



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB2675

by Rep. Michael J. Zalewski

SYNOPSIS AS INTRODUCED:

235 ILCS 5/3-12	
235 ILCS 5/5-1	from Ch. 43, par. 115
235 ILCS 5/5-3	from Ch. 43, par. 118

Amends the Liquor Control Act of 1934. Establishes a distiller pub license. Provides that a distiller pub license shall allow the licensee to only (i) manufacture up to 5,000 gallons of spirits per year only on the premises specified in the license, (ii) make sales of the spirits manufactured on the premises, (iii) store the spirits upon the premises, (iv) sell and offer for sale at retail from the licensed premises for off-premises consumption no more than 5,000 gallons per year so long as such sales are only made in-person, (v) sell and offer for sale at retail for use and consumption on the premises specified in the license any form of alcoholic liquor purchased from a licensed distributor or importing distributor, and (vi) with the prior approval of the Illinois Liquor Control Commission, annually transfer no more than 5,000 gallons of spirits manufactured on the premises to a licensed distiller pub wholly owned and operated by the same licensee. Prohibits a distiller pub licensee from selling spirits manufactured by the licensee to retail licensees. Establishes fees for a distiller pub license. Provides that a craft distiller licensee may simultaneously hold a distiller pub license if certain requirements are met. Authorizes a craft distiller to transfer spirits to a wholly owned distiller pub if specified requirements are met. Makes conforming changes.

LRB101 07840 RPS 52894 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 3-12, 5-1, and 5-3 as follows:

6 (235 ILCS 5/3-12)

7 Sec. 3-12. Powers and duties of State Commission.

8 (a) The State Commission shall have the following powers,
9 functions, and duties:

10 (1) To receive applications and to issue licenses to
11 manufacturers, foreign importers, importing distributors,
12 distributors, non-resident dealers, on premise consumption
13 retailers, off premise sale retailers, special event
14 retailer licensees, special use permit licenses, auction
15 liquor licenses, brew pubs, distiller pubs, caterer
16 retailers, non-beverage users, railroads, including owners
17 and lessees of sleeping, dining and cafe cars, airplanes,
18 boats, brokers, and wine maker's premises licensees in
19 accordance with the provisions of this Act, and to suspend
20 or revoke such licenses upon the State Commission's
21 determination, upon notice after hearing, that a licensee
22 has violated any provision of this Act or any rule or
23 regulation issued pursuant thereto and in effect for 30

1 days prior to such violation. Except in the case of an
2 action taken pursuant to a violation of Section 6-3, 6-5,
3 or 6-9, any action by the State Commission to suspend or
4 revoke a licensee's license may be limited to the license
5 for the specific premises where the violation occurred. An
6 action for a violation of this Act shall be commenced by
7 the State Commission within 2 years after the date the
8 State Commission becomes aware of the violation.

9 In lieu of suspending or revoking a license, the
10 commission may impose a fine, upon the State Commission's
11 determination and notice after hearing, that a licensee has
12 violated any provision of this Act or any rule or
13 regulation issued pursuant thereto and in effect for 30
14 days prior to such violation.

15 For the purpose of this paragraph (1), when determining
16 multiple violations for the sale of alcohol to a person
17 under the age of 21, a second or subsequent violation for
18 the sale of alcohol to a person under the age of 21 shall
19 only be considered if it was committed within 5 years after
20 the date when a prior violation for the sale of alcohol to
21 a person under the age of 21 was committed.

22 The fine imposed under this paragraph may not exceed
23 \$500 for each violation. Each day that the activity, which
24 gave rise to the original fine, continues is a separate
25 violation. The maximum fine that may be levied against any
26 licensee, for the period of the license, shall not exceed

1 \$20,000. The maximum penalty that may be imposed on a
2 licensee for selling a bottle of alcoholic liquor with a
3 foreign object in it or serving from a bottle of alcoholic
4 liquor with a foreign object in it shall be the destruction
5 of that bottle of alcoholic liquor for the first 10 bottles
6 so sold or served from by the licensee. For the eleventh
7 bottle of alcoholic liquor and for each third bottle
8 thereafter sold or served from by the licensee with a
9 foreign object in it, the maximum penalty that may be
10 imposed on the licensee is the destruction of the bottle of
11 alcoholic liquor and a fine of up to \$50.

12 Any notice issued by the State Commission to a licensee
13 for a violation of this Act or any notice with respect to
14 settlement or offer in compromise shall include the field
15 report, photographs, and any other supporting
16 documentation necessary to reasonably inform the licensee
17 of the nature and extent of the violation or the conduct
18 alleged to have occurred. The failure to include such
19 required documentation shall result in the dismissal of the
20 action.

21 (2) To adopt such rules and regulations consistent with
22 the provisions of this Act which shall be necessary to
23 carry on its functions and duties to the end that the
24 health, safety and welfare of the People of the State of
25 Illinois shall be protected and temperance in the
26 consumption of alcoholic liquors shall be fostered and

1 promoted and to distribute copies of such rules and
2 regulations to all licensees affected thereby.

3 (3) To call upon other administrative departments of
4 the State, county and municipal governments, county and
5 city police departments and upon prosecuting officers for
6 such information and assistance as it deems necessary in
7 the performance of its duties.

8 (4) To recommend to local commissioners rules and
9 regulations, not inconsistent with the law, for the
10 distribution and sale of alcoholic liquors throughout the
11 State.

12 (5) To inspect, or cause to be inspected, any premises
13 in this State where alcoholic liquors are manufactured,
14 distributed, warehoused, or sold. Nothing in this Act
15 authorizes an agent of the Commission to inspect private
16 areas within the premises without reasonable suspicion or a
17 warrant during an inspection. "Private areas" include, but
18 are not limited to, safes, personal property, and closed
19 desks.

20 (5.1) Upon receipt of a complaint or upon having
21 knowledge that any person is engaged in business as a
22 manufacturer, importing distributor, distributor, or
23 retailer without a license or valid license, to notify the
24 local liquor authority, file a complaint with the State's
25 Attorney's Office of the county where the incident
26 occurred, or initiate an investigation with the

1 appropriate law enforcement officials.

2 (5.2) To issue a cease and desist notice to persons
3 shipping alcoholic liquor into this State from a point
4 outside of this State if the shipment is in violation of
5 this Act.

6 (5.3) To receive complaints from licensees, local
7 officials, law enforcement agencies, organizations, and
8 persons stating that any licensee has been or is violating
9 any provision of this Act or the rules and regulations
10 issued pursuant to this Act. Such complaints shall be in
11 writing, signed and sworn to by the person making the
12 complaint, and shall state with specificity the facts in
13 relation to the alleged violation. If the Commission has
14 reasonable grounds to believe that the complaint
15 substantially alleges a violation of this Act or rules and
16 regulations adopted pursuant to this Act, it shall conduct
17 an investigation. If, after conducting an investigation,
18 the Commission is satisfied that the alleged violation did
19 occur, it shall proceed with disciplinary action against
20 the licensee as provided in this Act.

21 (6) To hear and determine appeals from orders of a
22 local commission in accordance with the provisions of this
23 Act, as hereinafter set forth. Hearings under this
24 subsection shall be held in Springfield or Chicago, at
25 whichever location is the more convenient for the majority
26 of persons who are parties to the hearing.

1 (7) The commission shall establish uniform systems of
2 accounts to be kept by all retail licensees having more
3 than 4 employees, and for this purpose the commission may
4 classify all retail licensees having more than 4 employees
5 and establish a uniform system of accounts for each class
6 and prescribe the manner in which such accounts shall be
7 kept. The commission may also prescribe the forms of
8 accounts to be kept by all retail licensees having more
9 than 4 employees, including but not limited to accounts of
10 earnings and expenses and any distribution, payment, or
11 other distribution of earnings or assets, and any other
12 forms, records and memoranda which in the judgment of the
13 commission may be necessary or appropriate to carry out any
14 of the provisions of this Act, including but not limited to
15 such forms, records and memoranda as will readily and
16 accurately disclose at all times the beneficial ownership
17 of such retail licensed business. The accounts, forms,
18 records and memoranda shall be available at all reasonable
19 times for inspection by authorized representatives of the
20 State Commission or by any local liquor control
21 commissioner or his or her authorized representative. The
22 commission, may, from time to time, alter, amend or repeal,
23 in whole or in part, any uniform system of accounts, or the
24 form and manner of keeping accounts.

25 (8) In the conduct of any hearing authorized to be held
26 by the commission, to appoint, at the commission's

1 discretion, hearing officers to conduct hearings involving
2 complex issues or issues that will require a protracted
3 period of time to resolve, to examine, or cause to be
4 examined, under oath, any licensee, and to examine or cause
5 to be examined the books and records of such licensee; to
6 hear testimony and take proof material for its information
7 in the discharge of its duties hereunder; to administer or
8 cause to be administered oaths; for any such purpose to
9 issue subpoena or subpoenas to require the attendance of
10 witnesses and the production of books, which shall be
11 effective in any part of this State, and to adopt rules to
12 implement its powers under this paragraph (8).

13 Any circuit court may by order duly entered, require
14 the attendance of witnesses and the production of relevant
15 books subpoenaed by the State Commission and the court may
16 compel obedience to its order by proceedings for contempt.

17 (9) To investigate the administration of laws in
18 relation to alcoholic liquors in this and other states and
19 any foreign countries, and to recommend from time to time
20 to the Governor and through him or her to the legislature
21 of this State, such amendments to this Act, if any, as it
22 may think desirable and as will serve to further the
23 general broad purposes contained in Section 1-2 hereof.

24 (10) To adopt such rules and regulations consistent
25 with the provisions of this Act which shall be necessary
26 for the control, sale or disposition of alcoholic liquor

1 damaged as a result of an accident, wreck, flood, fire or
2 other similar occurrence.

3 (11) To develop industry educational programs related
4 to responsible serving and selling, particularly in the
5 areas of overserving consumers and illegal underage
6 purchasing and consumption of alcoholic beverages.

7 (11.1) To license persons providing education and
8 training to alcohol beverage sellers and servers for
9 mandatory and non-mandatory training under the Beverage
10 Alcohol Sellers and Servers Education and Training
11 (BASSET) programs and to develop and administer a public
12 awareness program in Illinois to reduce or eliminate the
13 illegal purchase and consumption of alcoholic beverage
14 products by persons under the age of 21. Application for a
15 license shall be made on forms provided by the State
16 Commission.

17 (12) To develop and maintain a repository of license
18 and regulatory information.

19 (13) (Blank).

20 (14) On or before April 30, 2008 and every 2 years
21 thereafter, the Commission shall present a written report
22 to the Governor and the General Assembly that shall be
23 based on a study of the impact of Public Act 95-634 on the
24 business of soliciting, selling, and shipping wine from
25 inside and outside of this State directly to residents of
26 this State. As part of its report, the Commission shall

1 provide all of the following information:

2 (A) The amount of State excise and sales tax
3 revenues generated.

4 (B) The amount of licensing fees received.

5 (C) The number of cases of wine shipped from inside
6 and outside of this State directly to residents of this
7 State.

8 (D) The number of alcohol compliance operations
9 conducted.

10 (E) The number of winery shipper's licenses
11 issued.

12 (F) The number of each of the following: reported
13 violations; cease and desist notices issued by the
14 Commission; notices of violations issued by the
15 Commission and to the Department of Revenue; and
16 notices and complaints of violations to law
17 enforcement officials, including, without limitation,
18 the Illinois Attorney General and the U.S. Department
19 of Treasury's Alcohol and Tobacco Tax and Trade Bureau.

20 (15) As a means to reduce the underage consumption of
21 alcoholic liquors, the Commission shall conduct alcohol
22 compliance operations to investigate whether businesses
23 that are soliciting, selling, and shipping wine from inside
24 or outside of this State directly to residents of this
25 State are licensed by this State or are selling or
26 attempting to sell wine to persons under 21 years of age in

1 violation of this Act.

2 (16) The Commission shall, in addition to notifying any
3 appropriate law enforcement agency, submit notices of
4 complaints or violations of Sections 6-29 and 6-29.1 by
5 persons who do not hold a winery shipper's license under
6 this Act to the Illinois Attorney General and to the U.S.
7 Department of Treasury's Alcohol and Tobacco Tax and Trade
8 Bureau.

9 (17) (A) A person licensed to make wine under the laws
10 of another state who has a winery shipper's license under
11 this Act and annually produces less than 25,000 gallons of
12 wine or a person who has a first-class or second-class wine
13 manufacturer's license, a first-class or second-class
14 wine-maker's license, or a limited wine manufacturer's
15 license under this Act and annually produces less than
16 25,000 gallons of wine may make application to the
17 Commission for a self-distribution exemption to allow the
18 sale of not more than 5,000 gallons of the exemption
19 holder's wine to retail licensees per year.

20 (B) In the application, which shall be sworn under
21 penalty of perjury, such person shall state (1) the date it
22 was established; (2) its volume of production and sales for
23 each year since its establishment; (3) its efforts to
24 establish distributor relationships; (4) that a
25 self-distribution exemption is necessary to facilitate the
26 marketing of its wine; and (5) that it will comply with the

1 liquor and revenue laws of the United States, this State,
2 and any other state where it is licensed.

3 (C) The Commission shall approve the application for a
4 self-distribution exemption if such person: (1) is in
5 compliance with State revenue and liquor laws; (2) is not a
6 member of any affiliated group that produces more than
7 25,000 gallons of wine per annum or produces any other
8 alcoholic liquor; (3) will not annually produce for sale
9 more than 25,000 gallons of wine; and (4) will not annually
10 sell more than 5,000 gallons of its wine to retail
11 licensees.

12 (D) A self-distribution exemption holder shall
13 annually certify to the Commission its production of wine
14 in the previous 12 months and its anticipated production
15 and sales for the next 12 months. The Commission may fine,
16 suspend, or revoke a self-distribution exemption after a
17 hearing if it finds that the exemption holder has made a
18 material misrepresentation in its application, violated a
19 revenue or liquor law of Illinois, exceeded production of
20 25,000 gallons of wine in any calendar year, or become part
21 of an affiliated group producing more than 25,000 gallons
22 of wine or any other alcoholic liquor.

23 (E) Except in hearings for violations of this Act or
24 Public Act 95-634 or a bona fide investigation by duly
25 sworn law enforcement officials, the Commission, or its
26 agents, the Commission shall maintain the production and

1 sales information of a self-distribution exemption holder
2 as confidential and shall not release such information to
3 any person.

4 (F) The Commission shall issue regulations governing
5 self-distribution exemptions consistent with this Section
6 and this Act.

7 (G) Nothing in this paragraph ~~subsection~~ (17) shall
8 prohibit a self-distribution exemption holder from
9 entering into or simultaneously having a distribution
10 agreement with a licensed Illinois distributor.

11 (H) It is the intent of this paragraph ~~subsection~~ (17)
12 to promote and continue orderly markets. The General
13 Assembly finds that in order to preserve Illinois'
14 regulatory distribution system it is necessary to create an
15 exception for smaller makers of wine as their wines are
16 frequently adjusted in varietals, mixes, vintages, and
17 taste to find and create market niches sometimes too small
18 for distributor or importing distributor business
19 strategies. Limited self-distribution rights will afford
20 and allow smaller makers of wine access to the marketplace
21 in order to develop a customer base without impairing the
22 integrity of the 3-tier system.

23 (18)(A) A class 1 brewer licensee, who must also be
24 either a licensed brewer or licensed non-resident dealer
25 and annually manufacture less than 930,000 gallons of beer,
26 may make application to the State Commission for a

1 self-distribution exemption to allow the sale of not more
2 than 232,500 gallons of the exemption holder's beer per
3 year to retail licensees and to brewers, class 1 brewers,
4 and class 2 brewers that, pursuant to subsection (e) of
5 Section 6-4 of this Act, sell beer, cider, or both beer and
6 cider to non-licensees at their breweries.

7 (B) In the application, which shall be sworn under
8 penalty of perjury, the class 1 brewer licensee shall state
9 (1) the date it was established; (2) its volume of beer
10 manufactured and sold for each year since its
11 establishment; (3) its efforts to establish distributor
12 relationships; (4) that a self-distribution exemption is
13 necessary to facilitate the marketing of its beer; and (5)
14 that it will comply with the alcoholic beverage and revenue
15 laws of the United States, this State, and any other state
16 where it is licensed.

17 (C) Any application submitted shall be posted on the
18 State Commission's website at least 45 days prior to action
19 by the State Commission. The State Commission shall approve
20 the application for a self-distribution exemption if the
21 class 1 brewer licensee: (1) is in compliance with the
22 State, revenue, and alcoholic beverage laws; (2) is not a
23 member of any affiliated group that manufactures more than
24 930,000 gallons of beer per annum or produces any other
25 alcoholic beverages; (3) shall not annually manufacture
26 for sale more than 930,000 gallons of beer; (4) shall not

1 annually sell more than 232,500 gallons of its beer to
2 retail licensees or to brewers, class 1 brewers, and class
3 2 brewers that, pursuant to subsection (e) of Section 6-4
4 of this Act, sell beer, cider, or both beer and cider to
5 non-licensees at their breweries; and (5) has relinquished
6 any brew pub license held by the licensee, including any
7 ownership interest it held in the licensed brew pub.

8 (D) A self-distribution exemption holder shall
9 annually certify to the State Commission its manufacture of
10 beer during the previous 12 months and its anticipated
11 manufacture and sales of beer for the next 12 months. The
12 State Commission may fine, suspend, or revoke a
13 self-distribution exemption after a hearing if it finds
14 that the exemption holder has made a material
15 misrepresentation in its application, violated a revenue
16 or alcoholic beverage law of Illinois, exceeded the
17 manufacture of 930,000 gallons of beer in any calendar year
18 or became part of an affiliated group manufacturing more
19 than 930,000 gallons of beer or any other alcoholic
20 beverage.

21 (E) The State Commission shall issue rules and
22 regulations governing self-distribution exemptions
23 consistent with this Act.

24 (F) Nothing in this paragraph (18) shall prohibit a
25 self-distribution exemption holder from entering into or
26 simultaneously having a distribution agreement with a

1 licensed Illinois importing distributor or a distributor.
2 If a self-distribution exemption holder enters into a
3 distribution agreement and has assigned distribution
4 rights to an importing distributor or distributor, then the
5 self-distribution exemption holder's distribution rights
6 in the assigned territories shall cease in a reasonable
7 time not to exceed 60 days.

8 (G) It is the intent of this paragraph (18) to promote
9 and continue orderly markets. The General Assembly finds
10 that in order to preserve Illinois' regulatory
11 distribution system, it is necessary to create an exception
12 for smaller manufacturers in order to afford and allow such
13 smaller manufacturers of beer access to the marketplace in
14 order to develop a customer base without impairing the
15 integrity of the 3-tier system.

16 (b) On or before April 30, 1999, the Commission shall
17 present a written report to the Governor and the General
18 Assembly that shall be based on a study of the impact of Public
19 Act 90-739 on the business of soliciting, selling, and shipping
20 alcoholic liquor from outside of this State directly to
21 residents of this State.

22 As part of its report, the Commission shall provide the
23 following information:

24 (i) the amount of State excise and sales tax revenues
25 generated as a result of Public Act 90-739;

26 (ii) the amount of licensing fees received as a result

1 of Public Act 90-739;

2 (iii) the number of reported violations, the number of
3 cease and desist notices issued by the Commission, the
4 number of notices of violations issued to the Department of
5 Revenue, and the number of notices and complaints of
6 violations to law enforcement officials.

7 (Source: P.A. 99-78, eff. 7-20-15; 99-448, eff. 8-24-15;
8 100-134, eff. 8-18-17; 100-201, eff. 8-18-17; 100-816, eff.
9 8-13-18; 100-1012, eff. 8-21-18; 100-1050, eff. 8-23-18;
10 revised 10-24-18.)

11 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

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

20 (b) Distributor's license,

21 (c) Importing Distributor's license,

22 (d) Retailer's license,

23 (e) Special Event Retailer's license (not-for-profit),

24 (f) Railroad license,

25 (g) Boat license,

- 1 (h) Non-Beverage User's license,
2 (i) Wine-maker's premises license,
3 (j) Airplane license,
4 (k) Foreign importer's license,
5 (l) Broker's license,
6 (m) Non-resident dealer's license,
7 (n) Brew Pub license,
8 (o) Auction liquor license,
9 (p) Caterer retailer license,
10 (q) Special use permit license,
11 (r) Winery shipper's license,
12 (s) Craft distiller tasting permit,
13 (t) Brewer warehouse permit,
14 (u) Distiller pub license.

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

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

23 Class 1. A Distiller may make sales and deliveries of
24 alcoholic liquor to distillers, rectifiers, importing
25 distributors, distributors and non-beverage users and to no
26 other licensees.

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

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

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

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

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

26 Class 7. A second-class wine-maker's license shall allow

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

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

14 Class 9. A craft distiller license shall allow the
15 manufacture of up to 100,000 gallons of spirits by distillation
16 per year and the storage of such spirits. If a craft distiller
17 licensee, including a craft distiller licensee who holds more
18 than one craft distiller license, is not affiliated with any
19 other manufacturer of spirits, then the craft distiller
20 licensee may sell such spirits to distributors in this State
21 and up to 2,500 gallons of such spirits to non-licensees to the
22 extent permitted by any exemption approved by the Commission
23 pursuant to Section 6-4 of this Act. A craft distiller license
24 holder may store such spirits at a non-contiguous licensed
25 location, but at no time shall a craft distiller license holder
26 directly or indirectly produce in the aggregate more than

1 100,000 gallons of spirits per year.

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

10 Any craft distiller licensed under this Act who on July 28,
11 2010 (the effective date of Public Act 96-1367) was licensed as
12 a distiller and manufactured no more spirits than permitted by
13 this Section shall not be required to pay the initial licensing
14 fee.

15 A craft distiller may transfer spirits to a distiller pub
16 wholly owned and operated by the craft distiller subject to the
17 following limitations and restrictions: (i) the transfer shall
18 not annually exceed more than 8,000 gallons; (ii) the annual
19 amount transferred shall reduce the distiller pub's annual
20 permitted production limit; (iii) all spirits transferred
21 shall be subject to Article VIII of this Act; (iv) a written
22 record shall be maintained by the craft distiller and distiller
23 pub specifying the amount, date of delivery, and receipt of the
24 product by the distiller pub; and (v) the distiller pub shall
25 be located no farther than 80 miles from the craft distiller's
26 licensed location.

1 A craft distiller shall, prior to transferring spirits to a
2 distiller pub wholly owned by the craft distiller, furnish a
3 written notice to the State Commission of intent to transfer
4 spirits setting forth the name and address of the distiller pub
5 and shall annually submit to the State Commission a verified
6 report identifying the total gallons of spirits transferred to
7 the distiller pub wholly owned by the craft distiller.

8 Class 10. A class 1 brewer license, which may only be
9 issued to a licensed brewer or licensed non-resident dealer,
10 shall allow the manufacture of up to 930,000 gallons of beer
11 per year provided that the class 1 brewer licensee does not
12 manufacture more than a combined 930,000 gallons of beer per
13 year and is not a member of or affiliated with, directly or
14 indirectly, a manufacturer that produces more than 930,000
15 gallons of beer per year or any other alcoholic liquor. A class
16 1 brewer licensee may make sales and deliveries to importing
17 distributors and distributors and to retail licensees in
18 accordance with the conditions set forth in paragraph (18) of
19 subsection (a) of Section 3-12 of this Act. If the State
20 Commission provides prior approval, a class 1 brewer may
21 annually transfer up to 930,000 gallons of beer manufactured by
22 that class 1 brewer to the premises of a licensed class 1
23 brewer wholly owned and operated by the same licensee.

24 Class 11. A class 2 brewer license, which may only be
25 issued to a licensed brewer or licensed non-resident dealer,
26 shall allow the manufacture of up to 3,720,000 gallons of beer

1 per year provided that the class 2 brewer licensee does not
2 manufacture more than a combined 3,720,000 gallons of beer per
3 year and is not a member of or affiliated with, directly or
4 indirectly, a manufacturer that produces more than 3,720,000
5 gallons of beer per year or any other alcoholic liquor. A class
6 2 brewer licensee may make sales and deliveries to importing
7 distributors and distributors, but shall not make sales or
8 deliveries to any other licensee. If the State Commission
9 provides prior approval, a class 2 brewer licensee may annually
10 transfer up to 3,720,000 gallons of beer manufactured by that
11 class 2 brewer licensee to the premises of a licensed class 2
12 brewer wholly owned and operated by the same licensee.

13 A class 2 brewer may transfer beer to a brew pub wholly
14 owned and operated by the class 2 brewer subject to the
15 following limitations and restrictions: (i) the transfer shall
16 not annually exceed more than 31,000 gallons; (ii) the annual
17 amount transferred shall reduce the brew pub's annual permitted
18 production limit; (iii) all beer transferred shall be subject
19 to Article VIII of this Act; (iv) a written record shall be
20 maintained by the brewer and brew pub specifying the amount,
21 date of delivery, and receipt of the product by the brew pub;
22 and (v) the brew pub shall be located no farther than 80 miles
23 from the class 2 brewer's licensed location.

24 A class 2 brewer shall, prior to transferring beer to a
25 brew pub wholly owned by the class 2 brewer, furnish a written
26 notice to the State Commission of intent to transfer beer

1 setting forth the name and address of the brew pub and shall
2 annually submit to the State Commission a verified report
3 identifying the total gallons of beer transferred to the brew
4 pub wholly owned by the class 2 brewer.

5 (a-1) A manufacturer which is licensed in this State to
6 make sales or deliveries of alcoholic liquor to licensed
7 distributors or importing distributors and which enlists
8 agents, representatives, or individuals acting on its behalf
9 who contact licensed retailers on a regular and continual basis
10 in this State must register those agents, representatives, or
11 persons acting on its behalf with the State Commission.

12 Registration of agents, representatives, or persons acting
13 on behalf of a manufacturer is fulfilled by submitting a form
14 to the Commission. The form shall be developed by the
15 Commission and shall include the name and address of the
16 applicant, the name and address of the manufacturer he or she
17 represents, the territory or areas assigned to sell to or
18 discuss pricing terms of alcoholic liquor, and any other
19 questions deemed appropriate and necessary. All statements in
20 the forms required to be made by law or by rule shall be deemed
21 material, and any person who knowingly misstates any material
22 fact under oath in an application is guilty of a Class B
23 misdemeanor. Fraud, misrepresentation, false statements,
24 misleading statements, evasions, or suppression of material
25 facts in the securing of a registration are grounds for
26 suspension or revocation of the registration. The State

1 Commission shall post a list of registered agents on the
2 Commission's website.

3 (b) A distributor's license shall allow the wholesale
4 purchase and storage of alcoholic liquors and sale of alcoholic
5 liquors to licensees in this State and to persons without the
6 State, as may be permitted by law, and the sale of beer, cider,
7 or both beer and cider to brewers, class 1 brewers, and class 2
8 brewers that, pursuant to subsection (e) of Section 6-4 of this
9 Act, sell beer, cider, or both beer and cider to non-licensees
10 at their breweries. No person licensed as a distributor shall
11 be granted a non-resident dealer's license.

12 (c) An importing distributor's license may be issued to and
13 held by those only who are duly licensed distributors, upon the
14 filing of an application by a duly licensed distributor, with
15 the Commission and the Commission shall, without the payment of
16 any fee, immediately issue such importing distributor's
17 license to the applicant, which shall allow the importation of
18 alcoholic liquor by the licensee into this State from any point
19 in the United States outside this State, and the purchase of
20 alcoholic liquor in barrels, casks or other bulk containers and
21 the bottling of such alcoholic liquors before resale thereof,
22 but all bottles or containers so filled shall be sealed,
23 labeled, stamped and otherwise made to comply with all
24 provisions, rules and regulations governing manufacturers in
25 the preparation and bottling of alcoholic liquors. The
26 importing distributor's license shall permit such licensee to

1 purchase alcoholic liquor from Illinois licensed non-resident
2 dealers and foreign importers only. No person licensed as an
3 importing distributor shall be granted a non-resident dealer's
4 license.

5 (d) A retailer's license shall allow the licensee to sell
6 and offer for sale at retail, only in the premises specified in
7 the license, alcoholic liquor for use or consumption, but not
8 for resale in any form. Nothing in Public Act 95-634 shall
9 deny, limit, remove, or restrict the ability of a holder of a
10 retailer's license to transfer, deliver, or ship alcoholic
11 liquor to the purchaser for use or consumption subject to any
12 applicable local law or ordinance. Any retail license issued to
13 a manufacturer shall only permit the manufacturer to sell beer
14 at retail on the premises actually occupied by the
15 manufacturer. For the purpose of further describing the type of
16 business conducted at a retail licensed premises, a retailer's
17 licensee may be designated by the State Commission as (i) an on
18 premise consumption retailer, (ii) an off premise sale
19 retailer, or (iii) a combined on premise consumption and off
20 premise sale retailer.

21 Notwithstanding any other provision of this subsection
22 (d), a retail licensee may sell alcoholic liquors to a special
23 event retailer licensee for resale to the extent permitted
24 under subsection (e).

25 (e) A special event retailer's license (not-for-profit)
26 shall permit the licensee to purchase alcoholic liquors from an

1 Illinois licensed distributor (unless the licensee purchases
2 less than \$500 of alcoholic liquors for the special event, in
3 which case the licensee may purchase the alcoholic liquors from
4 a licensed retailer) and shall allow the licensee to sell and
5 offer for sale, at retail, alcoholic liquors for use or
6 consumption, but not for resale in any form and only at the
7 location and on the specific dates designated for the special
8 event in the license. An applicant for a special event retailer
9 license must (i) furnish with the application: (A) a resale
10 number issued under Section 2c of the Retailers' Occupation Tax
11 Act or evidence that the applicant is registered under Section
12 2a of the Retailers' Occupation Tax Act, (B) a current, valid
13 exemption identification number issued under Section 1g of the
14 Retailers' Occupation Tax Act, and a certification to the
15 Commission that the purchase of alcoholic liquors will be a
16 tax-exempt purchase, or (C) a statement that the applicant is
17 not registered under Section 2a of the Retailers' Occupation
18 Tax Act, does not hold a resale number under Section 2c of the
19 Retailers' Occupation Tax Act, and does not hold an exemption
20 number under Section 1g of the Retailers' Occupation Tax Act,
21 in which event the Commission shall set forth on the special
22 event retailer's license a statement to that effect; (ii)
23 submit with the application proof satisfactory to the State
24 Commission that the applicant will provide dram shop liability
25 insurance in the maximum limits; and (iii) show proof
26 satisfactory to the State Commission that the applicant has

1 obtained local authority approval.

2 Nothing in this Act prohibits an Illinois licensed
3 distributor from offering credit or a refund for unused,
4 salable alcoholic liquors to a holder of a special event
5 retailer's license or ~~from~~ the special event retailer's
6 licensee from accepting the credit or refund of alcoholic
7 liquors at the conclusion of the event specified in the
8 license.

9 (f) A railroad license shall permit the licensee to import
10 alcoholic liquors into this State from any point in the United
11 States outside this State and to store such alcoholic liquors
12 in this State; to make wholesale purchases of alcoholic liquors
13 directly from manufacturers, foreign importers, distributors
14 and importing distributors from within or outside this State;
15 and to store such alcoholic liquors in this State; provided
16 that the above powers may be exercised only in connection with
17 the importation, purchase or storage of alcoholic liquors to be
18 sold or dispensed on a club, buffet, lounge or dining car
19 operated on an electric, gas or steam railway in this State;
20 and provided further, that railroad licensees exercising the
21 above powers shall be subject to all provisions of Article VIII
22 of this Act as applied to importing distributors. A railroad
23 license shall also permit the licensee to sell or dispense
24 alcoholic liquors on any club, buffet, lounge or dining car
25 operated on an electric, gas or steam railway regularly
26 operated by a common carrier in this State, but shall not

1 permit the sale for resale of any alcoholic liquors to any
2 licensee within this State. A license shall be obtained for
3 each car in which such sales are made.

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

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

- 20 Class 1, not to exceed 500 gallons
- 21 Class 2, not to exceed 1,000 gallons
- 22 Class 3, not to exceed 5,000 gallons
- 23 Class 4, not to exceed 10,000 gallons
- 24 Class 5, not to exceed 50,000 gallons

25 (i) A wine-maker's premises license shall allow a licensee
26 that concurrently holds a first-class wine-maker's license to

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

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

21 (k) A foreign importer's license shall permit such licensee
22 to purchase alcoholic liquor from Illinois licensed
23 non-resident dealers only, and to import alcoholic liquor other
24 than in bulk from any point outside the United States and to
25 sell such alcoholic liquor to Illinois licensed importing
26 distributors and to no one else in Illinois; provided that (i)

1 the foreign importer registers with the State Commission every
2 brand of alcoholic liquor that it proposes to sell to Illinois
3 licensees during the license period, (ii) the foreign importer
4 complies with all of the provisions of Section 6-9 of this Act
5 with respect to registration of such Illinois licensees as may
6 be granted the right to sell such brands at wholesale, and
7 (iii) the foreign importer complies with the provisions of
8 Sections 6-5 and 6-6 of this Act to the same extent that these
9 provisions apply to manufacturers.

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

20 No holder of a retailer's license issued by the Illinois
21 Liquor Control Commission shall purchase or receive any
22 alcoholic liquor, the order for which was solicited or offered
23 for sale to such retailer by a broker unless the broker is the
24 holder of a valid broker's license.

25 The broker shall, upon the acceptance by a retailer of the
26 broker's solicitation of an order or offer to sell or supply or

1 deliver or have delivered alcoholic liquors, promptly forward
2 to the Illinois Liquor Control Commission a notification of
3 said transaction in such form as the Commission may by
4 regulations prescribe.

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

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

18 This subsection (1) shall not apply to distributors,
19 employees of distributors, or employees of a manufacturer who
20 has registered the trademark, brand or name of the alcoholic
21 liquor pursuant to Section 6-9 of this Act, and who regularly
22 sells such alcoholic liquor in the State of Illinois only to
23 its registrants thereunder.

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

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

20 (n) A brew pub license shall allow the licensee to only (i)
21 manufacture up to 155,000 gallons of beer per year only on the
22 premises specified in the license, (ii) make sales of the beer
23 manufactured on the premises or, with the approval of the
24 Commission, beer manufactured on another brew pub licensed
25 premises that is wholly owned and operated by the same licensee
26 to importing distributors, distributors, and to non-licensees

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

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

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

26 Notwithstanding any other provision of this Act, a licensed

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

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

18 (p) An auction liquor license shall allow the licensee to
19 sell and offer for sale at auction wine and spirits for use or
20 consumption, or for resale by an Illinois liquor licensee in
21 accordance with provisions of this Act. An auction liquor
22 license will be issued to a person and it will permit the
23 auction liquor licensee to hold the auction anywhere in the
24 State. An auction liquor license must be obtained for each
25 auction at least 14 days in advance of the auction date.

26 (q) A special use permit license shall allow an Illinois

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

14 (r) A winery shipper's license shall allow a person with a
15 first-class or second-class wine manufacturer's license, a
16 first-class or second-class wine-maker's license, or a limited
17 wine manufacturer's license or who is licensed to make wine
18 under the laws of another state to ship wine made by that
19 licensee directly to a resident of this State who is 21 years
20 of age or older for that resident's personal use and not for
21 resale. Prior to receiving a winery shipper's license, an
22 applicant for the license must provide the Commission with a
23 true copy of its current license in any state in which it is
24 licensed as a manufacturer of wine. An applicant for a winery
25 shipper's license must also complete an application form that
26 provides any other information the Commission deems necessary.

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

1 indirectly through a third-party provider, from the licensee's
2 own production.

3 Except for a common carrier, a third-party provider
4 shipping wine on behalf of a winery shipper's license holder is
5 the agent of the winery shipper's license holder and, as such,
6 a winery shipper's license holder is responsible for the acts
7 and omissions of the third-party provider acting on behalf of
8 the license holder. A third-party provider, except for a common
9 carrier, that engages in shipping wine into Illinois on behalf
10 of a winery shipper's license holder shall consent to the
11 jurisdiction of the State Commission and the State. Any
12 third-party, except for a common carrier, holding such an
13 appointment shall, by February 1 of each calendar year and upon
14 request by the State Commission or the Department of Revenue,
15 file with the State Commission a statement detailing each
16 shipment made to an Illinois resident. The statement shall
17 include the name and address of the third-party provider filing
18 the statement, the time period covered by the statement, and
19 the following information:

20 (1) the name, address, and license number of the winery
21 shipper on whose behalf the shipment was made;

22 (2) the quantity of the products delivered; and

23 (3) the date and address of the shipment.

24 If the Department of Revenue or the State Commission requests a
25 statement under this paragraph, the third-party provider must
26 provide that statement no later than 30 days after the request

1 is made. Any books, records, supporting papers, and documents
2 containing information and data relating to a statement under
3 this paragraph shall be kept and preserved for a period of 3
4 years, unless their destruction sooner is authorized, in
5 writing, by the Director of Revenue, and shall be open and
6 available to inspection by the Director of Revenue or the State
7 Commission or any duly authorized officer, agent, or employee
8 of the State Commission or the Department of Revenue, at all
9 times during business hours of the day. Any person who violates
10 any provision of this paragraph or any rule of the State
11 Commission for the administration and enforcement of the
12 provisions of this paragraph is guilty of a Class C
13 misdemeanor. In case of a continuing violation, each day's
14 continuance thereof shall be a separate and distinct offense.

15 The State Commission shall adopt rules as soon as
16 practicable to implement the requirements of Public Act 99-904
17 and shall adopt rules prohibiting any such third-party
18 appointment of a third-party provider, except for a common
19 carrier, that has been deemed by the State Commission to have
20 violated the provisions of this Act with regard to any winery
21 shipper licensee.

22 A winery shipper licensee must pay to the Department of
23 Revenue the State liquor gallonage tax under Section 8-1 for
24 all wine that is sold by the licensee and shipped to a person
25 in this State. For the purposes of Section 8-1, a winery
26 shipper licensee shall be taxed in the same manner as a

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

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

20 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of
21 Section 3-12, the State Commission may receive, respond to, and
22 investigate any complaint and impose any of the remedies
23 specified in paragraph (1) of subsection (a) of Section 3-12.

24 As used in this subsection, "third-party provider" means
25 any entity that provides fulfillment house services, including
26 warehousing, packaging, distribution, order processing, or

1 shipment of wine, but not the sale of wine, on behalf of a
2 licensed winery shipper.

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 (t) A brewer warehouse permit may be issued to the holder
17 of a class 1 brewer license or a class 2 brewer license. If the
18 holder of the permit is a class 1 brewer licensee, the brewer
19 warehouse permit shall allow the holder to store or warehouse
20 up to 930,000 gallons of tax-determined beer manufactured by
21 the holder of the permit at the premises specified on the
22 permit. If the holder of the permit is a class 2 brewer
23 licensee, the brewer warehouse permit shall allow the holder to
24 store or warehouse up to 3,720,000 gallons of tax-determined
25 beer manufactured by the holder of the permit at the premises
26 specified on the permit. Sales to non-licensees are prohibited

1 at the premises specified in the brewer warehouse permit.

2 (u) A distiller pub license shall allow the licensee to
3 only (i) manufacture up to 5,000 gallons of spirits per year
4 only on the premises specified in the license, (ii) make sales
5 of the spirits manufactured on the premises or, with the
6 approval of the State Commission, spirits manufactured on
7 another distiller pub licensed premises that is wholly owned
8 and operated by the same licensee to importing distributors,
9 distributors, and to non-licensees for use and consumption,
10 (iii) store the spirits upon the premises, (iv) sell and offer
11 for sale at retail from the licensed premises for off-premises
12 consumption no more than 5,000 gallons per year so long as such
13 sales are only made in-person, (v) sell and offer for sale at
14 retail for use and consumption on the premises specified in the
15 license any form of alcoholic liquor purchased from a licensed
16 distributor or importing distributor, and (vi) with the prior
17 approval of the State Commission, annually transfer no more
18 than 5,000 gallons of spirits manufactured on the premises to a
19 licensed distiller pub wholly owned and operated by the same
20 licensee.

21 A distiller pub licensee shall not under any circumstance
22 sell or offer for sale spirits manufactured by the distiller
23 pub licensee to retail licensees.

24 A person who holds a craft distiller license may
25 simultaneously hold a distiller pub license if the craft
26 distiller (i) does not, under any circumstance, sell or offer

1 for sale spirits manufactured by the craft distiller to retail
 2 licensees; (ii) does not hold more than 3 distiller pub
 3 licenses in this State; (iii) does not manufacture more than a
 4 combined 100,000 gallons of spirits per year, including the
 5 spirits manufactured at the distiller pub; and (iv) is not a
 6 member of or affiliated with, directly or indirectly, a
 7 manufacturer that produces more than 100,000 gallons of spirits
 8 per year or any other alcoholic liquor.

9 (Source: P.A. 99-448, eff. 8-24-15; 99-642, eff. 7-28-16;
 10 99-800, eff. 8-12-16; 99-902, eff. 8-26-16; 99-904, eff.
 11 1-1-17; 100-17, eff. 6-30-17; 100-201, eff. 8-18-17; 100-816,
 12 eff. 8-13-18; 100-885, eff. 8-14-18; 100-1050, eff. 8-23-18;
 13 revised 10-2-18.)

14 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

15 Sec. 5-3. License fees. Except as otherwise provided
 16 herein, at the time application is made to the State Commission
 17 for a license of any class, the applicant shall pay to the
 18 State Commission the fee hereinafter provided for the kind of
 19 license applied for.

20 The fee for licenses issued by the State Commission shall
 21 be as follows:

22	Online	Initial
23	renewal	license
24		or
25		non-online

renewal

1			
2	For a manufacturer's license:		
3	Class 1. Distiller	\$4,000	\$5,000
4	Class 2. Rectifier	4,000	5,000
5	Class 3. Brewer	1,200	1,500
6	Class 4. First-class Wine		
7	Manufacturer	750	900
8	Class 5. Second-class		
9	Wine Manufacturer.....	1,500	1,750
10	Class 6. First-class wine-maker	750	900
11	Class 7. Second-class wine-maker ..	1,500	1,750
12	Class 8. Limited Wine		
13	Manufacturer	250	350
14	Class 9. Craft Distiller	2,000	2,500
15	Class 10. Class 1 Brewer	50	75
16	Class 11. Class 2 Brewer	75	100
17	For a Brew Pub License	1,200	1,500
18	<u>For a Distiller Pub License</u>	<u>1,200</u>	<u>1,500</u>
19	For a caterer retailer's license ..	350	500
20	For a foreign importer's license ..	25	25
21	For an importing distributor's		
22	license.....	25	25
23	For a distributor's license		
24	(11,250,000 gallons		
25	or over)	1,450	2,200
26	For a distributor's license		

1	(over 4,500,000 gallons, but		
2	under 11,250,000 gallons)	950	1,450
3	For a distributor's license		
4	(4,500,000 gallons or under) ..	300	450
5	For a non-resident dealer's license		
6	(500,000 gallons or over)	1,200	1,500
7	For a non-resident dealer's license		
8	(under 500,000 gallons)	250	350
9	For a wine-maker's premises		
10	license.....	250	500
11	For a winery shipper's license		
12	(under 250,000 gallons)	200	350
13	For a winery shipper's license		
14	(250,000 or over, but		
15	under 500,000 gallons)	750	1,000
16	For a winery shipper's license		
17	(500,000 gallons or over)	1,200	1,500
18	For a wine-maker's premises license,		
19	second location.....	500	1,000
20	For a wine-maker's premises license,		
21	third location	500	1,000
22	For a retailer's license	600	750
23	For a special event retailer's		
24	license, (not-for-profit).....	25	25
25	For a special use permit license,		
26	one day only	100	150

1	2 days or more	150	250
2	For a railroad license	100	150
3	For a boat license	500	1,000
4	For an airplane license, times the		
5	licensee's maximum number of		
6	aircraft in flight, serving		
7	liquor over the State at any		
8	given time, which either		
9	originate, terminate, or make		
10	an intermediate stop in		
11	the State	100	150
12	For a non-beverage user's license:		
13	Class 1	24	24
14	Class 2	60	60
15	Class 3	120	120
16	Class 4	240	240
17	Class 5	600	600
18	For a broker's license	750	1,000
19	For an auction liquor license	100	150
20	For a homebrewer special		
21	event permit	25	25
22	For a craft distiller		
23	tasting permit	25	25
24	For a BASSET trainer license	300	350
25	For a tasting representative		
26	license.....	200	300

1 For a brewer warehouse permit 25 25

2 Fees collected under this Section shall be paid into the
3 Dram Shop Fund. On and after July 1, 2003 and until June 30,
4 2016, of the funds received for a retailer's license, in
5 addition to the first \$175, an additional \$75 shall be paid
6 into the Dram Shop Fund, and \$250 shall be paid into the
7 General Revenue Fund. On and after June 30, 2016, one-half of
8 the funds received for a retailer's license shall be paid into
9 the Dram Shop Fund and one-half of the funds received for a
10 retailer's license shall be paid into the General Revenue Fund.
11 Beginning June 30, 1990 and on June 30 of each subsequent year
12 through June 29, 2003, any balance over \$5,000,000 remaining in
13 the Dram Shop Fund shall be credited to State liquor licensees
14 and applied against their fees for State liquor licenses for
15 the following year. The amount credited to each licensee shall
16 be a proportion of the balance in the Dram Fund that is the
17 same as the proportion of the license fee paid by the licensee
18 under this Section for the period in which the balance was
19 accumulated to the aggregate fees paid by all licensees during
20 that period.

21 No fee shall be paid for licenses issued by the State
22 Commission to the following non-beverage users:

23 (a) Hospitals, sanitariums, or clinics when their use
24 of alcoholic liquor is exclusively medicinal, mechanical
25 or scientific.

26 (b) Universities, colleges of learning or schools when

1 their use of alcoholic liquor is exclusively medicinal,
2 mechanical or scientific.

3 (c) Laboratories when their use is exclusively for the
4 purpose of scientific research.

5 (Source: P.A. 99-448, eff. 8-24-15; 99-902, eff. 8-26-16;
6 99-904, eff. 8-26-16; 100-201, eff. 8-18-17; 100-816, eff.
7 8-13-18.)