

SB0759



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB0759

Introduced 2/1/2017, by Sen. Michael Connelly

SYNOPSIS AS INTRODUCED:

235 ILCS 5/1-3.35
235 ILCS 5/5-1

from Ch. 43, par. 115

Amends the Liquor Control Act of 1934. Authorizes a class 1 brewer, class 2 brewer, or a craft distiller to obtain a special use permit license. Makes conforming changes. Effective immediately.

LRB100 08157 RPS 18252 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning liquor.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Liquor Control Act of 1934 is amended by
5 changing Sections 1-3.35 and 5-1 as follows:

6 (235 ILCS 5/1-3.35)

7 Sec. 1-3.35. Special use permit license. "Special use
8 permit license" means a license for use by a retailer, class 1
9 brewer, class 2 brewer, or craft distiller to allow for the
10 transfer of alcoholic beverages from an existing licensed
11 ~~retail~~ premises to a designated site for a specific event.

12 (Source: P.A. 88-91; 89-250, eff. 1-1-96.)

13 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

14 Sec. 5-1. Licenses issued by the Illinois Liquor Control
15 Commission shall be of the following classes:

16 (a) Manufacturer's license - Class 1. Distiller, Class 2.
17 Rectifier, Class 3. Brewer, Class 4. First Class Wine
18 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
19 First Class Winemaker, Class 7. Second Class Winemaker, Class
20 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class
21 10. Class 1 Brewer, Class 11. Class 2 Brewer,

22 (b) Distributor's license,

- 1 (c) Importing Distributor's license,
- 2 (d) Retailer's license,
- 3 (e) Special Event Retailer's license (not-for-profit),
- 4 (f) Railroad license,
- 5 (g) Boat license,
- 6 (h) Non-Beverage User's license,
- 7 (i) Wine-maker's premises license,
- 8 (j) Airplane license,
- 9 (k) Foreign importer's license,
- 10 (l) Broker's license,
- 11 (m) Non-resident dealer's license,
- 12 (n) Brew Pub license,
- 13 (o) Auction liquor license,
- 14 (p) Caterer retailer license,
- 15 (q) Special use permit license,
- 16 (r) Winery shipper's license,
- 17 (s) Craft distiller tasting permit.

18 No person, firm, partnership, corporation, or other legal
19 business entity that is engaged in the manufacturing of wine
20 may concurrently obtain and hold a wine-maker's license and a
21 wine manufacturer's license.

22 (a) A manufacturer's license shall allow the manufacture,
23 importation in bulk, storage, distribution and sale of
24 alcoholic liquor to persons without the State, as may be
25 permitted by law and to licensees in this State as follows:

26 Class 1. A Distiller may make sales and deliveries of

1 alcoholic liquor to distillers, rectifiers, importing
2 distributors, distributors and non-beverage users and to no
3 other licensees.

4 Class 2. A Rectifier, who is not a distiller, as defined
5 herein, may make sales and deliveries of alcoholic liquor to
6 rectifiers, importing distributors, distributors, retailers
7 and non-beverage users and to no other licensees.

8 Class 3. A Brewer may make sales and deliveries of beer to
9 importing distributors and distributors and may make sales as
10 authorized under subsection (e) of Section 6-4 of this Act.

11 Class 4. A first class wine-manufacturer may make sales and
12 deliveries of up to 50,000 gallons of wine to manufacturers,
13 importing distributors and distributors, and to no other
14 licensees.

15 Class 5. A second class Wine manufacturer may make sales
16 and deliveries of more than 50,000 gallons of wine to
17 manufacturers, importing distributors and distributors and to
18 no other licensees.

19 Class 6. A first-class wine-maker's license shall allow the
20 manufacture of up to 50,000 gallons of wine per year, and the
21 storage and sale of such wine to distributors in the State and
22 to persons without the State, as may be permitted by law. A
23 person who, prior to June 1, 2008 (the effective date of Public
24 Act 95-634), is a holder of a first-class wine-maker's license
25 and annually produces more than 25,000 gallons of its own wine
26 and who distributes its wine to licensed retailers shall cease

1 this practice on or before July 1, 2008 in compliance with
2 Public Act 95-634.

3 Class 7. A second-class wine-maker's license shall allow
4 the manufacture of between 50,000 and 150,000 gallons of wine
5 per year, and the storage and sale of such wine to distributors
6 in this State and to persons without the State, as may be
7 permitted by law. A person who, prior to June 1, 2008 (the
8 effective date of Public Act 95-634), is a holder of a
9 second-class wine-maker's license and annually produces more
10 than 25,000 gallons of its own wine and who distributes its
11 wine to licensed retailers shall cease this practice on or
12 before July 1, 2008 in compliance with Public Act 95-634.

13 Class 8. A limited wine-manufacturer may make sales and
14 deliveries not to exceed 40,000 gallons of wine per year to
15 distributors, and to non-licensees in accordance with the
16 provisions of this Act.

17 Class 9. A craft distiller license shall allow the
18 manufacture of up to 100,000 ~~March 1, 2013 (Public Act 97-1166)~~
19 gallons of spirits by distillation per year and the storage of
20 such spirits. If a craft distiller licensee, including a craft
21 distiller licensee who holds more than one craft distiller
22 license, is not affiliated with any other manufacturer of
23 spirits, then the craft distiller licensee may sell such
24 spirits to distributors in this State and up to 2,500 gallons
25 of such spirits to non-licensees to the extent permitted by any
26 exemption approved by the Commission pursuant to Section 6-4 of

1 this Act. A craft distiller license holder may store such
2 spirits at a non-contiguous licensed location, but at no time
3 shall a craft distiller license holder directly or indirectly
4 produce in the aggregate more than 100,000 gallons of spirits
5 per year.

6 A craft distiller licensee may hold more than one craft
7 distiller's license. However, a craft distiller that holds more
8 than one craft distiller license shall not manufacture, in the
9 aggregate, more than 100,000 gallons of spirits by distillation
10 per year and shall not sell, in the aggregate, more than 2,500
11 gallons of such spirits to non-licensees in accordance with an
12 exemption approved by the State Commission pursuant to Section
13 6-4 of this Act.

14 Any craft distiller licensed under this Act who on July 28,
15 2010 (the effective date of Public Act 96-1367) was licensed as
16 a distiller and manufactured no more spirits than permitted by
17 this Section shall not be required to pay the initial licensing
18 fee.

19 Class 10. A class 1 brewer license, which may only be
20 issued to a licensed brewer or licensed non-resident dealer,
21 shall allow the manufacture of up to 930,000 gallons of beer
22 per year provided that the class 1 brewer licensee does not
23 manufacture more than a combined 930,000 gallons of beer per
24 year and is not a member of or affiliated with, directly or
25 indirectly, a manufacturer that produces more than 930,000
26 gallons of beer per year or any other alcoholic liquor. A class

1 1 brewer licensee may make sales and deliveries to importing
2 distributors and distributors and to retail licensees in
3 accordance with the conditions set forth in paragraph (18) of
4 subsection (a) of Section 3-12 of this Act.

5 Class 11. A class 2 brewer license, which may only be
6 issued to a licensed brewer or licensed non-resident dealer,
7 shall allow the manufacture of up to 3,720,000 gallons of beer
8 per year provided that the class 2 brewer licensee does not
9 manufacture more than a combined 3,720,000 gallons of beer per
10 year and is not a member of or affiliated with, directly or
11 indirectly, a manufacturer that produces more than 3,720,000
12 gallons of beer per year or any other alcoholic liquor. A class
13 2 brewer licensee may make sales and deliveries to importing
14 distributors and distributors, but shall not make sales or
15 deliveries to any other licensee. If the State Commission
16 provides prior approval, a class 2 brewer licensee may annually
17 transfer up to 3,720,000 gallons of beer manufactured by that
18 class 2 brewer licensee to the premises of a licensed class 2
19 brewer wholly owned and operated by the same licensee.

20 (a-1) A manufacturer which is licensed in this State to
21 make sales or deliveries of alcoholic liquor to licensed
22 distributors or importing distributors and which enlists
23 agents, representatives, or individuals acting on its behalf
24 who contact licensed retailers on a regular and continual basis
25 in this State must register those agents, representatives, or
26 persons acting on its behalf with the State Commission.

1 Registration of agents, representatives, or persons acting
2 on behalf of a manufacturer is fulfilled by submitting a form
3 to the Commission. The form shall be developed by the
4 Commission and shall include the name and address of the
5 applicant, the name and address of the manufacturer he or she
6 represents, the territory or areas assigned to sell to or
7 discuss pricing terms of alcoholic liquor, and any other
8 questions deemed appropriate and necessary. All statements in
9 the forms required to be made by law or by rule shall be deemed
10 material, and any person who knowingly misstates any material
11 fact under oath in an application is guilty of a Class B
12 misdemeanor. Fraud, misrepresentation, false statements,
13 misleading statements, evasions, or suppression of material
14 facts in the securing of a registration are grounds for
15 suspension or revocation of the registration. The State
16 Commission shall post a list of registered agents on the
17 Commission's website.

18 (b) A distributor's license shall allow the wholesale
19 purchase and storage of alcoholic liquors and sale of alcoholic
20 liquors to licensees in this State and to persons without the
21 State, as may be permitted by law. No person licensed as a
22 distributor shall be granted a non-resident dealer's license.

23 (c) An importing distributor's license may be issued to and
24 held by those only who are duly licensed distributors, upon the
25 filing of an application by a duly licensed distributor, with
26 the Commission and the Commission shall, without the payment of

1 any fee, immediately issue such importing distributor's
2 license to the applicant, which shall allow the importation of
3 alcoholic liquor by the licensee into this State from any point
4 in the United States outside this State, and the purchase of
5 alcoholic liquor in barrels, casks or other bulk containers and
6 the bottling of such alcoholic liquors before resale thereof,
7 but all bottles or containers so filled shall be sealed,
8 labeled, stamped and otherwise made to comply with all
9 provisions, rules and regulations governing manufacturers in
10 the preparation and bottling of alcoholic liquors. The
11 importing distributor's license shall permit such licensee to
12 purchase alcoholic liquor from Illinois licensed non-resident
13 dealers and foreign importers only. No person licensed as an
14 importing distributor shall be granted a non-resident dealer's
15 license.

16 (d) A retailer's license shall allow the licensee to sell
17 and offer for sale at retail, only in the premises specified in
18 the license, alcoholic liquor for use or consumption, but not
19 for resale in any form. Nothing in Public Act 95-634 shall
20 deny, limit, remove, or restrict the ability of a holder of a
21 retailer's license to transfer, deliver, or ship alcoholic
22 liquor to the purchaser for use or consumption subject to any
23 applicable local law or ordinance. Any retail license issued to
24 a manufacturer shall only permit the manufacturer to sell beer
25 at retail on the premises actually occupied by the
26 manufacturer. For the purpose of further describing the type of

1 business conducted at a retail licensed premises, a retailer's
2 licensee may be designated by the State Commission as (i) an on
3 premise consumption retailer, (ii) an off premise sale
4 retailer, or (iii) a combined on premise consumption and off
5 premise sale retailer.

6 Notwithstanding any other provision of this subsection
7 (d), a retail licensee may sell alcoholic liquors to a special
8 event retailer licensee for resale to the extent permitted
9 under subsection (e).

10 (e) A special event retailer's license (not-for-profit)
11 shall permit the licensee to purchase alcoholic liquors from an
12 Illinois licensed distributor (unless the licensee purchases
13 less than \$500 of alcoholic liquors for the special event, in
14 which case the licensee may purchase the alcoholic liquors from
15 a licensed retailer) and shall allow the licensee to sell and
16 offer for sale, at retail, alcoholic liquors for use or
17 consumption, but not for resale in any form and only at the
18 location and on the specific dates designated for the special
19 event in the license. An applicant for a special event retailer
20 license must (i) furnish with the application: (A) a resale
21 number issued under Section 2c of the Retailers' Occupation Tax
22 Act or evidence that the applicant is registered under Section
23 2a of the Retailers' Occupation Tax Act, (B) a current, valid
24 exemption identification number issued under Section 1g of the
25 Retailers' Occupation Tax Act, and a certification to the
26 Commission that the purchase of alcoholic liquors will be a

1 tax-exempt purchase, or (C) a statement that the applicant is
2 not registered under Section 2a of the Retailers' Occupation
3 Tax Act, does not hold a resale number under Section 2c of the
4 Retailers' Occupation Tax Act, and does not hold an exemption
5 number under Section 1g of the Retailers' Occupation Tax Act,
6 in which event the Commission shall set forth on the special
7 event retailer's license a statement to that effect; (ii)
8 submit with the application proof satisfactory to the State
9 Commission that the applicant will provide dram shop liability
10 insurance in the maximum limits; and (iii) show proof
11 satisfactory to the State Commission that the applicant has
12 obtained local authority approval.

13 (f) A railroad license shall permit the licensee to import
14 alcoholic liquors into this State from any point in the United
15 States outside this State and to store such alcoholic liquors
16 in this State; to make wholesale purchases of alcoholic liquors
17 directly from manufacturers, foreign importers, distributors
18 and importing distributors from within or outside this State;
19 and to store such alcoholic liquors in this State; provided
20 that the above powers may be exercised only in connection with
21 the importation, purchase or storage of alcoholic liquors to be
22 sold or dispensed on a club, buffet, lounge or dining car
23 operated on an electric, gas or steam railway in this State;
24 and provided further, that railroad licensees exercising the
25 above powers shall be subject to all provisions of Article VIII
26 of this Act as applied to importing distributors. A railroad

1 license shall also permit the licensee to sell or dispense
 2 alcoholic liquors on any club, buffet, lounge or dining car
 3 operated on an electric, gas or steam railway regularly
 4 operated by a common carrier in this State, but shall not
 5 permit the sale for resale of any alcoholic liquors to any
 6 licensee within this State. A license shall be obtained for
 7 each car in which such sales are made.

8 (g) A boat license shall allow the sale of alcoholic liquor
 9 in individual drinks, on any passenger boat regularly operated
 10 as a common carrier on navigable waters in this State or on any
 11 riverboat operated under the Riverboat Gambling Act, which boat
 12 or riverboat maintains a public dining room or restaurant
 13 thereon.

14 (h) A non-beverage user's license shall allow the licensee
 15 to purchase alcoholic liquor from a licensed manufacturer or
 16 importing distributor, without the imposition of any tax upon
 17 the business of such licensed manufacturer or importing
 18 distributor as to such alcoholic liquor to be used by such
 19 licensee solely for the non-beverage purposes set forth in
 20 subsection (a) of Section 8-1 of this Act, and such licenses
 21 shall be divided and classified and shall permit the purchase,
 22 possession and use of limited and stated quantities of
 23 alcoholic liquor as follows:

- 24 Class 1, not to exceed 500 gallons
- 25 Class 2, not to exceed 1,000 gallons
- 26 Class 3, not to exceed 5,000 gallons

1 Class 4, not to exceed 10,000 gallons

2 Class 5, not to exceed 50,000 gallons

3 (i) A wine-maker's premises license shall allow a licensee
4 that concurrently holds a first-class wine-maker's license to
5 sell and offer for sale at retail in the premises specified in
6 such license not more than 50,000 gallons of the first-class
7 wine-maker's wine that is made at the first-class wine-maker's
8 licensed premises per year for use or consumption, but not for
9 resale in any form. A wine-maker's premises license shall allow
10 a licensee who concurrently holds a second-class wine-maker's
11 license to sell and offer for sale at retail in the premises
12 specified in such license up to 100,000 gallons of the
13 second-class wine-maker's wine that is made at the second-class
14 wine-maker's licensed premises per year for use or consumption
15 but not for resale in any form. A wine-maker's premises license
16 shall allow a licensee that concurrently holds a first-class
17 wine-maker's license or a second-class wine-maker's license to
18 sell and offer for sale at retail at the premises specified in
19 the wine-maker's premises license, for use or consumption but
20 not for resale in any form, any beer, wine, and spirits
21 purchased from a licensed distributor. Upon approval from the
22 State Commission, a wine-maker's premises license shall allow
23 the licensee to sell and offer for sale at (i) the wine-maker's
24 licensed premises and (ii) at up to 2 additional locations for
25 use and consumption and not for resale. Each location shall
26 require additional licensing per location as specified in

1 Section 5-3 of this Act. A wine-maker's premises licensee shall
2 secure liquor liability insurance coverage in an amount at
3 least equal to the maximum liability amounts set forth in
4 subsection (a) of Section 6-21 of this Act.

5 (j) An airplane license shall permit the licensee to import
6 alcoholic liquors into this State from any point in the United
7 States outside this State and to store such alcoholic liquors
8 in this State; to make wholesale purchases of alcoholic liquors
9 directly from manufacturers, foreign importers, distributors
10 and importing distributors from within or outside this State;
11 and to store such alcoholic liquors in this State; provided
12 that the above powers may be exercised only in connection with
13 the importation, purchase or storage of alcoholic liquors to be
14 sold or dispensed on an airplane; and provided further, that
15 airplane licensees exercising the above powers shall be subject
16 to all provisions of Article VIII of this Act as applied to
17 importing distributors. An airplane licensee shall also permit
18 the sale or dispensing of alcoholic liquors on any passenger
19 airplane regularly operated by a common carrier in this State,
20 but shall not permit the sale for resale of any alcoholic
21 liquors to any licensee within this State. A single airplane
22 license shall be required of an airline company if liquor
23 service is provided on board aircraft in this State. The annual
24 fee for such license shall be as determined in Section 5-3.

25 (k) A foreign importer's license shall permit such licensee
26 to purchase alcoholic liquor from Illinois licensed

1 non-resident dealers only, and to import alcoholic liquor other
2 than in bulk from any point outside the United States and to
3 sell such alcoholic liquor to Illinois licensed importing
4 distributors and to no one else in Illinois; provided that (i)
5 the foreign importer registers with the State Commission every
6 brand of alcoholic liquor that it proposes to sell to Illinois
7 licensees during the license period, (ii) the foreign importer
8 complies with all of the provisions of Section 6-9 of this Act
9 with respect to registration of such Illinois licensees as may
10 be granted the right to sell such brands at wholesale, and
11 (iii) the foreign importer complies with the provisions of
12 Sections 6-5 and 6-6 of this Act to the same extent that these
13 provisions apply to manufacturers.

14 (1) (i) A broker's license shall be required of all persons
15 who solicit orders for, offer to sell or offer to supply
16 alcoholic liquor to retailers in the State of Illinois, or who
17 offer to retailers to ship or cause to be shipped or to make
18 contact with distillers, rectifiers, brewers or manufacturers
19 or any other party within or without the State of Illinois in
20 order that alcoholic liquors be shipped to a distributor,
21 importing distributor or foreign importer, whether such
22 solicitation or offer is consummated within or without the
23 State of Illinois.

24 No holder of a retailer's license issued by the Illinois
25 Liquor Control Commission shall purchase or receive any
26 alcoholic liquor, the order for which was solicited or offered

1 for sale to such retailer by a broker unless the broker is the
2 holder of a valid broker's license.

3 The broker shall, upon the acceptance by a retailer of the
4 broker's solicitation of an order or offer to sell or supply or
5 deliver or have delivered alcoholic liquors, promptly forward
6 to the Illinois Liquor Control Commission a notification of
7 said transaction in such form as the Commission may by
8 regulations prescribe.

9 (ii) A broker's license shall be required of a person
10 within this State, other than a retail licensee, who, for a fee
11 or commission, promotes, solicits, or accepts orders for
12 alcoholic liquor, for use or consumption and not for resale, to
13 be shipped from this State and delivered to residents outside
14 of this State by an express company, common carrier, or
15 contract carrier. This Section does not apply to any person who
16 promotes, solicits, or accepts orders for wine as specifically
17 authorized in Section 6-29 of this Act.

18 A broker's license under this subsection (1) shall not
19 entitle the holder to buy or sell any alcoholic liquors for his
20 own account or to take or deliver title to such alcoholic
21 liquors.

22 This subsection (1) shall not apply to distributors,
23 employees of distributors, or employees of a manufacturer who
24 has registered the trademark, brand or name of the alcoholic
25 liquor pursuant to Section 6-9 of this Act, and who regularly
26 sells such alcoholic liquor in the State of Illinois only to

1 its registrants thereunder.

2 Any agent, representative, or person subject to
3 registration pursuant to subsection (a-1) of this Section shall
4 not be eligible to receive a broker's license.

5 (m) A non-resident dealer's license shall permit such
6 licensee to ship into and warehouse alcoholic liquor into this
7 State from any point outside of this State, and to sell such
8 alcoholic liquor to Illinois licensed foreign importers and
9 importing distributors and to no one else in this State;
10 provided that (i) said non-resident dealer shall register with
11 the Illinois Liquor Control Commission each and every brand of
12 alcoholic liquor which it proposes to sell to Illinois
13 licensees during the license period, (ii) it shall comply with
14 all of the provisions of Section 6-9 hereof with respect to
15 registration of such Illinois licensees as may be granted the
16 right to sell such brands at wholesale, and (iii) the
17 non-resident dealer shall comply with the provisions of
18 Sections 6-5 and 6-6 of this Act to the same extent that these
19 provisions apply to manufacturers. No person licensed as a
20 non-resident dealer shall be granted a distributor's or
21 importing distributor's license.

22 (n) A brew pub license shall allow the licensee to only (i)
23 manufacture up to 155,000 gallons of beer per year only on the
24 premises specified in the license, (ii) make sales of the beer
25 manufactured on the premises or, with the approval of the
26 Commission, beer manufactured on another brew pub licensed

1 premises that is wholly owned and operated by the same licensee
2 to importing distributors, distributors, and to non-licensees
3 for use and consumption, (iii) store the beer upon the
4 premises, (iv) sell and offer for sale at retail from the
5 licensed premises for off-premises consumption no more than
6 155,000 gallons per year so long as such sales are only made
7 in-person, (v) sell and offer for sale at retail for use and
8 consumption on the premises specified in the license any form
9 of alcoholic liquor purchased from a licensed distributor or
10 importing distributor, and (vi) with the prior approval of the
11 Commission, annually transfer no more than 155,000 gallons of
12 beer manufactured on the premises to a licensed brew pub wholly
13 owned and operated by the same licensee.

14 A brew pub licensee shall not under any circumstance sell
15 or offer for sale beer manufactured by the brew pub licensee to
16 retail licensees.

17 A person who holds a class 2 brewer license may
18 simultaneously hold a brew pub license if the class 2 brewer
19 (i) does not, under any circumstance, sell or offer for sale
20 beer manufactured by the class 2 brewer to retail licensees;
21 (ii) does not hold more than 3 brew pub licenses in this State;
22 (iii) does not manufacture more than a combined 3,720,000
23 gallons of beer per year, including the beer manufactured at
24 the brew pub; and (iv) is not a member of or affiliated with,
25 directly or indirectly, a manufacturer that produces more than
26 3,720,000 gallons of beer per year or any other alcoholic

1 liquor.

2 Notwithstanding any other provision of this Act, a licensed
3 brewer, class 2 brewer, or non-resident dealer who before July
4 1, 2015 manufactured less than 3,720,000 gallons of beer per
5 year and held a brew pub license on or before July 1, 2015 may
6 (i) continue to qualify for and hold that brew pub license for
7 the licensed premises and (ii) manufacture more than 3,720,000
8 gallons of beer per year and continue to qualify for and hold
9 that brew pub license if that brewer, class 2 brewer, or
10 non-resident dealer does not simultaneously hold a class 1
11 brewer license and is not a member of or affiliated with,
12 directly or indirectly, a manufacturer that produces more than
13 3,720,000 gallons of beer per year or that produces any other
14 alcoholic liquor.

15 (o) A caterer retailer license shall allow the holder to
16 serve alcoholic liquors as an incidental part of a food service
17 that serves prepared meals which excludes the serving of snacks
18 as the primary meal, either on or off-site whether licensed or
19 unlicensed.

20 (p) An auction liquor license shall allow the licensee to
21 sell and offer for sale at auction wine and spirits for use or
22 consumption, or for resale by an Illinois liquor licensee in
23 accordance with provisions of this Act. An auction liquor
24 license will be issued to a person and it will permit the
25 auction liquor licensee to hold the auction anywhere in the
26 State. An auction liquor license must be obtained for each

1 auction at least 14 days in advance of the auction date.

2 (q) A special use permit license shall allow an Illinois
3 licensed retailer, licensed class 1 brewer, licensed class 2
4 brewer, or licensed craft distiller to transfer a portion of
5 its alcoholic liquor inventory from its ~~retail~~ licensed
6 premises to the premises specified in the license hereby
7 created, and to sell or offer for sale at retail, only in the
8 premises specified in the license hereby created, the
9 transferred alcoholic liquor for use or consumption, but not
10 for resale in any form. A special use permit license may be
11 granted for the following time periods: one day or less; 2 or
12 more days to a maximum of 15 days per location in any 12-month
13 ~~12-month~~ period. An applicant for the special use permit
14 license must also submit with the application proof
15 satisfactory to the State Commission that the applicant will
16 provide dram shop liability insurance to the maximum limits and
17 have local authority approval.

18 (r) A winery shipper's license shall allow a person with a
19 first-class or second-class wine manufacturer's license, a
20 first-class or second-class wine-maker's license, or a limited
21 wine manufacturer's license or who is licensed to make wine
22 under the laws of another state to ship wine made by that
23 licensee directly to a resident of this State who is 21 years
24 of age or older for that resident's personal use and not for
25 resale. Prior to receiving a winery shipper's license, an
26 applicant for the license must provide the Commission with a

1 true copy of its current license in any state in which it is
2 licensed as a manufacturer of wine. An applicant for a winery
3 shipper's license must also complete an application form that
4 provides any other information the Commission deems necessary.
5 The application form shall include all addresses from which the
6 applicant for a winery shipper's license intends to ship wine,
7 including the name and address of any third party, except for a
8 common carrier, authorized to ship wine on behalf of the
9 manufacturer. The application form shall include an
10 acknowledgement consenting to the jurisdiction of the
11 Commission, the Illinois Department of Revenue, and the courts
12 of this State concerning the enforcement of this Act and any
13 related laws, rules, and regulations, including authorizing
14 the Department of Revenue and the Commission to conduct audits
15 for the purpose of ensuring compliance with Public Act 95-634,
16 and an acknowledgement that the wine manufacturer is in
17 compliance with Section 6-2 of this Act. Any third party,
18 except for a common carrier, authorized to ship wine on behalf
19 of a first-class or second-class wine manufacturer's licensee,
20 a first-class or second-class wine-maker's licensee, a limited
21 wine manufacturer's licensee, or a person who is licensed to
22 make wine under the laws of another state shall also be
23 disclosed by the winery shipper's licensee, and a copy of the
24 written appointment of the third-party wine provider, except
25 for a common carrier, to the wine manufacturer shall be filed
26 with the State Commission as a supplement to the winery

1 shipper's license application or any renewal thereof. The
2 winery shipper's license holder shall affirm under penalty of
3 perjury, as part of the winery shipper's license application or
4 renewal, that he or she only ships wine, either directly or
5 indirectly through a third-party provider, from the licensee's
6 own production.

7 Except for a common carrier, a third-party provider
8 shipping wine on behalf of a winery shipper's license holder is
9 the agent of the winery shipper's license holder and, as such,
10 a winery shipper's license holder is responsible for the acts
11 and omissions of the third-party provider acting on behalf of
12 the license holder. A third-party provider, except for a common
13 carrier, that engages in shipping wine into Illinois on behalf
14 of a winery shipper's license holder shall consent to the
15 jurisdiction of the State Commission and the State. Any
16 third-party, except for a common carrier, holding such an
17 appointment shall, by February 1 of each calendar year, file
18 with the State Commission a statement detailing each shipment
19 made to an Illinois resident. The State Commission shall adopt
20 rules as soon as practicable to implement the requirements of
21 Public Act 99-904 ~~this amendatory Act of the 99th General~~
22 ~~Assembly~~ and shall adopt rules prohibiting any such third-party
23 appointment of a third-party provider, except for a common
24 carrier, that has been deemed by the State Commission to have
25 violated the provisions of this Act with regard to any winery
26 shipper licensee.

1 A winery shipper licensee must pay to the Department of
2 Revenue the State liquor gallonage tax under Section 8-1 for
3 all wine that is sold by the licensee and shipped to a person
4 in this State. For the purposes of Section 8-1, a winery
5 shipper licensee shall be taxed in the same manner as a
6 manufacturer of wine. A licensee who is not otherwise required
7 to register under the Retailers' Occupation Tax Act must
8 register under the Use Tax Act to collect and remit use tax to
9 the Department of Revenue for all gallons of wine that are sold
10 by the licensee and shipped to persons in this State. If a
11 licensee fails to remit the tax imposed under this Act in
12 accordance with the provisions of Article VIII of this Act, the
13 winery shipper's license shall be revoked in accordance with
14 the provisions of Article VII of this Act. If a licensee fails
15 to properly register and remit tax under the Use Tax Act or the
16 Retailers' Occupation Tax Act for all wine that is sold by the
17 winery shipper and shipped to persons in this State, the winery
18 shipper's license shall be revoked in accordance with the
19 provisions of Article VII of this Act.

20 A winery shipper licensee must collect, maintain, and
21 submit to the Commission on a semi-annual basis the total
22 number of cases per resident of wine shipped to residents of
23 this State. A winery shipper licensed under this subsection (r)
24 must comply with the requirements of Section 6-29 of this Act.

25 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of
26 Section 3-12, the State Commission may receive, respond to, and

1 investigate any complaint and impose any of the remedies
2 specified in paragraph (1) of subsection (a) of Section 3-12.

3 (s) A craft distiller tasting permit license shall allow an
4 Illinois licensed craft distiller to transfer a portion of its
5 alcoholic liquor inventory from its craft distiller licensed
6 premises to the premises specified in the license hereby
7 created and to conduct a sampling, only in the premises
8 specified in the license hereby created, of the transferred
9 alcoholic liquor in accordance with subsection (c) of Section
10 6-31 of this Act. The transferred alcoholic liquor may not be
11 sold or resold in any form. An applicant for the craft
12 distiller tasting permit license must also submit with the
13 application proof satisfactory to the State Commission that the
14 applicant will provide dram shop liability insurance to the
15 maximum limits and have local authority approval.

16 (Source: P.A. 98-394, eff. 8-16-13; 98-401, eff. 8-16-13;
17 98-756, eff. 7-16-14; 99-448, eff. 8-24-15; 99-642, eff.
18 7-28-16; 99-800, eff. 8-12-16; 99-902, eff. 8-26-16; 99-904,
19 eff. 1-1-17; revised 9-15-16.)

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.