fees Chart
 - How to Handle Non-Payment of Local Fees
 - Complaint Process for Local Governments

Stay Connected



- Request a speaker
- File a complaint
- Email signup
- Provide feedback









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