

COTTAGE FOOD LAW REPORT

Panola County

Texas · Carthage · FIPS 48365 · Population 23,000 · Crosodo Index #171*

STATE BASELINE

Tex. Health & Safety §437.001 et seq.

STATE TIER

Great

ANNUAL SALES CAP (STATE)

150000

CONFIDENCE

MEDIUM

LAST VERIFIED

2026-05-06

IMPORTANT — NOT LEGAL ADVICE

This report compiles publicly-available statutes, regulations, and county zoning rules into a research reference. It is **not legal advice** and is provided **without warranty** as to accuracy, completeness, or current applicability.

Cottage food law changes frequently. Counties may amend zoning, health departments may issue new permits, and state legislatures may update statutes after the publication date shown above.

Always verify rules directly with your state department of health/agriculture and your county health and planning offices before relying on them for any business or regulatory decision. Consult a licensed attorney for advice specific to your situation.

TEXAS: PANOLA COUNTY

CROSODO INDEX #171* · FIPS 48365 · Carthage

Panola County

Population 23,000 · State baseline: Tex. Health & Safety §437.001 et seq. · **MEDIUM**

QUICK VIEW FOR BAKERS IN THIS COUNTY

HOME KITCHEN ALLOWED?

Yes (Texas allows cottage food from residential home kitchens. No registration, permit, or inspection required. Annual gross income cap of \$150,000 (raised by SB 541, 2025). Health departments have no authority to inspect cottage food operations. Strong state preemption — local governments cannot add licensing or inspection requirements.)

SEPARATE KITCHEN REQUIRED?

No

PETS ALLOWED?

No specific state restriction on pets in home for cottage food operations.

HOME OCCUPATION PERMIT?

No (Panola County is a rural county in East Texas. No county-level zoning ordinance identified. Texas cottage food law preempts local health regulations. No home occupation permit required at county level.)

ON-SITE / PORCH PICKUP?

Yes

INSPECTION REQUIRED?

No (DSHS or local health authority may only act to prevent an immediate and serious threat to human life or health.)

Home kitchen rules

HOME KITCHEN ALLOWED	Yes — Texas allows cottage food from residential home kitchens. No registration, permit, or inspection required. Annual gross income cap of \$150,000 (raised by SB 541, 2025). Health departments have no authority to inspect cottage food operations. Strong state preemption — local governments cannot add licensing or inspection requirements.
SEPARATE DEDICATED KITCHEN	No
PET RESTRICTIONS	No specific state restriction on pets in home for cottage food operations.
WATER SUPPLY	No specific requirement under Texas cottage food law.
HANDWASHING	Good manufacturing practices apply; adequate handwashing expected.
FOOD STORAGE	All products must be shelf-stable, non-TCS. Proper storage to prevent contamination required.

Inspection & permitting

INSPECTION REQUIRED	No — DSHS or local health authority may only act to prevent an immediate and serious threat to human life or health.
HOME OCCUPATION PERMIT	No — Panola County is a rural county in East Texas. No county-level zoning ordinance identified. Texas cottage food law preempts local health regulations. No home occupation permit required at county level.
LOCAL BUSINESS LICENSE	No

Customer-facing rules

ON-SITE CUSTOMER PICKUP	Yes
ON-SITE SIGNAGE	Conditional
DELIVERY / PICKUP RULES	Sales allowed direct-to-consumer, at farmers markets, online (statewide), fairs, roadside stands. SB 541 (2025) also allows sales through nonprofit organizations. No wholesale to retailers.
MAX EMPLOYEES IN HOME	Not restricted by state cottage food law; local zoning may apply.

Relevant county code

Tex. Health & Safety Code §437.001 et seq.

RESEARCH NOTES

Rural East Texas county. State baseline governs. Texas has strong preemption of local health rules for cottage food. No Panola County-specific cottage food code identified. Texas SB 541 (2025) raised cap to \$150,000.

SOURCES VERIFIED AT RESEARCH TIME

<https://www.dshs.texas.gov/food-establishments/cottage-food-production-operations>

<https://statutes.capitol.texas.gov/Docs/HS/htm/HS.437.htm>

Questions? Join the Crosodo Forum to discuss your county’s specific zoning rules at <https://crosodo.com/nb/texas/panola-county-discuss>

State context — Texas cottage food law

Panola County’s rules sit on top of Texas’s state cottage food framework. The state law sets the floor — counties can add but cannot remove protections.

STATUTE Tex. Health & Safety §437.001 et seq.	ANNUAL SALES CAP 150000
REGISTRATION REQUIRED No	FOOD HANDLER CERT No
KITCHEN INSPECTION No	DIRECT SALES ONLY No

INDIRECT SALES
 Limited (see notes) — Sales must be made directly to consumers or to a 'cottage food vendor' (a new category created by SB 541 in 2025 – a person with a contractual relationship who sells on behalf of the cottage food operation to consumers in-state). Cottage food products may not be sold as ingredients to a food service establishment. No retail grocery store or wholesale sales permitted under the pre-2025 framework; SB 541 (2025) adds the cottage food vendor intermediary option. Products must be delivered to consumer or vendor at point of sale or consumer-designated location.

For the full state-level analysis including the verbatim statute text, see the [Texas cottage food law report](#).

STATE-LEVEL REFERENCES

- State statute: <https://statutes.capitol.texas.gov/Docs/HS/htm/HS.437.htm>
 - State dept cottage food page: <https://www.dshs.texas.gov/food-establishments/cottage-food-production-operations>
 - Forrager.com: <https://forrager.com/law/texas/>
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Questions?

Join the Crosodo Forum to discuss Panola County's specific zoning rules, permits, and what other home bakers are seeing locally.

<https://crosodo.com/nb/texas/panola-county-discuss>
