

New Technology, License Structure and Fees Effective Sept. 1, 2021

Information for Local Governments

TABC | Licensing Service 2021 Update

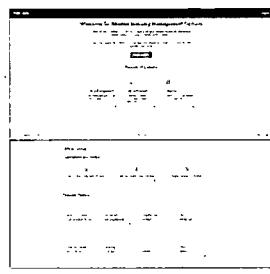
Overview

- What is AIMS
- New Licensing Structure
- Local Fees
- 5% Reimbursement – Counties only
- Local Certifications
- Local Option Elections
- Temporary Events
- Resources
- Q&A

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Alcohol Industry Management System

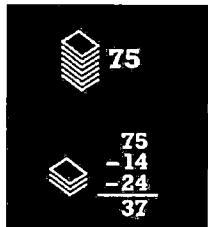
- Online Hub for Businesses
 - AIMS is only for businesses
 - Local governments may be able to certify applicants in AIMS in the future
- AIMS Primary Functions
 - Licensing
 - Product registration
 - Excise tax reports
- Status Updates and Notices
 - Pending application status
 - Issues with applications
 - Renewals and reports deadline notices



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New Licensing Structure

- 75 TABC licenses and permits were reduced to 37.
- TABC must establish a single state fee for each license in rule.
- Beer and ale consolidated into single malt beverage category.



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Local Fees

- Current maximum fees local governments can charge for TABC licenses and permits won't change for types that continue to exist Sept. 1.
- Exception — New Fees for Breweries:** There are two new licenses that cannot be tied back to an existing statutory fee. the Brewer's License (BW) and Brewer's Self-Distribution License (SD). A 2021 Texas law states that the maximum fees for these will be 50% of the license fee that TABC establishes in rule for them.

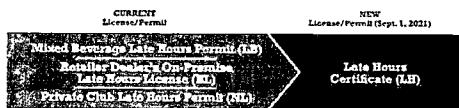
Examples	
License/Permit	Maximum Local Fee
Package Store Permit (P)	\$500
Wine and Malt Beverage	\$60
Retailer's Off-Premise Permit (BQ)	
(previously Wine and Beer Retailer's Off-Premise Permit)	
Winery Permit (G)	\$75
Wholesaler's Permit (W)	\$1,875

Maximum Local Fees Chart: TABC will produce a chart on its website that lists all the licenses and permits in effect Sept. 1 and the maximum amount local governments can assess for each.

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Local Fees

- Notice of New Licenses and Permits Issued:** Local governments will continue to access the information on TABC's website to view the new TABC licenses issued within a jurisdiction.
- Late hours licenses and permits will become a single Late Hours Certificate.** Since these will no longer be a "license or permit" under the law, local governments may not assess a fee for them.



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Local Fee Examples

License/Permit	New State Fee (Sept. 1)	Fee in Statute	Maximum Local Fee
Package Store Permit (P)	\$1,800	\$1,000	\$500
Wholesaler's Permit (W)	\$4,000	\$3,750	\$1,875

[These fees are the fees that matter for local governments.]

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Local Fee Examples

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Package Store Permit (P)	\$1,800	\$1,000	\$500
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[These are the fees that matter for local governments.]

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Non-Payment of Local Fees

Step 1: Before notifying TABC of non-payment of fees:

- Check the status of the license to ensure it still has a current/active status or if it has been approved.
- TABC is unable to take any action to help with collection if the license or permit is not current/active.
- Make an attempt to collect the fees that are owed. Contact the license holder by phone, email or mail to inform them of the consequences for not paying.
- Contract with a third party to help collect unpaid fees owed to the city/county [see Alcoholic Beverage Code Sections 11.38 (b-1)(b-2) and 61.36 (b-1)(b-2)].

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Non-Payment of Local Fees

Step 2: Notify TABC of non-payment of local fees.

- Email notice to city-countyfeesowed@tabc.texas.gov
- For each business that's delinquent on paying their local fees, email should include
 - License/permit number.
 - Business's tradename.
 - Amount the business owes.
- Include up to 10 delinquent license holders per email. Send additional emails if you have more than 10. **Please submit only one email for your city/county per week**
- Do not send multiple notices for a license holder. Once reported, the license holder will stay on the list until you notify TABC the liability has been paid.
- We ask that you immediately notify TABC when payment has been made.

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Counties Only: 5% Reimbursement Chart

Licenses that qualify	Licenses/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)	

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Fee Information for Counties Only

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

Effective Sept. 1:

- TABC has incorrectly remitted 5% of the Wine and Beer Permit (BG and BQ) fees back to counties. Due to the findings, TABC will no longer reimburse counties for these fees.
- Retail Dealer's On-Premise Late Hours License (BL) will change from having a "license" designation to a "certificate." Certificate fees are not authorized for reimbursement. Due to this change, TABC will no longer reimburse counties for these fees.
- Importer's License (BI) and Importer's Carrier's License (BJ) will be eliminated. Due to this change, TABC will no longer reimburse counties for these fees.

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Local Certification Timeline

August:

- TABC is **not accepting** (but will still process) license applications during AIMS transition month.
- Local governments can still certify applications. No changes in how applicants file original application certifications with local jurisdictions.
- Applicants can upload the completed certification form into AIMS when they submit their application in September.

September and Beyond:

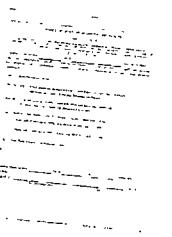
- Local governments will continue to receive emailed or paper copies of the certification forms from applicants.

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Local Certification Forms

- Certifications generated by AIMS will have a similar look to the paper forms.
- We will continue to accept the current paper forms we have on our website until the end of Sept.
- Newer revised paper forms will be available in early September and will replace the ones we currently have on our website.

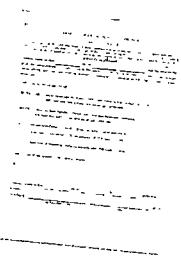


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Local Certification - Guidance

- Certifications must be made based on their latest city/county local option elections.
- If an application is being certified for a BG/FB, BG or BE, % of alcohol must also be certified.
- An additional guide to assist local governments with certifications will be posted to tabc.texas.gov after Sept. 1.



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Local Option Elections

- A petition for a local option election must propose authorization to sell **malt beverages** (defined as both beer and ale starting Sept. 1).
- Proposing the sale of beer or ale only is prohibited.
- Beer-only jurisdictions (malt beverages having 5% or less ABV) will operate as usual.

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Temporary Events

- TABC will no longer issue catering, winery festival, or temporary licenses to two-year license holders (e.g., Mixed Beverage and Winery permittees).
- Businesses will file for a temporary event authorization at no cost.
- Nonprofit Entity Temporary Event Permit (NETE) is the only remaining "standalone" temporary permit available, for nonprofits only.
- Businesses and nonprofits must still work with local governments to obtain necessary certifications/approvals for events.

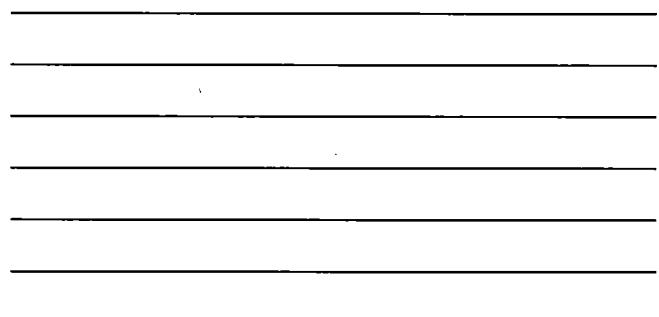
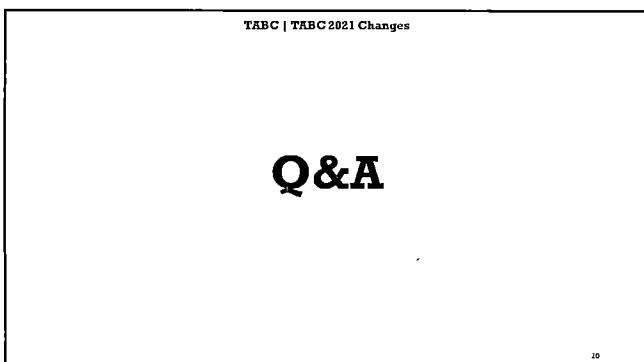
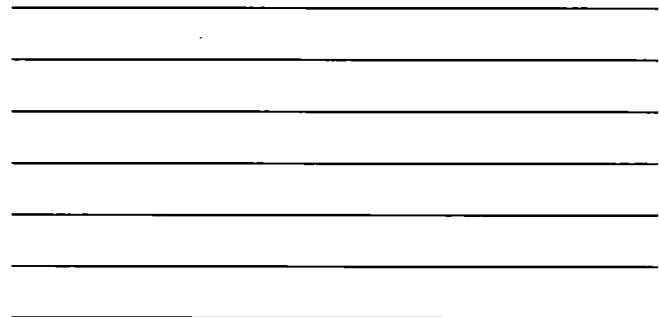
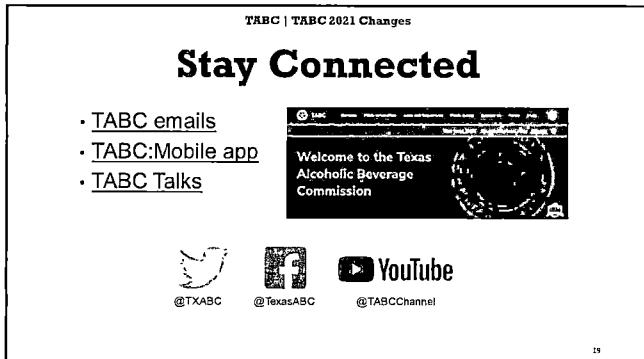
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Resources for Local Governments

- **TABC website**
 - Downloadable information and forms
 - Key resource links and contact information
 - Training materials
 - Agency updates and news
- **TABC 2021 Changes webpages:** tabc.texas.gov/2021
- Email the TABC Licensing Division with questions at licensing@tabc.texas.gov

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Licenses and Permits

Maximum Local Fees

TIER	LICENSE/PERMIT TYPE	TWO-YEAR FEE IN CODE AUG. 31, 2021 (no surcharge)	MAXIMUM LOCAL FEE (for two-year period) <i>Effective Sept. 1, 2021</i>
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	<i>EXEMPT per Code Sec. 11.38(d)</i>
	1ST RENEWAL	\$4,500	<i>\$1,125 EXEMPT per Code Sec. 11.38(d) in 1st year of 2-year renewal period</i>
	2ND RENEWAL	\$3,000	\$1,500
	3RD & SUBSEQUENT RENEWALS	\$1,500	\$750
Lower Tier	Wine and Malt Beverage Retailer's Permit (BG) (previously known as a Wine and Beer Retailer's Permit)		
	Every county EXCEPT Bexar, Dallas, Harris, and Tarrant counties	\$350	\$175
	ORIGINAL in Bexar, Dallas, Harris, and Tarrant counties	\$2,000	\$1,000
	RENEWAL in Bexar, Dallas, Harris, and Tarrant counties	\$1,500	\$750
Lower Tier	Wine and Malt Beverage Retailer's Off-Premise Permit (BQ) (previously known as Wine and Beer Retailer's Off-Premise Permit)	\$120	\$60

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
Lower Tier	(Malt Beverage) Retail Dealer's On-Premise License (BE)		
	Every county EXCEPT Bexar, Dallas, Harris, and Tarrant counties \$300 \$150
	ORIGINAL in Bexar, Dallas, Harris, and Tarrant counties \$2,000 \$1,000
	RENEWAL in Bexar, Dallas, Harris, and Tarrant counties \$1,500 \$750
Lower Tier	(Malt Beverage) Retail Dealer's Off-Premise License (BF)	\$120	\$60
Lower Tier	Private Club Registration Permit (N)		EXEMPT per Code Sec. 11.38(d)
Lower Tier	Private Club Malt Beverage and Wine Permit (NB)		EXEMPT per Code Sec. 11.38(d)
Lower Tier	Private Club Exemption Certificate (NE)		EXEMPT per Code Sec. 32.11(b) and Code Sec. 11.38(d)
Lower Tier	Package Store Permit (P)	\$1,000	\$500
Lower Tier	Wine-Only Package Store Permit (Q)	\$150	\$75
Lower Tier	Passenger Transportation Permit (TR)		EXEMPT per Code Sec. 11.38(d)
Other Permits	Consumer Delivery Permit (CD)	N/A	No fee established in Code on 8/31/21; fee was established in rule per Code Sec. 57.03
Other Permits	Bonded Warehouse Permit (J/JD)	\$300	\$150
Other Permits	Manufacturer's Agent's Warehousing Permit (AW)	\$1,500	\$750
Other Permits	Carrier's Permit (C)		EXEMPT per Code Sec. 11.38(d)
Other Permits	Promotional Permit (PR)	\$600	\$300
Other Permits	Third-Party Local Cartage Permit (ET)		EXEMPT per Code Sec. 11.38(d)
Other Permits	Branch Distributor's License (BC)	\$150	\$75
Subordinates	Forwarding Center Authority (FC)		Not a license or permit so local fee is not authorized
Subordinates	Brewer's Self-Distribution License (SD) (consolidation of a Manufacturer's Self-Distribution License and Brewer's Self-Distribution Permit)	N/A	\$600
Subordinates	Brewpub License (BP)	\$1,000	\$500
Subordinates	Food and Beverage Certificate (FB)		Not a license or permit so local fee is not authorized
Subordinates	Late Hours Certificate (LH) (consolidation of a Mixed Beverage Late Hours Permit, Private Club Late Hours Permit, and a Retail Dealer's On-Premise Late Hours License)	N/A	Not a license or permit so local fee is not authorized
Subordinates	Local Distributor's Permit (LP)	\$200	\$100
Subordinates	Water Park Permit (WP)	\$60	\$30