

**TITLE 8****ALCOHOLIC BEVERAGES<sup>1</sup>****CHAPTER**

1. INTOXICATING LIQUORS.
2. BEER.

**CHAPTER 1****INTOXICATING LIQUORS****SECTION**

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<sup>1</sup>State law reference

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**8-101. Regulations applicable.** (1) Pursuant to Tennessee Code Annotated, title 57, as amended, and a referendum held pursuant thereto in the City of Covington, Tennessee, on the 1<sup>st</sup> day of August, 1968, this chapter is enacted.

(2) It shall be unlawful to engage in the business of selling, storing, transporting, or distributing, or to purchase or possess alcoholic beverages within the corporate limits of the City of Covington, Tennessee, except in accordance with the provisions of Tennessee Code Annotated, title 57, chapter 1, and the rules and regulations promulgated thereunder and as provided in this chapter. (1971 Code, § 2-101)

**8-102. Terms defined.** Whenever used herein unless the context requires otherwise:

(1) "Alcoholic beverages" as used in this chapter, unless the context indicates otherwise, means and includes alcohol, spirits, liquor, wine, and every liquid containing alcohol, spirits, liquor, wine and capable of being consumed by a human being, other than patented medicine beer or wine, where the latter contains an alcoholic content of five percent (5%) by weight, or less.

(2) "Gallon or "gallons" wherever used herein, shall be construed to mean a wine gallon or wine gallons of one hundred and twenty-eight (128) ounces. The word "quart," whenever used herein, will be construed to mean one-fourth (1/4) of a wine gallon. The word "pint," whenever used herein, shall be construed to mean one-eighth (1/8) of a wine gallon.

(3) "License" means the license issued as provided herein and "licensee" means any person to whom such license has been issued.

(4) "Manufacturer" means and includes a distiller, vintner and rectifier. "Manufacture" means and includes distilling, rectifying and operating a winery.

(5) "Retailer" means any person who sells at retail any beverage for the sale of which a license is required under the provisions herein.

(6) "Retail sale" or "sale at retail" means a sale to a consumer or to any person for any purpose other than for resale.

(7) "Wholesaler" means any person who sells at wholesale any beverage for the sale of which a license is required under the provisions of Tennessee Code Annotated, §§ 57-3-101 to 57-3-110.

(8) "Wholesale sale" or "sale at wholesale" means a sale to any person for purposes of resale.

(9) "Wine" means the product of the normal alcoholic fermentation of the juice of fresh, sound, ripe grapes, with the usual cellar treatment and necessary additions to correct defects due to climatic, saccharine and seasonal conditions, including champagne, sparkling and fortified wine of an alcoholic

content not to exceed twenty-one percent (21%) by volume. No other product shall be called "wine" unless designated by appropriate prefixes descriptive of the fruit or other product from which the same was predominantly produced, or an artificial or imitation wine.

(10) Words importing the masculine gender shall include the feminine and the neuter, and the singular shall include the plural.

(11) The term "federal license" as used herein shall not mean tax receipt or permit. (1971 Code, § 2-102, as amended by Ord. #1508, April 2003)

**8-103. Manufacturing prohibited.** The manufacture of alcoholic beverages is prohibited within the corporate limits of the City of Covington. (1971 Code, § 2-103)

**8-104. Engaging in wholesale business prohibited.** No person, firm, or corporation shall engage in the business of selling alcoholic beverages at wholesale within the corporate limits of the City of Covington. (1971 Code, § 2-104)

**8-105. Application for and issuance of retailer's license; license fee; licensee must be qualified voter.** A license for the retail sale of alcoholic beverages may be issued as herein provided. Any person or persons desiring to sell alcoholic beverages to patrons or customers, in sealed packages only, and not for consumption on the premises, shall make application to the city recorder for a retailer's license. The application shall be in writing on forms prescribed and furnished by the city recorder. Subject to the issuance of a retail license by the Commissioner of Revenue, State of Tennessee, a majority of the board of mayor and aldermen may issue such retailer's license. Such retailer's license shall not be issued unless and until the applicant therefor shall pay the city recorder a license fee of two hundred and fifty dollars (\$250.00) and no license shall be issued except to individuals who are and have been for at least one (1) year legally qualified voters of the City of Covington. (1971 Code, § 2-105)

**8-106. No license to be issued for premises too close to a church, etc.; licenses not transferable to other premises; zoning restrictions.** No license shall be granted for the operation of a retail store for the sale of alcoholic beverages when, in the opinion of the board of mayor and aldermen, expressed by a majority thereof, the carrying on of such business at the premises covered by the application for a license would be in too close proximity to a church, school, or public institution, or otherwise inimical to the public interest. A retailer's license issued under this chapter shall not be valid except at the premises recited in the application. No license shall be granted for the operation of a retail store except in areas zoned for B-1, B-2, B-3, and M-1. (1971 Code, § 2-106)

**8-107. No limitation on number of retail licenses.** No limitation as to number of retail licenses is established by this chapter. (1971 Code, § 2-107)

**8-108. Bonds of licensees.** Bonds required herein shall be executed by a surety company duly authorized and qualified to do business in the State of Tennessee. Bonds of retailers shall be one thousand dollars (\$1,000.00) and shall be conditioned that the principal thereof shall pay any fine which may be assessed against the principal. (1971 Code, § 2-108)

**8-109. Restrictions on license holders and employees.** (1) The license fee for every license hereunder shall be payable by the person making application for such license and to whom it is issued and no other person shall pay for any license issued under this chapter.

(2) No retailer's license shall be issued to a person who is a holder of a public office, either appointive or elective, or who is a public employee, either national, state, city, or county. It shall be unlawful for any such person to have an interest in such retail business, directly or indirectly, either proprietary or by means of any loan, mortgage, or lien, or to participate in the profits of any such business.

(3) No retailer shall be a person who has been convicted of a felony involving moral turpitude within ten (10) years prior to the time he or she is concerned with which he is connected shall receive a license; provided, however, that this provision shall not apply to any person who has been so convicted, but whose rights of citizenship have been restored or judgment of infamy has been removed by a court of competent jurisdiction; and in the case of any such conviction occurring after a license has been issued and received, the said license shall immediately be revoked, if such convicted felon be an individual licensee, and if not, the partnership, corporation, or association with which he is connected shall immediately discharge him.

(4) No license shall under any condition be issued to any person who within ten (10) years preceding application for such license or permit shall have been convicted of any offense under the laws of the State of Tennessee or of any other state or of the United States prohibiting or regulating the selling, possessing, transporting, storing, manufacturing, or otherwise handling intoxicating liquors or who has, during said period, been engaged in business alone or with others, in violation of any of said laws or rules and regulations promulgated pursuant thereto.

(5) No manufacturer, brewer, or wholesaler shall have any interest in the business or building containing licensed premises of any other person having a license hereunder, or in the fixtures of any such person.

(6) It shall be unlawful for any person to have ownership in, or participate, either directly or indirectly, in the profits of any retail business licensed under Tennessee Code Annotated, §§ 57-2-103 to 57-3-105, unless his interest in said business and the nature, extent, and character thereof shall

appear on the application; or if the interest is acquired after the issuance of a license, unless it shall be fully disclosed to the board of mayor and aldermen and approved by it. Where such interest is owned by such person on or before the application for any license, the burden shall be upon such person to see that this section is fully complied with, whether he, himself, signs or prepares the application, or whether the same is prepared by another; or if said interest is acquired after the issuance of the license, the burden of said disclosure of the acquisition of such interest shall be upon both the seller and the purchaser.

(7) No person shall be employed in the sale of alcoholic beverages except a citizen of the United States.

(8) No retailer, or any employee thereof, engaged in the sale of alcoholic beverages shall be a person under the age of twenty-one (21) years, and it shall be unlawful for any retailer to employ any person under twenty-one (21) years of age for the physical storage, sale, or distribution of alcoholic beverages, or to permit any such person under said age on his place of business to engage in the storage, sale, or distribution of alcoholic beverages.

(9) No retailer shall employ in the storage, sale, or distribution of alcoholic beverages, any person who, within ten (10) years prior to the date of his employment, shall have been convicted of a felony involving moral turpitude, and in case an employee should be convicted he shall immediately be discharged; provided, however, that this provision shall not apply to any person who has been so convicted, but whose rights of citizenship have been restored or judgment of infamy has been removed by a court of competent jurisdiction.

(10) The issuance of a license does not vest a property right in the licensee, but is a privilege subject to revocation or suspension under this chapter.

(11) Misrepresentation of a material fact or concealment of a material fact required to be shown in the application for a license shall be a violation of this chapter.

(12) No retailer shall hold, have any interest in, or be the owner of a beer permit of any type issued under the ordinances of the City of Covington. (1971 Code, § 2-109)

**8-110. Display of license.** Persons granted a license to carry on any business or undertaking contemplated herein shall, before being qualified to do business, display and post, and keep displayed and posted, in the most conspicuous place in their premises, such license. (1971 Code, § 2-110)

**8-111. Transfer of licenses restricted.** The holder of a license may not sell, assign, or transfer such license to any other person, and said license shall be good and valid only for the calendar year in which the same was issued. Provided, however, that licensees who are serving in the military forces of the United States in time of war may appoint an agent to operate under the license of the licensee during the absence of the licensee. In such instances, the license

shall continue to be carried and renewed in the name of the owner. The agent of the licensee shall conform to all the requirements of a licensee. No person who is ineligible to obtain a license shall be eligible to serve as the agent of a licensee under this section. (1971 Code, § 2-111)

**8-112. Expiration of licenses; renewal.** Licenses issued under this chapter shall expire at the end of each calendar year but, subject to the provisions of this chapter, may be renewed each calendar year by payment of the above-mentioned license fee, and the proportionate part of the license fee prescribed therefor shall be paid in advance at the time application for renewal shall be made. (1971 Code, § 2-112)

**8-113. New license after revocation.** Where a license is revoked, no new license shall be issued to permit the sale of alcoholic beverages on the same premises until after the expiration of one (1) year from the date said revocation becomes final and effective. (1971 Code, § 2-113)

**8-114. Federal license, effect of.** The possession of a federal license to sell alcoholic beverages, without the corresponding requisite state license, shall in all cases be prima facie evidence that the holder of such federal license is selling alcoholic beverages in violation of the terms of this chapter. (1971 Code, § 2-114)

**8-115. Inspection fee.** There is hereby imposed an inspection fee of five percent (5%) of all gross sales of alcoholic beverages sold by wholesalers to the retailers selling alcoholic beverages in the City of Covington. The inspection fee shall be collected by the wholesaler from the retailer following notice given the wholesaler by the City of Covington that an inspection fee has been imposed by ordinance upon the retailers located within the City of Covington. The inspection fee shall be collected by the wholesaler at the time of the sale or at the time the retailer makes payment for the delivery of the alcoholic beverages. Each wholesaler making sales to retailers located within the City of Covington shall furnish the city a report monthly, which report shall contain a list of the alcoholic beverages sold to each retailer located within the city, the wholesale price of the alcoholic sold to each retailer, the amount of fees due, and such other information as may be required by the city. The monthly report shall be furnished the city not later than the twentieth (20<sup>th</sup>) of the month following which the sales were made. The inspection fees collected by the wholesaler from the retailers located within the city shall be paid to the said city at the time the monthly report is made. Wholesalers collecting and remitting the above inspection fee to the city shall be entitled to reimbursement for this collection service, a sum equal to five percent (5%) of the total amount of inspection fees collected and remitted, such reimbursement to be deducted and shown on the monthly report to said city. Failure to collect or timely report and/or pay the

inspection fee collected shall result in a penalty of ten percent (10%) of the fee due which shall be payable to the city. Said inspection fee shall be used by the city for only educational, community, and recreational purposes. (1971 Code, § 2-115, as amended by Ord. #1203, March 1987, and Ord. #1651, Sept. 2013)

**8-116. Regulations for purchase and sale of intoxicating liquors.**

(1) It shall be unlawful for any person in the City of Covington to buy any alcoholic beverages herein defined from any person who does not hold the appropriate license under this chapter authorizing the sale of said beverages to him.

(2) No retailer shall purchase any alcoholic beverages from anyone other than a licensed wholesaler, nor shall any wholesaler sell any alcoholic beverages to anyone other than a licensed retailer.

(3) No licensee shall sell intoxicating liquors at retail in connection with any other business or in the same store where any other business is carried on.

(4) No retail store shall be located except on the ground floor and it shall have only one (1) main entrance opening on a public street and such place of business shall have no other entrance for use by the public except as hereinafter provided. When a retail store is located on the corner of two (2) public streets, such retail store may maintain a door opening on each of the public streets. Provided, however, that any sales room adjoining the lobby of a hotel or other public building may maintain an additional door into such lobby so long as same shall be open to the public, and provided further, that every retail store shall be provided with whatever entrances and exits may be required by existing or future municipal ordinances. If the retail store has a rear entrance or an entrance onto an alleyway, such entrance may be used to receive shipments of intoxicating beverages from the wholesaler, but such entrance may not be used by the public for any purpose whatsoever.

(5) No holder of a license for the sale of alcoholic beverages for retail shall sell, deliver, or cause, permit, or procure to be sold or delivered, any alcoholic beverages on credit.

(6) No alcoholic beverages shall be sold for consumption on the premises of the retailer or seller.

(7) The sales of all alcoholic beverages by a retailer shall be made within the licensed premises; provided, that deliveries of alcoholic beverages sold within the premises may be made by the retailer to a vehicle of the purchaser parked on the lot or lots upon which said licensed premises are situated or at the curb immediately adjacent to the lot or lots upon which said licensed premises are situated, and not elsewhere.

(8) To the fullest extent, consistent with the nature of the establishment, full, free, and unobstructed vision shall be afforded from the street and public highway to the interior of the place of sale or dispensing of alcoholic beverages where sold or dispensed.

(9) No form of entertainment, including pin ball machines, music machines, or similar devices, shall be permitted to operate upon any premises from which alcoholic beverages are sold.

(10) No advertising by licensee, signs, displays, posters, banners, or designs intended to advertise any alcoholic beverages is permitted within the corporate limits except those that are in compliance with the general sign regulations of the City of Covington, Tennessee or any regulations mandated by the State of Tennessee or its regulatory agencies. (1971 Code, § 2-116, as amended by Ord. #1567, March 2007)

**8-117. Use of canvassers or solicitors by retailers prohibited.** No holder of a license issued shall employ any canvasser or solicitor for the purpose of receiving an order from a consumer for any alcoholic beverages at the residence or place of business of such consumer nor shall any such licensee receive or accept any such order which shall have been solicited or received at the residence or place of business of such consumer. This section shall not be construed so as to prohibit the solicitation by a state licensed wholesaler of an order from any licensed retailer at the licensed premises. (1971 Code, § 2-117)

**8-118. Regulation of retail sales.** (1) No retailer shall directly or indirectly operate more than one (1) place of business for the sale of alcoholic beverages, and the word "indirectly" shall include and mean any kind of interest in another place of business by way of stock ownership, loan, partner's interest, or otherwise.

(2) No retailer shall sell, lend, or give away any alcoholic beverages to any person who is drunk nor to any person accompanied by a person who is drunk.

(3) No retailer shall sell, lend, or give away any alcoholic beverages to a person under twenty-one (21) years of age.

(4) No retailer shall sell, lend, or give away any alcoholic beverages between 11:00 P.M. on Saturday and 8:00 A.M. on Monday of each week, and between 11:00 P.M. and 8:00 A.M. Monday through Saturday.

(5) No retailer of alcoholic beverages shall keep or permit to be kept upon the licensed premises any alcoholic beverages in any unsealed bottles or other unsealed containers. (1971 Code, § 2-118, modified)

**8-119. Possession on streets, etc., restricted.** Visible possession of alcoholic beverages in an unsealed container upon any public street, or upon any public parking lot, or within any governmental building shall be a violation of this chapter. (1971 Code, § 2-119)

**8-120. Chapter not applicable to beer.** No provision of this chapter shall be considered or construed as in any way modifying, changing, or restricting the rules and regulations governing the sale, storage, transportation,



etc., or tax upon beer or other liquids with an alcoholic content of five percent (5%) or less. (1971 Code, § 2-120)

**8-121. Consumption of alcoholic beverages on premises.** Tennessee Code Annotated, title 57, chapter 4, inclusive, is hereby adopted so as to be applicable to all sales of alcoholic beverages for on premise consumption which are regulated by said code when such sales are conducted within the corporate limits of Covington, Tennessee. It's the intent of the board of mayor and aldermen that the said Tennessee Code Annotated, title 57, chapter 4, inclusive, shall be effective in Covington, Tennessee, the same as if said code sections were copied herein verbatim. (Ord. #1508, April 2003, modified)

**8-122. Privilege tax on retail sale of alcoholic beverages for consumption on the premises.** Pursuant to the authority contained in Tennessee Code Annotated, § 57-4-301, there is hereby levied a privilege tax (in the same amounts levied by Tennessee Code Annotated, § 57-4-301, for the City of Covington, Tennessee General Fund to be paid annually as provided in this chapter) upon any person, firm, corporation, joint stock company, syndicate, or association engaging in the business of selling at retail in the City of Covington, Tennessee, alcoholic beverages for consumption on the premises where sold. (Ord. #1508, April 2003)

**8-123. Annual privilege tax to be paid to the recorder/treasurer.** Any person, firm corporation, joint stock company, syndicate, or association exercising the privilege of selling alcoholic beverages for consumption on the premises in the City of Covington, Tennessee, shall remit annually to the recorder/treasurer the appropriate tax described in § 8-122. Such payments shall be remitted not less than thirty (30) days following the end of each twelve (12) month period from the original date of the license. Upon the transfer of ownership of such business or the discontinuance of such business, said tax shall be filed within thirty (30) days following such event. Any person, firm, corporation, joint stock company, syndicate, or association failing to make payment of the appropriate tax when due shall be subject to the penalty provided by law. (Ord. #1508, April 2003)

**8-124. Violations.** Any violation of the term of this chapter shall be punishable under the general penalty clause for this code of ordinances. (1971 Code, § 2-121)

## CHAPTER 2

### BEER<sup>1</sup>

#### SECTION

- 8-201. Beer board established.
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- 8-203. Record of beer board proceedings to be kept.
- 8-204. Requirements for beer board quorum and action.
- 8-205. Powers and duties of the beer board.
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- 8-208. Privilege tax.
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- 8-210. Classes of permits.
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- 8-212. Conditions.
- 8-213. Legal hours of sale.
- 8-214. Revocation of beer permits.
- 8-215. Civil penalty in lieu of suspension.
- 8-216. Effect of beer board action.

**8-201. Beer board established.** There is hereby established a beer board to be composed of the board of mayor and aldermen. The mayor shall be the chairman of the beer board and shall be entitled to vote on all matters coming before the beer board. (Ord. #1514, May 2003)

**8-202. Meetings of the beer board.** All meetings of the beer board shall be open to the public. The board shall hold regular meetings in the city hall at such times as it shall prescribe. When there is business to come before the beer board, a special meeting may be called by the chairman provided he gives a reasonable notice thereof to each member. The board may adjourn a meeting at any time to another time and place. (Ord. #1514, May 2003)

**8-203. Record of beer board proceedings to be kept.** The recorder/treasurer shall make a record of the proceedings of all meetings of the beer board. The record shall be a public record and shall contain at least the following: The date of each meeting; the names of the board members present and absent; the names of the members introducing and seconding motions and

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<sup>1</sup>Municipal code references  
 Alcohol: title 11, chapter 1.  
 Tax provisions: title 5.

resolutions, etc., before the board; a copy of each such motion or resolution presented; the vote of each member thereon; and the provisions of each beer permit issued by the beer board. (Ord. #1514, May 2003)

**8-204. Requirements for beer board quorum and action.** The attendance of at least a majority of the members of the beer board shall be required to constitute a quorum for the purpose of transacting business. Matters before the board shall be decided by a majority of the members present if a quorum is constituted. Any member present but not voting shall be deemed to have cast a "nay" vote. (Ord. #1514, May 2003)

**8-205. Powers and duties of the beer board.**<sup>1</sup> The beer board shall have the power and it is hereby directed to regulate the selling, storing for sale, distributing for sale, and manufacturing of beer within the City of Covington in accordance with the provisions of this chapter. (Ord. #1514, May 2003)

**8-206. "Beer" defined.** The term "beer" as used in this chapter shall mean and include all beers, ales, and other malt liquors or any other beverages having an alcoholic content of not more than five percent (5%) by weight. (Ord. #1514, May 2003)

**8-207. Permit required for engaging in beer business.**<sup>2</sup> It shall be unlawful for any person to sell, store for sale, distribute for sale, or manufacture beer without first making application to and obtaining a permit from the beer board. The application shall be made on such form as the beer board shall prescribe and/or furnish, and pursuant to Tennessee Code Annotated, § 57-5-104(a), shall be accompanied by a non-refundable application fee of two hundred and fifty dollars (\$250.00). Each applicant must be a person of good moral character and he must certify that he has read and is familiar with the provisions of this chapter. (Ord. #1514, May 2003)

**8-208. Privilege tax.**<sup>3</sup> There is hereby imposed on the business of selling, distributing, storing or manufacturing beer a privilege tax of one hundred dollars (\$100.00). Any person, firm, corporation, joint stock company, syndicate or association engaged in the sale, distribution, storage or

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<sup>1</sup>State law reference  
Tennessee Code Annotated, § 57-5-106.

<sup>2</sup>State law reference  
Tennessee Code Annotated, § 57-5-103.

<sup>3</sup>State law reference  
Tennessee Code Annotated, § 57-5-104(b).

manufacture of beer shall remit the tax each successive January 1 to the City of Covington, Tennessee. At the time a new permit is issued to any business subject to this tax, the permit holder shall be required to pay the privilege tax on a prorated basis for each month or portion thereof remaining until the next tax payment date. (Ord. #1514, May 2003)

**8-209. Beer permits shall be restrictive.** All beer permits shall be restrictive as to the type of beer business authorized under them. Separate permits shall be required for selling at retail, storing, distributing, and manufacturing. It shall be unlawful for any beer permit holder to engage in any type or phase of the beer business not expressly authorized by his permit. It shall likewise be unlawful for him not to comply with any and all express restrictions or conditions which may be written into his permit by the beer board. (Ord. #1514, May 2003)

**8-210. Classes of permits.** Permits issued by the beer board shall consist of four (4) types:

(1) Manufacturing. A manufacturer's permit to a manufacturer of beer for the manufacture, possession, storage, sale, giveaway, distribution, and transportation of the product of each manufacturer, not to be consumed by the producer upon or near the premises of such manufacturer.

(2) Class 1 on premises permit. A Class 1 on premises permit shall be issued for the consumption of beer only on the premises. To qualify for a Class 1 on premise permit, an establishment must, in addition to meeting the other regulations and restrictions in this chapter:

(a) Must obtain and maintain a valid hotel-restaurant license from the State of Tennessee;

(b) Be able to seat a minimum of thirty (30), including children, in booths and at tables, in addition to any other seating it may have;

(c) Keep and maintain the premises in a clean and sanitary condition, and obtain the Tennessee Department of Health and Environment, Division of Food and General Sanitation, or its designee, or other proper state and local authority, all necessary permits as required for restaurants in the State of Tennessee;

(d) File with the City of Covington on a monthly basis a copy of the sales tax return due to the State of Tennessee; and

(e) Provide a state sales tax number and federal employee's identification number to the City of Covington.

In addition, the monthly beer sales of any establishment that holds a Class 1 on premises permit shall not exceed forty percent (40%) of the gross sales of the establishment. Any such establishment that for two (2) consecutive months has beer sales exceeding forty percent (40%) of its gross sales, shall have its beer permit revoked. It shall be the responsibility of each applicant to provide the City of Covington appropriate distinctions of the amount of beer and

food sold. Said information shall be provided to the City of Covington on a monthly basis on such forms and according to such procedures as the City of Covington may dictate. The city may, in its discretion, require each applicant to provide such additional information as the City of Covington deems necessary in order to make appropriate distinctions of the amount of beer and food sold. Failure to provide such information shall constitute a violation of this chapter and may result in a revocation or suspension of the permit.

(3) Class 2 on premises permit. Other establishments making application for a permit to sell or give away beer for consumption on the premises, which did not qualify, or do not wish to apply for a Class 1 on premises permit, but which otherwise meet all other regulations and restrictions in this chapter, shall apply for a Class 2 on premises permit. To qualify for a Class 2 on premises permit, an establishment must, in addition to meeting the other regulations and restrictions in this chapter:

(a) Allow no one under the age of twenty-one (21) years to be in or about the premises where beer is being sold or given away;

(b) Require all customers to have valid identification card on their person;

(c) Provide to the Covington Police Department prior to commencement of employment, the name and address and date of birth of each and every employee for the purpose of ascertaining whether said employee has a criminal record;

(d) Provide and maintain separate sanitary toilet facilities for men and women, and keep and maintain the premises in a clean and sanitary condition;

(e) Allow no assaults, fighting, damaging of property and breaches of peace occurring on or in the premises where beer is sold or given away;

(f) Provide a state sales tax number and federal employee's identification number to the City of Covington;

(g) In the event food is served, shall obtain from the Tennessee Department of Health and Environment, Division of Food and General Sanitation, or its designee, or other state or local authority, all necessary permits as required for sale of food; and

(h) Have all seating in the interior of the building under a permanent roof. No beer shall be allowed outside the building for sale, giveaway, or consumption.

(4) Off premises permit. An off premises permit shall be issued for the consumption of beer only off the premises. To qualify for an off premises permit, an establishment must, in addition to meeting the other regulations and restrictions in this chapter:

(a) Be a grocery store or a convenience type market;

(b) In either case, be primarily engaged in the sale of grocery and personal, home care and cleaning articles, but may also sell gasoline; and

(c) Provide a state sales tax number and federal employee's identification number to the City of Covington.

In addition, an establishment that holds an off premises permit shall not allow sale or giveaway of beer through any type of drive-through window. No beer shall be allowed outside the building for sale, giveaway, or consumption. (Ord. #1514, May 2003)

**8-211. Limitation upon issuance of beer permits.** No Class 2 on premises permit shall be issued to an applicant whose location:

(1) Is within two hundred fifty feet (250') from any hospital, church, school, public park or public playground or other place of public gathering and would cause congestion of traffic or interfere with hospitals, schools, churches, or other places of public gathering, or would otherwise interfere with the public health, safety and morals of the citizens; and

(2) The distances shall be measured in a straight line from the nearest point of the building of the Class 2 beer permit applicant to the nearest point of the property line of the hospital, church, school, public park or public playground or other place of public gathering. In the event the Class 2 applicant's business location is located in a building which is partitioned into separate business facilities, such as in a strip center or mall, the distances shall be measured in a straight line from the nearest point of the portion of the partitioned building occupied by the Class 2 beer permit applicant to the nearest point of the property line of the hospital, church, school or other place of public gathering. (Ord. #1566, Jan. 2007)

**8-212. Conditions.** The following are conditions for issuance of a permit under this chapter:

(1) In case of a partnership, a partner shall be the applicant, and, in case of a corporation, any officer or the local manager of the proposed location shall be the applicant. The license shall be issued in the name of the partnership or the corporation, as the case may be. In the case of a corporation, where the local manager is the applicant, the corporation shall report any change in that position.

(2) The applicant shall designate the location of the premises where beer shall be sold or given away and shall name the owner of the premises as well as the lessee thereof.

(3) The applicant shall not sell or give away beer at any place except the premises designated in the petition, except that an applicant may have a permit for more than one (1) location within the City of Covington, so long as a separate permit is issued for each location by the beer board.

(4) The applicant shall make no sales or give away of beer except upon the terms and conditions of the permit issued.

(5) The applicant shall designate in the application whether his application is for beer to be sold or given away for consumption on the premises or consumption off the premises. The application shall not be made for both consumption on and off the premises designated in the application.

(6) No sale or giveaway of beer shall be made to persons under the age of twenty-one (21) years and no such person shall be allowed to loiter about the area where beer is being sold or given away; however, any person eighteen (18) years of age or older may transport, possess, sell or dispense beer in the course of such person's employment in Class 1 on premises establishments and off premises establishments.

(7) The applicant shall allow no gambling upon the premises, nor allow any devices defined as gambling devices by state statute upon the premises designated for sale or giveaway of beer.

(8) Neither the applicant nor any person employed by him shall have been convicted of any violation of any liquor laws, any crime involving moral turpitude, or any felony within the last ten (10) years prior to filing the application.

(9) Neither the owner or any employee of the applicant shall drink intoxicating beverages during hours of operation.

(10) Only the person receiving the beer permit shall act as manager of any establishment granted the right to sell or give away beer within the City of Covington, however, the manager shall designate, in writing with a copy to the City of Covington, an alternative person who shall be in charge of the establishment when he is absent from the premises.

(11) No beer shall be sold or given away to drunk or disorderly persons.

(12) In all on premises locations, there must be sufficient lighting for customers to adequately read a menu, if applicable, and for employees to properly inspect the age and identification card of customers without aid of additional illumination.

(13) The licensee shall maintain an orderly establishment and not be in violation of any health, building or fire department regulations or ordinances of the City of Covington.

(14) The beer board has the full power and authority to enter, inspect and investigate any business operated pursuant to any permits issued by the beer board and has full authority to call upon any member of the police and health departments for assistance in the enforcement of the state laws, city ordinances and rules and regulations of the beer board pertaining to the sale or giveaway of beer.

(15) The licensee with an off premises beer permit shall not allow the consumption of beer anywhere on the premises of the licensee.

(16) No beer may be sold or given away except at places where such sale or giveaway will not cause congestion of traffic or interference with hospitals,

schools, churches or other places of public gathering, or otherwise interfere with public health, safety and morals. (Ord. #1514, May 2003, modified)

**8-213. Legal hours of sale.** Except as otherwise provided by state law:

(1) It shall be unlawful for any off-premises permit holder to make or allow any sale or giveaway of beer between the hours of 1:00 A.M. and 6:00 A.M. during any night of the week and between the hours of 1:00 A.M. on Sunday and 12:00 noon on Sunday.

(2) It shall be unlawful for any Class 1 permit holder to make or allow any sale or giveaway of beer between the hours of 2:00 A.M. and 6:00 A.M. during any night of the week and between the hours of 2:00 A.M. on Sunday and 11:00 A.M. on Sunday.

(3) It shall be unlawful for any Class 2 permit holder to make or allow any sale or giveaway of beer between the hours of 1:00 A.M. and 6:00 A.M. during any night of the week and between the hours of 1:00 A.M. on Sunday and 6:00 A.M. the following Monday.

(4) All Class 1 permit holders must have their place of business cleared of all customers by 2:00 A.M. and Class 2 permit holders must have their place of business cleared of all customers by 1:30 A.M. (Ord. #1638, Nov. 2012)

**8-214. Suspension and revocation of beer permits.**<sup>1</sup> The beer board shall have the power to suspend or revoke any beer permit issued under the provisions of this chapter when the holder thereof is guilty of making a false statement or misrepresentation in his application or of violating any of the provisions of this chapter. However, no beer permit shall be suspended or revoked until a public hearing is held by the board after reasonable notice to all the known parties in interest. Suspension or revocation proceedings may be initiated by the police chief or by any member of the beer board. (Ord. #1514, May 2003)

**8-215. Civil penalty in lieu of suspension.**<sup>2</sup> The beer board may, at the time it imposes a revocation or suspension, offer a permit holder the alternative of paying a civil penalty not to exceed one thousand five hundred dollars (\$1,500.00) for each offense of making or permitting to be made any sales or giveaway of beer to minors or a civil penalty not to exceed one thousand dollars (\$1,000.00) for any other offense or offenses. If a civil penalty is offered as an alternative to revocation or suspension, the holder shall have seven (7) days within which to pay the civil penalty before the revocation or suspension

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<sup>1</sup>State law reference

Tennessee Code Annotated, § 57-5-108(a)(1).

<sup>2</sup>State law reference

Tennessee Code Annotated, § 57-5-108(a)(2).



shall be deemed withdrawn. However, in no event shall a permit holder be allowed to pay a civil penalty for a second offense of making or permitting to be made a sale or giveaway of beer to minors. (Ord. #1514, May 2003)

**8-216. Effect of board action.** The action of the beer board in all such hearings shall be final, subject only to review by the court. When a permit is revoked, no new permit shall be issued hereunder for the sale or giveaway of beer at the same location or to the same permit holder, as the beer board may determine until the expiration of one (1) year from the date said revocation becomes final. When a permit is suspended, no new permit shall be issued hereunder for the sale or giveaway of beer at the same location or to the same permit holder until the period of suspension is over. (Ord. #1514, May 2003)