



TEXAS ALCOHOLIC BEVERAGE COMMISSION

Texans Helping Businesses & Protecting Communities

P.O. Box 13127
Austin, Texas 78711-3127
(512) 206-3333
www.tabc.texas.gov

INDUSTRY NOTICE April 30, 2020

To: TABC Licensed Manufacturers, Distributors, & Wholesalers (BA, DA, B, DB, BP, BB, BC, W, X, & LP)

Re: Removal & Replacement of Malt Beverage Products in Unbroken Original Packages from Retailers Affected by Coronavirus/COVID-19 Situation

Due to social distancing measures necessitated by the coronavirus pandemic, some retailers have had to reduce their operations, leaving many with an excess inventory of malt beverage products that are perishable. As a result, retailers will be unable to sell those malt beverage products to consumers once this current public health crisis has ended.

To address this situation, pursuant to the authority provided by Governor Abbott's March 13, 2020, disaster declaration, TABC is making certain temporary exceptions to state consignment laws and TABC Rules in order to protect public safety, ensure fair competition among the alcoholic beverage industry, and allow industry to navigate the changing circumstances.

Malt Beverage Product Removal

Manufacturers, Distributors, Wholesalers, & Package Stores with Local Distributor Permits (BA, DA, B, DB, BP, BB, BC, W, X, & LP) are authorized to remove malt beverage products from retailers under the following limited conditions:

- Eligible retailers must be authorized to conduct on-premise sales of malt beverages.
- Eligible retailers must be adversely affected by the coronavirus/COVID-19 situation.
- Eligible malt beverage products must be unused, unopened/unbroken original packages.
- Eligible malt beverage products must have been sold to the retailer by the same business removing it.
- Must verify each removal, using the original purchase invoice.
- Must maintain invoices in case of subsequent audits.
- Removal of product from a retailer is completely discretionary. Retailers are not entitled to removal.



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Malt Beverage Product Replacement

- For malt beverage products removed from a retailer, the manufacturer and distributor have the discretion to compensate the retailer for those products or replace them. However, such compensation or replacement shall not exceed the wholesale value of the products as they appeared on the original invoice.
- This guidance does not prevent a distributor/wholesaler from negotiating with a manufacturer to share the costs of replacing malt beverages.

The Alcohol & Tobacco Tax and Trade Bureau (TTB) issued [similar guidance for industry members](#).

TABC stands ready to help its license and permit holders impacted by the coronavirus/COVID-19 situation.

For additional assistance and information, affected businesses may identify and contact their [local TABC regional office](#) or contact TABC's Austin headquarters at (512) 206-3333.