



TEMPORARY PERMIT - CHARITABLE AUCTION (CA) CHAPTER 53

L-621 (3/2010)

A VIOLATION OF THE FOLLOWING CAN RESULT IN CRIMINAL ACTION IN THE FORM OF ARREST, JAIL, AND/OR A FINE, AS WELL AS THE SUSPENSION OR CANCELLATION OF THE LICENSE OR PERMIT.

1. The permittee is authorized to auction distilled spirits, wine, ale, or malt liquor that has been donated to the organization.

They may auction beer that has been donated to the organization by a manufacturer, distributor or retailer, or purchased at retail.

Statement or invoice of alcoholic beverage to be auctioned must accompany application. (See record requirements below).

Permit may only be issued to an organization that is exempt from taxation under Section 501(a) Internal Revenue Code of 1986 (26 U.S.C. Section 501 (a) by being listed under Section 501(c) (3), Internal Revenue Code of 1986 (26 U.S.C. Section 501 (c) (3)).

2. Only alcoholic beverages for which all taxes have been paid may be auctioned.
3. A temporary charitable auction permit may be issued for a period of not more than (5) five days.
4. The organization may not hold more than (1) one auction during each calendar year.
5. Alcoholic beverages may be auctioned (sold) during the following hours:

7:00 A.M. to 12:00 Midnight, Monday through Saturday

12:00 Midnight to 1:00 A.M., Sunday

12:00 Noon to 12:00 Midnight, Sunday

6. The privileges granted by this temporary permit are limited to the dates, times, and location described in your application.
7. The auction must be held in an area where the sale of the type of alcoholic beverages to be auctioned is authorized by a local option election.
8. If the auction is to be held at the premises of another permit or license holder, the alcoholic beverages to be auctioned must be kept separate from the alcoholic beverages sold, stored, or served at the premises. All alcoholic beverages subject to the auction, whether sold or unsold, must be removed from the premises immediately following the auction. (See Record Requirements)
9. Products auctioned may not be consumed on the premises.
10. The proceeds from the alcoholic beverages auctioned shall be deposited in the account of the holder of the temporary charitable auction permit. (See Record Requirements)

11. The organization may not pay a commission or promotional allowance to a person to:
 - a) arrange or conduct an auction to include alcoholic beverages, or
 - b) arrange the donation of alcoholic beverages to be auctioned by the organization.
12. An inventory list of all alcoholic beverages and the source of alcoholic beverages to be auctioned must be attached to the application. (See Record Requirements)
13. No one under 21 years of age may purchase or be given alcoholic beverages by you or your employees. No one under 21 years of age may consume alcoholic beverages on your premises unless they are in the visible presence of their adult parent(s), legal age spouse, or court appointed guardian. The only defense in the code against a charge of selling an alcoholic beverage to a minor, making an alcoholic beverage available to a minor, or allowing a minor to illegally possess or consume an alcoholic beverage states a person who sells a minor an alcoholic beverage does not commit an offense if the minor falsely represents himself to be 21 years old or older by displaying an apparently valid proof of identification that contains a physical description and photograph consistent with the minor's appearance, purports to establish that the minor is 21 years of age or older, and was issued by a governmental agency. The proof of identification may include a driver's license or identification card issued by the Department of Public Safety, a passport, or military identification card.
14. You may not sell, serve, or deliver an alcoholic beverage to an intoxicated person.
15. At the first sign of an argument or trouble between any of your customers, you should ask them to leave the premises. If necessary, call the police. If a breach of the peace (a fight or disturbance) occurs on your premises you must notify the local T.A.B.C. office the next working day of any breach of the peace that occurs on the license premises.
16. Any authorized representative of the Texas Alcoholic Beverage Commission or any other peace officer has the right and authority to enter your premise and make an inspection of your entire premises for violation of the Texas Alcoholic Beverage Code/Rules.
17. Your temporary permit must be displayed in a conspicuous place at all times.

RECORD REQUIREMENTS

1. An inventory of all alcoholic beverages available for auction with the following information about each item to be auctioned:
 - A. type of beverage,
 - B. beverage size,
 - C. quantity of beverages, and
 - D. complete name and address of the person or business that provided the beverages.
2. An invoice or statement for all alcoholic beverages available for auction with the following information:
 - A. type of beverage,
 - B. beverage size,
 - C. quantity of beverages,
 - D. complete name and address of the person or business who provided the beverages, and
 - E. date the beverages were provided.
3. A record, signed by an officer of the exempt organization, showing the following information about each item auctioned:
 - A. amounts bid and paid for each item,
 - B. complete name and address of the person or business that purchased the beverages,

- C. type of beverage,
- D. beverage size, and
- E. quantity of beverages

4. A copy of the deposit slip showing:
 - A. the deposit of all proceeds from the alcoholic beverages auction,
 - B. the date of deposit,
 - C. the account number of the account in which the deposit was made, and
 - D. the full name and address of the institution to which the deposit was made.
5. An ending inventory of all alcoholic beverages not disposed of at the auction with the following information about each item:
 - A. type of beverage,
 - B. beverage size,
 - C. quantity of beverages,
 - D. complete name and address of the person or business who provided the beverages, and
 - E. the final disposition of any beverages not sold at auction.
6. All records required herein and associated bank statements should be maintained by the exempt organization for a period of four (4) years, and made available to a representative of the Commission upon reasonable request.