

1 AN ACT concerning regulation.

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 1-3.03, 3-12, 5-1, 5-3, 6-4, 6-5, and 6-9.1
6 and by adding Sections 1-3.43, 1-3.44, 6-6.1, 6-9.5, 6-9.10,
7 6-9.15, 6-17.5, 6-37, 6-38 and 8-10.5 as follows:

8 (235 ILCS 5/1-3.03) (from Ch. 43, par. 95.03)

9 Sec. 1-3.03. "Wine" means any alcoholic beverage obtained
10 by the fermentation of the natural contents of fruits, ~~or~~
11 vegetables, or honey, containing sugar, including mead and
12 such beverages when fortified by the addition of alcohol or
13 spirits, as above defined.

14 (Source: P.A. 82-783.)

15 (235 ILCS 5/1-3.43new)

16 Sec. 1-3.43. Beer showcase permit license. "Beer showcase
17 permit" means a license for use by a class 3 brewer, or
18 distributor to allow for the transfer of beer only from an
19 existing licensed premises of a class 3 brewer or distributor
20 to a designated site for a specific event.

21 (235 ILCS 5/1-3.44 new)

1 Sec. 1-3.44. Class 3 brewer. "Class 3 brewer" means a
2 holder of a brewer's license or a non-resident dealer's
3 license who manufactures no more than 155,000 gallons at any
4 single brewery premises and no more than 465,000 gallons of
5 beer per year in the aggregate, and to make sales to importing
6 distributors, distributors, and retail licensees in accordance
7 with the conditions set forth in paragraph (20) of subsection
8 (a) of Section 3-12.

9 (235 ILCS 5/3-12)

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

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

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

1 regulation issued pursuant thereto and in effect for 30
2 days prior to such violation. Except in the case of an
3 action taken pursuant to a violation of Section 6-3, 6-5,
4 or 6-9, any action by the State Commission to suspend or
5 revoke a licensee's license may be limited to the license
6 for the specific premises where the violation occurred. An
7 action for a violation of this Act shall be commenced by
8 the State Commission within 2 years after the date the
9 State Commission becomes aware of the violation.

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

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

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

1 licensee, for the period of the license, shall not exceed
2 \$20,000. The maximum penalty that may be imposed on a
3 licensee for selling a bottle of alcoholic liquor with a
4 foreign object in it or serving from a bottle of alcoholic
5 liquor with a foreign object in it shall be the
6 destruction of that bottle of alcoholic liquor for the
7 first 10 bottles so sold or served from by the licensee.
8 For the eleventh bottle of alcoholic liquor and for each
9 third bottle thereafter sold or served from by the
10 licensee with a foreign object in it, the maximum penalty
11 that may be imposed on the licensee is the destruction of
12 the bottle of alcoholic liquor and a fine of up to \$50.

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

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

1 consumption of alcoholic liquors shall be fostered and
2 promoted and to distribute copies of such rules and
3 regulations to all licensees affected thereby.

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

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

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

21 (5.1) Upon receipt of a complaint or upon having
22 knowledge that any person is engaged in business as a
23 manufacturer, importing distributor, distributor, or
24 retailer without a license or valid license, to conduct an
25 investigation. If, after conducting an investigation, the
26 State Commission is satisfied that the alleged conduct

1 occurred or is occurring, it may issue a cease and desist
2 notice as provided in this Act, impose civil penalties as
3 provided in this Act, notify the local liquor authority,
4 or file a complaint with the State's Attorney's Office of
5 the county where the incident occurred or the Attorney
6 General.

7 (5.2) Upon receipt of a complaint or upon having
8 knowledge that any person is shipping alcoholic liquor
9 into this State from a point outside of this State if the
10 shipment is in violation of this Act, to conduct an
11 investigation. If, after conducting an investigation, the
12 State Commission is satisfied that the alleged conduct
13 occurred or is occurring, it may issue a cease and desist
14 notice as provided in this Act, impose civil penalties as
15 provided in this Act, notify the foreign jurisdiction, or
16 file a complaint with the State's Attorney's Office of the
17 county where the incident occurred or the Attorney
18 General.

19 (5.3) To receive complaints from licensees, local
20 officials, law enforcement agencies, organizations, and
21 persons stating that any licensee has been or is violating
22 any provision of this Act or the rules and regulations
23 issued pursuant to this Act. Such complaints shall be in
24 writing, signed and sworn to by the person making the
25 complaint, and shall state with specificity the facts in
26 relation to the alleged violation. If the State Commission

1 has reasonable grounds to believe that the complaint
2 substantially alleges a violation of this Act or rules and
3 regulations adopted pursuant to this Act, it shall conduct
4 an investigation. If, after conducting an investigation,
5 the State Commission is satisfied that the alleged
6 violation did occur, it shall proceed with disciplinary
7 action against the licensee as provided in this Act.

8 (5.4) To make arrests and issue notices of civil
9 violations where necessary for the enforcement of this
10 Act.

11 (5.5) To investigate any and all unlicensed activity.

12 (5.6) To impose civil penalties or fines to any person
13 who, without holding a valid license, engages in conduct
14 that requires a license pursuant to this Act, in an amount
15 not to exceed \$20,000 for each offense as determined by
16 the State Commission. A civil penalty shall be assessed by
17 the State Commission after a hearing is held in accordance
18 with the provisions set forth in this Act regarding the
19 provision of a hearing for the revocation or suspension of
20 a license.

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

26 (8) In the conduct of any hearing authorized to be

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

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

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

26 (10) To adopt such rules and regulations consistent

1 with the provisions of this Act which shall be necessary
2 for the control, sale, or disposition of alcoholic liquor
3 damaged as a result of an accident, wreck, flood, fire, or
4 other similar occurrence.

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

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

19 (12) To develop and maintain a repository of license
20 and regulatory information.

21 (13) (Blank).

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

1 from inside and outside of this State directly to
2 residents of this State. As part of its report, the State
3 Commission shall provide all of the following information:

4 (A) The amount of State excise and sales tax
5 revenues generated.

6 (B) The amount of licensing fees received.

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

10 (D) The number of alcohol compliance operations
11 conducted.

12 (E) The number of winery shipper's licenses
13 issued.

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

23 (15) As a means to reduce the underage consumption of
24 alcoholic liquors, the State Commission shall conduct
25 alcohol compliance operations to investigate whether
26 businesses that are soliciting, selling, and shipping wine

1 from inside or outside of this State directly to residents
2 of this State are licensed by this State or are selling or
3 attempting to sell wine to persons under 21 years of age in
4 violation of this Act.

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

12 (17) (A) A person licensed to make wine under the laws
13 of another state who has a winery shipper's license under
14 this Act and annually produces less than 25,000 gallons of
15 wine or a person who has a first-class or second-class
16 wine manufacturer's license, a first-class or second-class
17 wine-maker's license, or a limited wine manufacturer's
18 license under this Act and annually produces less than
19 25,000 gallons of wine may make application to the
20 Commission for a self-distribution exemption to allow the
21 sale of not more than 5,000 gallons of the exemption
22 holder's wine to retail licensees per year and to sell
23 cider, mead, or both cider and mead to brewers, class 1
24 brewers, class 2 brewers, and class 3 brewers that,
25 pursuant to subsection (e) of Section 6-4 of this Act,
26 sell beer, cider, mead, or any combination thereof to

1 non-licensees at their breweries.

2 (B) In the application, which shall be sworn under
3 penalty of perjury, such person shall state (1) the date
4 it was established; (2) its volume of production and sales
5 for each year since its establishment; (3) its efforts to
6 establish distributor relationships; (4) that a
7 self-distribution exemption is necessary to facilitate the
8 marketing of its wine; and (5) that it will comply with the
9 liquor and revenue laws of the United States, this State,
10 and any other state where it is licensed.

11 (C) The State Commission shall approve the application
12 for a self-distribution exemption if such person: (1) is
13 in compliance with State revenue and liquor laws; (2) is
14 not a member of any affiliated group that produces
15 directly or indirectly more than 25,000 gallons of wine
16 per annum, 930,000 gallons of beer per annum, or 50,000
17 gallons of spirits per annum ~~or produces any other~~
18 ~~alcoholic liquor~~; (3) will not annually produce for sale
19 more than 25,000 gallons of wine, 930,000 gallons of beer,
20 or 50,000 gallons of spirits; and (4) will not annually
21 sell more than 5,000 gallons of its wine to retail
22 licensees.

23 (D) A self-distribution exemption holder shall
24 annually certify to the State Commission its production of
25 wine in the previous 12 months and its anticipated
26 production and sales for the next 12 months. The State

1 Commission may fine, suspend, or revoke a
2 self-distribution exemption after a hearing if it finds
3 that the exemption holder has made a material
4 misrepresentation in its application, violated a revenue
5 or liquor law of Illinois, exceeded production of 25,000
6 gallons of wine, 930,000 gallons of beer, or 50,000
7 gallons of spirits in any calendar year, or become part of
8 an affiliated group producing more than 25,000 gallons of
9 wine, 930,000 gallons of beer, or 50,000 gallons of
10 spirits ~~or any other alcoholic liquor.~~

11 (E) Except in hearings for violations of this Act or
12 Public Act 95-634 or a bona fide investigation by duly
13 sworn law enforcement officials, the State Commission, or
14 its agents, the State Commission shall maintain the
15 production and sales information of a self-distribution
16 exemption holder as confidential and shall not release
17 such information to any person.

18 (F) The State Commission shall issue regulations
19 governing self-distribution exemptions consistent with
20 this Section and this Act.

21 (G) Nothing in this paragraph (17) shall prohibit a
22 self-distribution exemption holder from entering into or
23 simultaneously having a distribution agreement with a
24 licensed Illinois distributor.

25 (H) It is the intent of this paragraph (17) to promote
26 and continue orderly markets. The General Assembly finds

1 that, in order to preserve Illinois' regulatory
2 distribution system, it is necessary to create an
3 exception for smaller makers of wine as their wines are
4 frequently adjusted in varietals, mixes, vintages, and
5 taste to find and create market niches sometimes too small
6 for distributor or importing distributor business
7 strategies. Limited self-distribution rights will afford
8 and allow smaller makers of wine access to the marketplace
9 in order to develop a customer base without impairing the
10 integrity of the 3-tier system.

11 (18) (A) A class 1 brewer licensee, who must also be
12 either a licensed brewer or licensed non-resident dealer
13 and annually manufacture less than 930,000 gallons of
14 beer, may make application to the State Commission for a
15 self-distribution exemption to allow the sale of not more
16 than 232,500 gallons per year of the exemption holder's
17 beer ~~per year~~ to retail licensees and to brewers, class 1
18 brewers, and class 2 brewers that, pursuant to subsection
19 (e) of Section 6-4 of this Act, sell beer, cider, mead, or
20 any combination thereof ~~or both beer and cider~~ to
21 non-licensees at their breweries.

22 (B) In the application, which shall be sworn under
23 penalty of perjury, the class 1 brewer licensee shall
24 state (1) the date it was established; (2) its volume of
25 beer manufactured and sold for each year since its
26 establishment; (3) its efforts to establish distributor

1 relationships; (4) that a self-distribution exemption is
2 necessary to facilitate the marketing of its beer; and (5)
3 that it will comply with the alcoholic beverage and
4 revenue laws of the United States, this State, and any
5 other state where it is licensed.

6 (C) Any application submitted shall be posted on the
7 State Commission's website at least 45 days prior to
8 action by the State Commission. The State Commission shall
9 approve the application for a self-distribution exemption
10 if the class 1 brewer licensee: (1) is in compliance with
11 the State, revenue, and alcoholic beverage laws; (2) is
12 not a member of any affiliated group that manufactures,
13 directly or indirectly, more than 930,000 gallons of beer
14 per annum, 25,000 gallons of wine per annum, or 50,000
15 gallons of spirits per annum ~~or produces any other~~
16 ~~alcoholic beverages~~; (3) shall not annually manufacture
17 for sale more than 930,000 gallons of beer, 25,000 gallons
18 of wine, or 50,000 gallons of spirits; (4) shall not
19 annually sell more than 232,500 gallons of its beer to
20 retail licensees and class 3 brewers and ~~or~~ to brewers,
21 class 1 brewers, and class 2 brewers that, pursuant to
22 subsection (e) of Section 6-4 of this Act, sell beer,
23 cider, mead, or any combination thereof ~~or both beer and~~
24 ~~cider~~ to non-licensees at their breweries; and (5) has
25 relinquished any brew pub license held by the licensee,
26 including any ownership interest it held in the licensed

1 brew pub.

2 (D) A self-distribution exemption holder shall
3 annually certify to the State Commission its manufacture
4 of beer during the previous 12 months and its anticipated
5 manufacture and sales of beer for the next 12 months. The
6 State Commission may fine, suspend, or revoke a
7 self-distribution exemption after a hearing if it finds
8 that the exemption holder has made a material
9 misrepresentation in its application, violated a revenue
10 or alcoholic beverage law of Illinois, exceeded the
11 manufacture of 930,000 gallons of beer, 25,000 gallons of
12 wine, or 50,000 gallons of spirits in any calendar year or
13 became part of an affiliated group manufacturing more than
14 930,000 gallons of beer, 25,000 gallons of wine, or 50,000
15 gallons of spirits ~~or any other alcoholic beverage.~~

16 (E) The State Commission shall issue rules and
17 regulations governing self-distribution exemptions
18 consistent with this Act.

19 (F) Nothing in this paragraph (18) shall prohibit a
20 self-distribution exemption holder from entering into or
21 simultaneously having a distribution agreement with a
22 licensed Illinois importing distributor or a distributor.
23 If a self-distribution exemption holder enters into a
24 distribution agreement and has assigned distribution
25 rights to an importing distributor or distributor, then
26 the self-distribution exemption holder's distribution

1 rights in the assigned territories shall cease in a
2 reasonable time not to exceed 60 days.

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

11 (19) (A) A class 1 craft distiller licensee or a
12 non-resident dealer who manufactures less than 50,000
13 gallons of distilled spirits per year may make application
14 to the State Commission for a self-distribution exemption
15 to allow the sale of not more than 5,000 gallons of the
16 exemption holder's spirits to retail licensees per year.

17 (B) In the application, which shall be sworn under
18 penalty of perjury, the class 1 craft distiller licensee
19 or non-resident dealer shall state (1) the date it was
20 established; (2) its volume of spirits manufactured and
21 sold for each year since its establishment; (3) its
22 efforts to establish distributor relationships; (4) that a
23 self-distribution exemption is necessary to facilitate the
24 marketing of its spirits; and (5) that it will comply with
25 the alcoholic beverage and revenue laws of the United
26 States, this State, and any other state where it is

1 licensed.

2 (C) Any application submitted shall be posted on the
3 State Commission's website at least 45 days prior to
4 action by the State Commission. The State Commission shall
5 approve the application for a self-distribution exemption
6 if the applicant: (1) is in compliance with State revenue
7 and alcoholic beverage laws; (2) is not a member of any
8 affiliated group that produces more than 50,000 gallons of
9 spirits per annum, 930,000 gallons of beer per annum, or
10 25,000 gallons of wine per annum ~~or produces any other~~
11 ~~alcoholic liquor~~; (3) does not annually manufacture for
12 sale more than 50,000 gallons of spirits, 930,000 gallons
13 of beer, or 25,000 gallons of wine; and (4) does not
14 annually sell more than 5,000 gallons of its spirits to
15 retail licensees.

16 (D) A self-distribution exemption holder shall
17 annually certify to the State Commission its manufacture
18 of spirits during the previous 12 months and its
19 anticipated manufacture and sales of spirits for the next
20 12 months. The State Commission may fine, suspend, or
21 revoke a self-distribution exemption after a hearing if it
22 finds that the exemption holder has made a material
23 misrepresentation in its application, violated a revenue
24 or alcoholic beverage law of Illinois, exceeded the
25 manufacture of 50,000 gallons of spirits, 930,000 gallons
26 of beer, or 25,000 gallons of wine in any calendar year, or

1 has become part of an affiliated group manufacturing more
2 than 50,000 gallons of spirits, 930,000 gallons of beer,
3 or 25,000 gallons of wine ~~or any other alcoholic beverage.~~

4 (E) The State Commission shall adopt rules governing
5 self-distribution exemptions consistent with this Act.

6 (F) Nothing in this paragraph (19) shall prohibit a
7 self-distribution exemption holder from entering into or
8 simultaneously having a distribution agreement with a
9 licensed Illinois importing distributor or a distributor.

10 (G) It is the intent of this paragraph (19) to promote
11 and continue orderly markets. The General Assembly finds
12 that in order to preserve Illinois' regulatory
13 distribution system, it is necessary to create an
14 exception for smaller manufacturers in order to afford and
15 allow such smaller manufacturers of spirits access to the
16 marketplace in order to develop a customer base without
17 impairing the integrity of the 3-tier system.

18 (20) (A) A class 3 brewer licensee who must manufacture
19 less than 465,000 gallons of beer in the aggregate and not
20 more than 155,000 gallons at any single brewery premises
21 may make application to the State Commission for a
22 self-distribution exemption to allow the sale of not more
23 than 6,200 gallons of beer from each in-state or
24 out-of-state class 3 brewery premises, which shall not
25 exceed 18,600 gallons annually in the aggregate, that is
26 manufactured at a wholly owned class 3 brewer's in-state

1 or out-of-state licensed premises to retail licensees and
2 class 3 brewers and to brewers, class 1 brewers, class 2
3 brewers that, pursuant to subsection (e) of Section 6-4,
4 sell beer, cider, or both beer and cider to non-licensees
5 at their licensed breweries.

6 (B) In the application, which shall be sworn under
7 penalty of perjury, the class 3 brewer licensee shall
8 state:

9 (1) the date it was established;

10 (2) its volume of beer manufactured and sold for
11 each year since its establishment;

12 (3) its efforts to establish distributor
13 relationships;

14 (4) that a self-distribution exemption is
15 necessary to facilitate the marketing of its beer; and

16 (5) that it will comply with the alcoholic
17 beverage and revenue laws of the United States, this
18 State, and any other state where it is licensed.

19 (C) Any application submitted shall be posted on the
20 State Commission's website at least 45 days before action
21 by the State Commission. The State Commission shall
22 approve the application for a self-distribution exemption
23 if the class 3 brewer licensee: (1) is in compliance with
24 the State, revenue, and alcoholic beverage laws; (2) is
25 not a member of any affiliated group that manufacturers,
26 directly or indirectly, more than 465,000 gallons of beer

1 per annum, (3) shall not annually manufacture for sale
2 more than 465,000 gallons of beer or more than 155,000
3 gallons at any single brewery premises; and (4) shall not
4 annually sell more than 6,200 gallons of beer from each
5 in-state or out-of-state class 3 brewery premises, and
6 shall not exceed 18,600 gallons annually in the aggregate,
7 to retail licensees and class 3 brewers and to brewers,
8 class 1 brewers, and class 2 brewers that, pursuant to
9 subsection (e) of Section 6-4 of this Act, sell beer,
10 cider, or both beer and cider to non-licensees at their
11 breweries.

12 (D) A self-distribution exemption holder shall
13 annually certify to the State Commission its manufacture
14 of beer during the previous 12 months and its anticipated
15 manufacture and sales of beer for the next 12 months. The
16 State Commission may fine, suspend, or revoke a
17 self-distribution exemption after a hearing if it finds
18 that the exemption holder has made a material
19 misrepresentation in its application, violated a revenue
20 or alcoholic beverage law of Illinois, exceeded the
21 manufacture of 465,000 gallons of beer in any calendar
22 year or became part of an affiliated group manufacturing
23 more than 465,000 gallons of beer, or exceeded the sale to
24 retail licensees, brewers, class 1 brewers, class 2
25 brewers, and class 3 brewers of 6,200 gallons per brewery
26 location or 18,600 gallons in the aggregate.

1 (E) The State Commission may adopt rules governing
2 self-distribution exemptions consistent with this Act.

3 (F) Nothing in this paragraph shall prohibit a
4 self-distribution exemption holder from entering into or
5 simultaneously having a distribution agreement with a
6 licensed Illinois importing distributor or a distributor.
7 If a self-distribution exemption holder enters into a
8 distribution agreement and has assigned distribution
9 rights to an importing distributor or distributor, then
10 the self-distribution exemption holder's distribution
11 rights in the assigned territories shall cease in a
12 reasonable time not to exceed 60 days.

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

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

1 As part of its report, the Commission shall provide the
2 following information:

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

5 (ii) the amount of licensing fees received as a result
6 of Public Act 90-739;

7 (iii) the number of reported violations, the number of
8 cease and desist notices issued by the Commission, the
9 number of notices of violations issued to the Department
10 of Revenue, and the number of notices and complaints of
11 violations to law enforcement officials.

12 (Source: P.A. 100-134, eff. 8-18-17; 100-201, eff. 8-18-17;
13 100-816, eff. 8-13-18; 100-1012, eff. 8-21-18; 100-1050, eff.
14 8-23-18; 101-37, eff. 7-3-19; 101-81, eff. 7-12-19; 101-482,
15 eff. 8-23-19; revised 9-20-19.)

16 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

17 (Text of Section before amendment by P.A. 101-668)

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

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

1 Distiller, Class 12. Class 1 Brewer, Class 13. Class 2 Brewer,
2 Class 14. Class 3 Brewer,

3 (b) Distributor's license,

4 (c) Importing Distributor's license,

5 (d) Retailer's license,

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

7 (f) Railroad license,

8 (g) Boat license,

9 (h) Non-Beverage User's license,

10 (i) Wine-maker's premises license,

11 (j) Airplane license,

12 (k) Foreign importer's license,

13 (l) Broker's license,

14 (m) Non-resident dealer's license,

15 (n) Brew Pub license,

16 (o) Auction liquor license,

17 (p) Caterer retailer license,

18 (q) Special use permit license,

19 (r) Winery shipper's license,

20 (s) Craft distiller tasting permit,

21 (t) Brewer warehouse permit,

22 (u) Distilling pub license,

23 (v) Craft distiller warehouse permit, ~~u~~

24 (w) Beer showcase permit.

25 No person, firm, partnership, corporation, or other legal
26 business entity that is engaged in the manufacturing of wine

1 may concurrently obtain and hold a wine-maker's license and a
2 wine manufacturer's license.

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

7 Class 1. A Distiller may make sales and deliveries of
8 alcoholic liquor to distillers, rectifiers, importing
9 distributors, distributors and non-beverage users and to no
10 other licensees.

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

15 Class 3. A Brewer may make sales and deliveries of beer to
16 importing distributors and distributors and may make sales as
17 authorized under subsection (e) of Section 6-4 of this Act,
18 including any alcoholic liquor that subsection (e) of Section
19 6-4 authorizes a brewer to sell in its original package only to
20 a non-licensee for pick-up by a non-licensee either within the
21 interior of the brewery premises or at outside of the brewery
22 premises at a curb-side or parking lot adjacent to the brewery
23 premises, subject to any local ordinance.

24 Class 4. A first class wine-manufacturer may make sales
25 and deliveries of up to 50,000 gallons of wine to
26 manufacturers, importing distributors and distributors, and to

1 no other licensees. If a first-class wine-manufacturer
2 manufactures beer, it shall also obtain and shall only be
3 eligible for, in addition to any current license, a class 1
4 brewer license, shall not manufacture more than 930,000
5 gallons of beer per year, and shall not be a member of or
6 affiliated with, directly or indirectly, a manufacturer that
7 produces more than 930,000 gallons of beer per year. If the
8 first-class wine-manufacturer manufactures spirits, it shall
9 also obtain and shall only be eligible for, in addition to any
10 current license, a class 1 craft distiller license, shall not
11 manufacture more than 50,000 gallons of spirits per year, and
12 shall not be a member of or affiliated with, directly or
13 indirectly, a manufacturer that produces more than 50,000
14 gallons of spirits per year. A first-class wine-manufacturer
15 shall be permitted to sell wine manufactured at the
16 first-class wine-manufacturer premises to non-licensees.

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

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

1 and annually produces more than 25,000 gallons of its own wine
2 and who distributes its wine to licensed retailers shall cease
3 this practice on or before July 1, 2008 in compliance with
4 Public Act 95-634. If a first-class wine-maker manufactures
5 beer, it shall also obtain and shall only be eligible for, in
6 addition to any current license, a class 1 brewer license,
7 shall not manufacture more than 930,000 gallons of beer per
8 year, and shall not be a member of or affiliated with, directly
9 or indirectly, a manufacturer that produces more than 930,000
10 gallons of beer per year. If the first-class wine-maker
11 manufactures spirits, it shall also obtain and shall only be
12 eligible for, in addition to any current license, a class 1
13 craft distiller license, shall not manufacture more than
14 50,000 gallons of spirits per year, and shall not be a member
15 of or affiliated with, directly or indirectly, a manufacturer
16 that produces more than 50,000 gallons of spirits per year. A
17 first-class wine-maker holding a class 1 brewer license or a
18 class 1 craft distiller license shall not be eligible for a
19 wine-maker's premises license but shall be permitted to sell
20 wine manufactured at the first-class wine-maker premises to
21 non-licensees.

22 Class 7. A second-class wine-maker's license shall allow
23 the manufacture of up to ~~between 50,000 and~~ 150,000 gallons of
24 wine per year, and the storage and sale of such wine to
25 distributors in this State and to persons without the State,
26 as may be permitted by law. A person who, prior to June 1, 2008

1 (the effective date of Public Act 95-634), is a holder of a
2 second-class wine-maker's license and annually produces more
3 than 25,000 gallons of its own wine and who distributes its
4 wine to licensed retailers shall cease this practice on or
5 before July 1, 2008 in compliance with Public Act 95-634. If a
6 second-class wine-maker manufactures beer, it shall also
7 obtain and shall only be eligible for, in addition to any
8 current license, a class 2 brewer license, shall not
9 manufacture more than 3,720,000 gallons of beer per year, and
10 shall not be 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. If a second-class wine-maker
13 manufactures spirits, it shall also obtain and shall only be
14 eligible for, in addition to any current license, a class 2
15 craft distiller license, shall not manufacture more than
16 100,000 gallons of spirits per year, and shall not be a member
17 of or affiliated with, directly or indirectly, a manufacturer
18 that produces more than 100,000 gallons of spirits per year.

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

23 Class 9. A craft distiller license, which may only be held
24 by a class 1 craft distiller licensee or class 2 craft
25 distiller licensee but not held by both a class 1 craft
26 distiller licensee and a class 2 craft distiller licensee,

1 shall grant all rights conveyed by either: (i) a class 1 craft
2 distiller license if the craft distiller holds a class 1 craft
3 distiller license; or (ii) a class 2 craft distiller licensee
4 if the craft distiller holds a class 2 craft distiller
5 license.

6 Class 10. A class 1 craft distiller license, which may
7 only be issued to a licensed craft distiller or licensed
8 non-resident dealer, shall allow the manufacture of up to
9 50,000 gallons of spirits per year provided that the class 1
10 craft distiller licensee does not manufacture more than a
11 combined 50,000 gallons of spirits per year and is not a member
12 of or affiliated with, directly or indirectly, a manufacturer
13 that produces more than 50,000 gallons of spirits per year ~~or~~
14 ~~any other alcoholic liquor~~. If a class 1 craft distiller
15 manufactures beer, it shall also obtain and shall only be
16 eligible for, in addition to any current license, a class 1
17 brewer license, shall not manufacture more than 930,000
18 gallons of beer per year, and shall not be a member of or
19 affiliated with, directly or indirectly, a manufacturer that
20 produces more than 930,000 gallons of beer per year. If a class
21 1 craft distiller manufactures wine, it shall also obtain and
22 shall only be eligible for, in addition to any current
23 license, a first-class wine-manufacturer license or a
24 first-class wine-maker's license, shall not manufacture more
25 than 50,000 gallons of wine per year, and shall not be a member
26 of or affiliated with, directly or indirectly, a manufacturer

1 that produces more than 50,000 gallons of wine per year. A
2 class 1 craft distiller licensee may make sales and deliveries
3 to importing distributors and distributors and to retail
4 licensees in accordance with the conditions set forth in
5 paragraph (19) of subsection (a) of Section 3-12 of this Act.
6 However, the aggregate amount of spirits sold to non-licensees
7 and sold or delivered to retail licensees may not exceed 5,000
8 gallons per year.

9 A class 1 craft distiller licensee may sell up to 5,000
10 gallons of such spirits to non-licensees to the extent
11 permitted by any exemption approved by the State Commission
12 pursuant to Section 6-4 of this Act. A class 1 craft distiller
13 license holder may store such spirits at a non-contiguous
14 licensed location, but at no time shall a class 1 craft
15 distiller license holder directly or indirectly produce in the
16 aggregate more than 50,000 gallons of spirits per year.

17 A class 1 craft distiller licensee may hold more than one
18 class 1 craft distiller's license. However, a class 1 craft
19 distiller that holds more than one class 1 craft distiller
20 license shall not manufacture, in the aggregate, more than
21 50,000 gallons of spirits by distillation per year and shall
22 not sell, in the aggregate, more than 5,000 gallons of such
23 spirits to non-licensees in accordance with an exemption
24 approved by the State Commission pursuant to Section 6-4 of
25 this Act.

26 Class 11. A class 2 craft distiller license, which may

1 only be issued to a licensed craft distiller or licensed
2 non-resident dealer, shall allow the manufacture of up to
3 100,000 gallons of spirits per year provided that the class 2
4 craft distiller licensee does not manufacture more than a
5 combined 100,000 gallons of spirits per year and is not a
6 member of or affiliated with, directly or indirectly, a
7 manufacturer that produces more than 100,000 gallons of
8 spirits per year ~~or any other alcoholic liquor~~. If a class 2
9 craft distiller manufactures beer, it shall also obtain and
10 shall only be eligible for, in addition to any current
11 license, a class 2 brewer license, shall not manufacture more
12 than 3,720,000 gallons of beer per year, and shall not be a
13 member of or affiliated with, directly or indirectly, a
14 manufacturer that produces more than 3,720,000 gallons of beer
15 per year. If a class 2 craft distiller manufactures wine, it
16 shall also obtain and shall only be eligible for, in addition
17 to any current license, a second-class wine-maker's license,
18 shall not manufacture more than 150,000 gallons of wine per
19 year, and shall not be a member of or affiliated with, directly
20 or indirectly, a manufacturer that produces more than 150,000
21 gallons of wine per year. A class 2 craft distiller licensee
22 may make sales and deliveries to importing distributors and
23 distributors, but shall not make sales or deliveries to any
24 other licensee. If the State Commission provides prior
25 approval, a class 2 craft distiller licensee may annually
26 transfer up to 100,000 gallons of spirits manufactured by that

1 class 2 craft distiller licensee to the premises of a licensed
2 class 2 craft distiller wholly owned and operated by the same
3 licensee. A class 2 craft distiller may transfer spirits to a
4 distilling pub wholly owned and operated by the class 2 craft
5 distiller subject to the following limitations and
6 restrictions: (i) the transfer shall not annually exceed more
7 than 5,000 gallons; (ii) the annual amount transferred shall
8 reduce the distilling pub's annual permitted production limit;
9 (iii) all spirits transferred shall be subject to Article VIII
10 of this Act; (iv) a written record shall be maintained by the
11 distiller and distilling pub specifying the amount, date of
12 delivery, and receipt of the product by the distilling pub;
13 and (v) the distilling pub shall be located no farther than 80
14 miles from the class 2 craft distiller's licensed location.

15 A class 2 craft distiller shall, prior to transferring
16 spirits to a distilling pub wholly owned by the class 2 craft
17 distiller, furnish a written notice to the State Commission of
18 intent to transfer spirits setting forth the name and address
19 of the distilling pub and shall annually submit to the State
20 Commission a verified report identifying the total gallons of
21 spirits transferred to the distilling pub wholly owned by the
22 class 2 craft distiller.

23 A class 2 craft distiller license holder may store such
24 spirits at a non-contiguous licensed location, but at no time
25 shall a class 2 craft distiller license holder directly or
26 indirectly produce in the aggregate more than 100,000 gallons

1 of spirits per year.

2 Class 12. A class 1 brewer license, which may only be
3 issued to a licensed brewer or licensed non-resident dealer,
4 shall allow the manufacture of up to 930,000 gallons of beer
5 per year provided that the class 1 brewer licensee does not
6 manufacture more than a combined 930,000 gallons of beer per
7 year and is not a member of or affiliated with, directly or
8 indirectly, a manufacturer that produces more than 930,000
9 gallons of beer per year ~~or any other alcoholic liquor~~. If a
10 class 1 brewer manufactures spirits, it shall also obtain and
11 shall only be eligible for, in addition to any current
12 license, a class 1 craft distiller license, shall not
13 manufacture more than 50,000 gallons of spirits per year, and
14 shall not be a member of or affiliated with, directly or
15 indirectly, a manufacturer that produces more than 50,000
16 gallons of spirits per year. If a class 1 craft brewer
17 manufactures wine, it shall also obtain and shall only be
18 eligible for, in addition to any current license, a
19 first-class wine-manufacturer license or a first-class
20 wine-maker's license, shall not manufacture more than 50,000
21 gallons of wine per year, and shall not be a member of or
22 affiliated with, directly or indirectly, a manufacturer that
23 produces more than 50,000 gallons of wine per year. A class 1
24 brewer licensee may make sales and deliveries to importing
25 distributors and distributors and to retail licensees in
26 accordance with the conditions set forth in paragraph (18) of

1 subsection (a) of Section 3-12 of this Act. If the State
2 Commission provides prior approval, a class 1 brewer may
3 annually transfer up to 930,000 gallons of beer manufactured
4 by that class 1 brewer to the premises of a licensed class 1
5 brewer wholly owned and operated by the same licensee.

6 Class 13. A class 2 brewer license, which may only be
7 issued to a licensed brewer or licensed non-resident dealer,
8 shall allow the manufacture of up to 3,720,000 gallons of beer
9 per year provided that the class 2 brewer licensee does not
10 manufacture more than a combined 3,720,000 gallons of beer per
11 year and is not a member of or affiliated with, directly or
12 indirectly, a manufacturer that produces more than 3,720,000
13 gallons of beer per year ~~or any other alcoholic liquor~~. If a
14 class 2 brewer manufactures spirits, it shall also obtain and
15 shall only be eligible for, in addition to any current
16 license, a class 2 craft distiller license, shall not
17 manufacture more than 100,000 gallons of spirits per year, and
18 shall not be a member of or affiliated with, directly or
19 indirectly, a manufacturer that produces more than 100,000
20 gallons of spirits per year. If a class 2 craft distiller
21 manufactures wine, it shall also obtain and shall only be
22 eligible for, in addition to any current license, a
23 second-class wine-maker's license, shall not manufacture more
24 than 150,000 gallons of wine per year, and shall not be a
25 member of or affiliated with, directly or indirectly, a
26 manufacturer that produces more than 150,000 gallons of wine a

1 year. A class 2 brewer licensee may make sales and deliveries
2 to importing distributors and distributors, but shall not make
3 sales or deliveries to any other licensee. If the State
4 Commission provides prior approval, a class 2 brewer licensee
5 may annually transfer up to 3,720,000 gallons of beer
6 manufactured by that class 2 brewer licensee to the premises
7 of a licensed class 2 brewer wholly owned and operated by the
8 same licensee.

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

20 A class 2 brewer shall, prior to transferring beer to a
21 brew pub wholly owned by the class 2 brewer, furnish a written
22 notice to the State Commission of intent to transfer beer
23 setting forth the name and address of the brew pub and shall
24 annually submit to the State Commission a verified report
25 identifying the total gallons of beer transferred to the brew
26 pub wholly owned by the class 2 brewer.

1 Class 14. A class 3 brewer license, which may be issued to
2 a brewer or a non-resident dealer, shall allow the manufacture
3 of no more than 465,000 gallons of beer per year and no more
4 than 155,000 gallons at a single brewery premises, and shall
5 allow the sale of no more than 6,200 gallons of beer from each
6 in-state or out-of-state class 3 brewery premises, or 18,600
7 gallons in the aggregate, to retail licensees, class 1
8 brewers, class 2 brewers, and class 3 brewers as long as the
9 class 3 brewer licensee does not manufacture more than a
10 combined 465,000 gallons of beer per year and is not a member
11 of or affiliated with, directly or indirectly, a manufacturer
12 that produces more than 465,000 gallons of beer per year to
13 make sales to importing distributors, distributors, retail
14 licensees, brewers, class 1 brewers, class 2 brewers, and
15 class 3 brewers in accordance with the conditions set forth in
16 paragraph (20) of subsection (a) of Section 3-12. If the State
17 Commission provides prior approval, a class 3 brewer may
18 annually transfer up to 155,000 gallons of beer manufactured
19 by that class 3 brewer to the premises of a licensed class 3
20 brewer wholly owned and operated by the same licensee. A class
21 3 brewer shall manufacture beer at the brewer's class 3
22 designated licensed premises, and may sell beer as otherwise
23 provided in this Act.

24 (a-1) A manufacturer which is licensed in this State to
25 make sales or deliveries of alcoholic liquor to licensed
26 distributors or importing distributors and which enlists

1 agents, representatives, or individuals acting on its behalf
2 who contact licensed retailers on a regular and continual
3 basis in this State must register those agents,
4 representatives, or persons acting on its behalf with the
5 State Commission.

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

23 (b) A distributor's license shall allow (i) the wholesale
24 purchase and storage of alcoholic liquors and sale of
25 alcoholic liquors to licensees in this State and to persons
26 without the State, as may be permitted by law; (ii) the sale of

1 beer, cider, mead, or any combination thereof ~~or both beer and~~
2 ~~cider~~ to brewers, class 1 brewers, and class 2 brewers that,
3 pursuant to subsection (e) of Section 6-4 of this Act, sell
4 beer, cider, mead, or any combination thereof ~~or both beer and~~
5 ~~cider~~ to non-licensees at their breweries; ~~and~~ (iii) the sale
6 of vermouth to class 1 craft distillers and class 2 craft
7 distillers that, pursuant to subsection (e) of Section 6-4 of
8 this Act, sell spirits, vermouth, or both spirits and vermouth
9 to non-licensees at their distilleries; or (iv) as otherwise
10 provided in this Act. No person licensed as a distributor
11 shall be granted a non-resident dealer's license.

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

1 licensee to purchase alcoholic liquor from Illinois licensed
2 non-resident dealers and foreign importers only. No person
3 licensed as an importing distributor shall be granted a
4 non-resident dealer's 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
13 to a manufacturer shall only permit the manufacturer to sell
14 beer at retail on the premises actually occupied by the
15 manufacturer. For the purpose of further describing the type
16 of business conducted at a retail licensed premises, a
17 retailer's licensee may be designated by the State Commission
18 as (i) an on premise consumption retailer, (ii) an off premise
19 sale retailer, or (iii) a combined on premise consumption and
20 off 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

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

1 Commission that the applicant has obtained local authority
2 approval.

3 Nothing in this Act prohibits an Illinois licensed
4 distributor from offering credit or a refund for unused,
5 salable alcoholic liquors to a holder of a special event
6 retailer's license or the special event retailer's licensee
7 from accepting the credit or refund of alcoholic liquors at
8 the conclusion of the event specified in the 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
13 liquors directly from manufacturers, foreign importers,
14 distributors and importing distributors from within or outside
15 this State; and to store such alcoholic liquors in this State;
16 provided that the above powers may be exercised only in
17 connection with the importation, purchase or storage of
18 alcoholic liquors to be sold or dispensed on a club, buffet,
19 lounge or dining car operated on an electric, gas or steam
20 railway in this State; and provided further, that railroad
21 licensees exercising the above powers shall be subject to all
22 provisions of Article VIII of this Act as applied to importing
23 distributors. A railroad license shall also permit the
24 licensee to sell or dispense alcoholic liquors on any club,
25 buffet, lounge or dining car operated on an electric, gas or
26 steam railway regularly operated by a common carrier in this

1 State, but shall not permit the sale for resale of any
2 alcoholic liquors to any licensee within this State. A license
3 shall be obtained for each car in which such sales are made.

4 (g) A boat license shall allow the sale of alcoholic
5 liquor in individual drinks, on any passenger boat regularly
6 operated as a common carrier on navigable waters in this State
7 or on any riverboat operated under the Illinois Gambling Act,
8 which boat or riverboat maintains a public dining room or
9 restaurant 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 first-class wine-maker that concurrently
6 holds a class 1 brewer license or a class 1 craft distiller
7 license shall not be eligible to hold a wine-maker's premises
8 license. A wine-maker's premises license shall allow a
9 licensee who concurrently holds a second-class wine-maker's
10 license to sell and offer for sale at retail in the premises
11 specified in such license up to 100,000 gallons of the
12 second-class wine-maker's wine that is made at the
13 second-class wine-maker's licensed premises per year for use
14 or consumption but not for resale in any form. A wine-maker's
15 premises license shall allow a licensee that concurrently
16 holds a first-class wine-maker's license or a second-class
17 wine-maker's license to sell and offer for sale at retail at
18 the premises specified in the wine-maker's premises license,
19 for use or consumption but not for resale in any form, any
20 beer, wine, and spirits purchased from a licensed distributor.
21 Upon approval from the State Commission, a wine-maker's
22 premises license shall allow the licensee to sell and offer
23 for sale at (i) the wine-maker's licensed premises and (ii) at
24 up to 2 additional locations for use and consumption and not
25 for resale. Each location shall require additional licensing
26 per location as specified in Section 5-3 of this Act. A

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

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

26 (k) A foreign importer's license shall permit such

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

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

25 No holder of a retailer's license issued by the Illinois
26 Liquor Control Commission shall purchase or receive any

1 alcoholic liquor, the order for which was solicited or offered
2 for sale to such retailer by a broker unless the broker is the
3 holder of a valid broker's license.

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

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

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

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

1 sells such alcoholic liquor in the State of Illinois only to
2 its registrants thereunder.

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

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

25 (n) A brew pub license shall allow the licensee to only (i)
26 manufacture up to 155,000 gallons of beer per year only on the

1 premises specified in the license, (ii) make sales of the beer
2 manufactured on the premises or, with the approval of the
3 Commission, beer manufactured on another brew pub licensed
4 premises that is wholly owned and operated by the same
5 licensee to importing distributors, distributors, and to
6 non-licensees for use and consumption, (iii) store the beer
7 upon the premises, (iv) sell and offer for sale at retail from
8 the licensed premises for off-premises consumption no more
9 than 155,000 gallons per year so long as such sales are only
10 made in-person, (v) sell and offer for sale at retail for use
11 and consumption on the premises specified in the license any
12 form of alcoholic liquor purchased from a licensed distributor
13 or importing distributor, (vi) with the prior approval of the
14 Commission, annually transfer no more than 155,000 gallons of
15 beer manufactured on the premises to a licensed brew pub
16 wholly owned and operated by the same licensee, and (vii)
17 notwithstanding item (i) of this subsection, brew pubs wholly
18 owned and operated by the same licensee may combine each
19 location's production limit of 155,000 gallons of beer per
20 year and allocate the aggregate total between the wholly
21 owned, operated, and licensed locations.

22 A brew pub licensee shall not under any circumstance sell
23 or offer for sale beer manufactured by the brew pub licensee to
24 retail licensees.

25 A person who holds a class 2 brewer license may
26 simultaneously hold a brew pub license if the class 2 brewer

1 (i) does not, under any circumstance, sell or offer for sale
2 beer manufactured by the class 2 brewer to retail licensees;
3 (ii) does not hold more than 3 brew pub licenses in this State;
4 (iii) does not manufacture more than a combined 3,720,000
5 gallons of beer per year, including the beer manufactured at
6 the brew pub; and (iv) is not a member of or affiliated with,
7 directly or indirectly, a manufacturer that produces more than
8 3,720,000 gallons of beer per year or any other alcoholic
9 liquor.

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

23 A brew pub licensee may apply for a class 3 brewer license
24 and upon: (i) meeting all applicable qualifications of this
25 Act, and relinquishing all commonly owned brew pub or retail
26 licenses shall be issued a class 3 brewer license. Nothing in

1 this Act shall prohibit the issuance of a class 3 brewer
2 license if the applicant:

3 (1) has a valid retail license on or before May 1,
4 2021;

5 (2) has an ownership interest in at least two brew
6 pubs licenses on or before May 1, 2021;

7 (3) the brew pub licensee applies for a class 3 brewer
8 license on or before October 1, 2022 and relinquishes all
9 commonly owned brew pub licenses; and

10 (4) relinquishes all commonly owned retail licenses on
11 or before December 31, 2022.

12 If a brew pub licensee is issued a class 3 brewer license,
13 the class 3 brewer license shall expire on the same date as the
14 existing brew pub license and the State Commission shall not
15 require a class 3 brewer licensee to obtain a brewer license,
16 or in the alternative to pay a fee for a brewer license, until
17 the date the brew pub license of the applicant would have
18 expired.

19 (o) A caterer retailer license shall allow the holder to
20 serve alcoholic liquors as an incidental part of a food
21 service that serves prepared meals which excludes the serving
22 of snacks as the primary meal, either on or off-site whether
23 licensed or unlicensed. A caterer retailer license shall allow
24 the holder, a distributor, or an importing distributor to
25 transfer any inventory to and from the holder's retail
26 premises and shall allow the holder to purchase alcoholic

1 liquor from a distributor or importing distributor to be
2 delivered directly to an off-site event.

3 Nothing in this Act prohibits a distributor or importing
4 distributor from offering credit or a refund for unused,
5 salable beer to a holder of a caterer retailer license or a
6 caterer retailer licensee from accepting a credit or refund
7 for unused, salable beer, in the event an act of God is the
8 sole reason an off-site event is cancelled and if: (i) the
9 holder of a caterer retailer license has not transferred
10 alcoholic liquor from its caterer retailer premises to an
11 off-site location; (ii) the distributor or importing
12 distributor offers the credit or refund for the unused,
13 salable beer that it delivered to the off-site premises and
14 not for any unused, salable beer that the distributor or
15 importing distributor delivered to the caterer retailer's
16 premises; and (iii) the unused, salable beer would likely
17 spoil if transferred to the caterer retailer's premises. A
18 caterer retailer license shall allow the holder to transfer
19 any inventory from any off-site location to its caterer
20 retailer premises at the conclusion of an off-site event or
21 engage a distributor or importing distributor to transfer any
22 inventory from any off-site location to its caterer retailer
23 premises at the conclusion of an off-site event, provided that
24 the distributor or importing distributor issues bona fide
25 charges to the caterer retailer licensee for fuel, labor, and
26 delivery and the distributor or importing distributor collects

1 payment from the caterer retailer licensee prior to the
2 distributor or importing distributor transferring inventory to
3 the caterer retailer premises.

4 For purposes of this subsection (o), an "act of God" means
5 an unforeseeable event, such as a rain or snow storm, hail, a
6 flood, or a similar event, that is the sole cause of the
7 cancellation of an off-site, outdoor event.

8 (p) An auction liquor license shall allow the licensee to
9 sell and offer for sale at auction wine and spirits for use or
10 consumption, or for resale by an Illinois liquor licensee in
11 accordance with provisions of this Act. An auction liquor
12 license will be issued to a person and it will permit the
13 auction liquor licensee to hold the auction anywhere in the
14 State. An auction liquor license must be obtained for each
15 auction at least 14 days in advance of the auction date.

16 (q) A special use permit license shall allow an Illinois
17 licensed retailer to transfer a portion of its alcoholic
18 liquor inventory from its retail licensed premises to the
19 premises specified in the license hereby created; to purchase
20 alcoholic liquor from a distributor or importing distributor
21 to be delivered directly to the location specified in the
22 license hereby created; and to sell or offer for sale at
23 retail, only in the premises specified in the license hereby
24 created, the transferred or delivered alcoholic liquor for use
25 or consumption, but not for resale in any form. A special use
26 permit license may be granted for the following time periods:

1 one day or less; 2 or more days to a maximum of 15 days per
2 location in any 12-month period. An applicant for the special
3 use permit license must also submit with the application proof
4 satisfactory to the State Commission that the applicant will
5 provide dram shop liability insurance to the maximum limits
6 and have local authority approval.

7 A special use permit license shall allow the holder to
8 transfer any inventory from the holder's special use premises
9 to its retail premises at the conclusion of the special use
10 event or engage a distributor or importing distributor to
11 transfer any inventory from the holder's special use premises
12 to its retail premises at the conclusion of an off-site event,
13 provided that the distributor or importing distributor issues
14 bona fide charges to the special use permit licensee for fuel,
15 labor, and delivery and the distributor or importing
16 distributor collects payment from the retail licensee prior to
17 the distributor or importing distributor transferring
18 inventory to the retail premises.

19 Nothing in this Act prohibits a distributor or importing
20 distributor from offering credit or a refund for unused,
21 salable beer to a special use permit licensee or a special use
22 permit licensee from accepting a credit or refund for unused,
23 salable beer at the conclusion of the event specified in the
24 license if: (i) the holder of the special use permit license
25 has not transferred alcoholic liquor from its retail licensed
26 premises to the premises specified in the special use permit

1 license; (ii) the distributor or importing distributor offers
2 the credit or refund for the unused, salable beer that it
3 delivered to the premises specified in the special use permit
4 license and not for any unused, salable beer that the
5 distributor or importing distributor delivered to the
6 retailer's premises; and (iii) the unused, salable beer would
7 likely spoil if transferred to the retailer premises.

8 (r) A winery shipper's license shall allow a person with a
9 first-class or second-class wine manufacturer's license, a
10 first-class or second-class wine-maker's license, or a limited
11 wine manufacturer's license or who is licensed to make wine
12 under the laws of another state to ship wine made by that
13 licensee directly to a resident of this State who is 21 years
14 of age or older for that resident's personal use and not for
15 resale. Prior to receiving a winery shipper's license, an
16 applicant for the license must provide the Commission with a
17 true copy of its current license in any state in which it is
18 licensed as a manufacturer of wine. An applicant for a winery
19 shipper's license must also complete an application form that
20 provides any other information the Commission deems necessary.
21 The application form shall include all addresses from which
22 the applicant for a winery shipper's license intends to ship
23 wine, including the name and address of any third party,
24 except for a common carrier, authorized to ship wine on behalf
25 of the manufacturer. The application form shall include an
26 acknowledgement consenting to the jurisdiction of the

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

23 Except for a common carrier, a third-party provider
24 shipping wine on behalf of a winery shipper's license holder
25 is the agent of the winery shipper's license holder and, as
26 such, a winery shipper's license holder is responsible for the

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

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

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

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

18 If the Department of Revenue or the State Commission requests
19 a statement under this paragraph, the third-party provider
20 must provide that statement no later than 30 days after the
21 request is made. Any books, records, supporting papers, and
22 documents containing information and data relating to a
23 statement under this paragraph shall be kept and preserved for
24 a period of 3 years, unless their destruction sooner is
25 authorized, in writing, by the Director of Revenue, and shall
26 be open and available to inspection by the Director of Revenue

1 or the State Commission or any duly authorized officer, agent,
2 or employee of the State Commission or the Department of
3 Revenue, at all times during business hours of the day. Any
4 person who violates any provision of this paragraph or any
5 rule of the State Commission for the administration and
6 enforcement of the provisions of this paragraph is guilty of a
7 Class C misdemeanor. In case of a continuing violation, each
8 day's continuance thereof shall be a separate and distinct
9 offense.

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

17 A winery shipper licensee must pay to the Department of
18 Revenue the State liquor gallonage tax under Section 8-1 for
19 all wine that is sold by the licensee and shipped to a person
20 in this State. For the purposes of Section 8-1, a winery
21 shipper licensee shall be taxed in the same manner as a
22 manufacturer of wine. A licensee who is not otherwise required
23 to register under the Retailers' Occupation Tax Act must
24 register under the Use Tax Act to collect and remit use tax to
25 the Department of Revenue for all gallons of wine that are sold
26 by the licensee and shipped to persons in this State. If a

1 licensee fails to remit the tax imposed under this Act in
2 accordance with the provisions of Article VIII of this Act,
3 the winery shipper's license shall be revoked in accordance
4 with the provisions of Article VII of this Act. If a licensee
5 fails to properly register and remit tax under the Use Tax Act
6 or the Retailers' Occupation Tax Act for all wine that is sold
7 by the winery shipper and shipped to persons in this State, the
8 winery shipper's license shall be revoked in accordance with
9 the provisions of Article VII of this Act.

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

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

20 As used in this subsection, "third-party provider" means
21 any entity that provides fulfillment house services, including
22 warehousing, packaging, distribution, order processing, or
23 shipment of wine, but not the sale of wine, on behalf of a
24 licensed winery shipper.

25 (s) A craft distiller tasting permit license shall allow
26 an Illinois licensed class 1 craft distiller or class 2 craft

1 distiller to transfer a portion of its alcoholic liquor
2 inventory from its class 1 craft distiller or class 2 craft
3 distiller licensed premises to the premises specified in the
4 license hereby created and to conduct a sampling, only in the
5 premises specified in the license hereby created, of the
6 transferred alcoholic liquor in accordance with subsection (c)
7 of Section 6-31 of this Act. The transferred alcoholic liquor
8 may not be sold or resold in any form. An applicant for the
9 craft distiller tasting permit license must also submit with
10 the application proof satisfactory to the State Commission
11 that the applicant will provide dram shop liability insurance
12 to the maximum limits and have local authority approval.

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

26 (u) A distilling pub license shall allow the licensee to

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

19 A distilling pub licensee shall not under any circumstance
20 sell or offer for sale spirits manufactured by the distilling
21 pub licensee to retail licensees.

22 A person who holds a class 2 craft distiller license may
23 simultaneously hold a distilling pub license if the class 2
24 craft distiller (i) does not, under any circumstance, sell or
25 offer for sale spirits manufactured by the class 2 craft
26 distiller to retail licensees; (ii) does not hold more than 3

1 distilling pub licenses in this State; (iii) does not
2 manufacture more than a combined 100,000 gallons of spirits
3 per year, including the spirits manufactured at the distilling
4 pub; and (iv) is not a member of or affiliated with, directly
5 or indirectly, a manufacturer that produces more than 100,000
6 gallons of spirits per year or any other alcoholic liquor.

7 (v) A craft distiller warehouse permit may be issued to
8 the holder of a class 1 craft distiller or class 2 craft
9 distiller license. The craft distiller warehouse permit shall
10 allow the holder to store or warehouse up to 500,000 gallons of
11 spirits manufactured by the holder of the permit at the
12 premises specified on the permit. Sales to non-licensees are
13 prohibited at the premises specified in the craft distiller
14 warehouse permit.

15 (w) A beer showcase permit license shall allow an
16 Illinois-licensed distributor to transfer a portion of its
17 beer inventory from its licensed premises to the premises
18 specified in the beer showcase permit license, and, in the
19 case of a class 3 brewer, transfer only beer the class 3 brewer
20 manufactures from its licensed premises to the premises
21 specified in the beer showcase permit license; and to sell or
22 offer for sale at retail, only in the premises specified in the
23 beer showcase permit license, the transferred or delivered
24 beer for on or off premise consumption, but not for resale in
25 any form and to sell to non-licensees not more than 96 fluid
26 ounces of beer per person. A beer showcase permit license may

1 be granted for the following time periods: one day or less; or
2 2 or more days to a maximum of 15 days per location in any
3 12-month period. An applicant for a beer showcase permit
4 license must also submit with the application proof
5 satisfactory to the State Commission that the applicant will
6 provide dram shop liability insurance to the maximum limits
7 and have local authority approval. The State Commission shall
8 require the beer showcase applicant to comply with Section
9 6-27.1.

10 (Source: P.A. 100-17, eff. 6-30-17; 100-201, eff. 8-18-17;
11 100-816, eff. 8-13-18; 100-885, eff. 8-14-18; 100-1050, eff.
12 8-23-18; 101-16, eff. 6-14-19; 101-31, eff. 6-28-19; 101-81,
13 eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff. 8-23-19;
14 101-615, eff. 12-20-19.)

15 (Text of Section after amendment by P.A. 101-668)

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

18 (a) Manufacturer's license - Class 1. Distiller, Class 2.
19 Rectifier, Class 3. Brewer, Class 4. First Class Wine
20 Manufacturer, Class 5. Second Class Wine Manufacturer, Class
21 6. First Class Winemaker, Class 7. Second Class Winemaker,
22 Class 8. Limited Wine Manufacturer, Class 9. Craft Distiller,
23 Class 10. Class 1 Craft Distiller, Class 11. Class 2 Craft
24 Distiller, Class 12. Class 1 Brewer, Class 13. Class 2 Brewer,
25 Class 14. Class 3 Brewer,

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

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

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

5 Class 1. A Distiller may make sales and deliveries of
6 alcoholic liquor to distillers, rectifiers, importing
7 distributors, distributors and non-beverage users and to no
8 other licensees.

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

13 Class 3. A Brewer may make sales and deliveries of beer to
14 importing distributors and distributors and may make sales as
15 authorized under subsection (e) of Section 6-4 of this Act,
16 including any alcoholic liquor that subsection (e) of Section
17 6-4 authorizes a brewer to sell in its original package only to
18 a non-licensee for pick-up by a non-licensee either within the
19 interior of the brewery premises or at outside of the brewery
20 premises at a curbside or parking lot adjacent to the brewery
21 premises, subject to any local ordinance.

22 Class 4. A first class wine-manufacturer may make sales
23 and deliveries of up to 50,000 gallons of wine to
24 manufacturers, importing distributors and distributors, and to
25 no other licensees. If a first-class wine-manufacturer
26 manufactures beer, it shall also obtain and shall only be

1 eligible for, in addition to any current license, a class 1
2 brewer license, shall not manufacture more than 930,000
3 gallons of beer per year, and shall not be a member of or
4 affiliated with, directly or indirectly, a manufacturer that
5 produces more than 930,000 gallons of beer per year. If the
6 first-class wine-manufacturer manufactures spirits, it shall
7 also obtain and shall only be eligible for, in addition to any
8 current license, a class 1 craft distiller license, shall not
9 manufacture more than 50,000 gallons of spirits per year, and
10 shall not be a member of or affiliated with, directly or
11 indirectly, a manufacturer that produces more than 50,000
12 gallons of spirits per year. A first-class wine-manufacturer
13 shall be permitted to sell wine manufactured at the
14 first-class wine-manufacturer premises to non-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
20 the manufacture of up to 50,000 gallons of wine per year, and
21 the storage and sale of such wine to distributors in the State
22 and 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. If a first-class wine-maker manufactures
3 beer, it shall also obtain and shall only be eligible for, in
4 addition to any current license, a class 1 brewer license,
5 shall not manufacture more than 930,000 gallons of beer per
6 year, and shall not be a member of or affiliated with, directly
7 or indirectly, a manufacturer that produces more than 930,000
8 gallons of beer per year. If the first-class wine-maker
9 manufactures spirits, it shall also obtain and shall only be
10 eligible for, in addition to any current license, a class 1
11 craft distiller license, shall not manufacture more than
12 50,000 gallons of spirits per year, and shall not be a member
13 of or affiliated with, directly or indirectly, a manufacturer
14 that produces more than 50,000 gallons of spirits per year. A
15 first-class wine-maker holding a class 1 brewer license or a
16 class 1 craft distiller license shall not be eligible for a
17 wine-maker's premises license but shall be permitted to sell
18 wine manufactured at the first-class wine-maker premises to
19 non-licensees.

20 Class 7. A second-class wine-maker's license shall allow
21 the manufacture of up to ~~between 50,000 and~~ 150,000 gallons of
22 wine per year, and the storage and sale of such wine to
23 distributors in this State and to persons without the State,
24 as may be permitted by law. A person who, prior to June 1, 2008
25 (the effective date of Public Act 95-634), is a holder of a
26 second-class wine-maker's license and annually produces more

1 than 25,000 gallons of its own wine and who distributes its
2 wine to licensed retailers shall cease this practice on or
3 before July 1, 2008 in compliance with Public Act 95-634. If a
4 second-class wine-maker manufactures beer, it shall also
5 obtain and shall only be eligible for, in addition to any
6 current license, a class 2 brewer license, shall not
7 manufacture more than 3,720,000 gallons of beer per year, and
8 shall not be a member of or affiliated with, directly or
9 indirectly, a manufacturer that produces more than 3,720,000
10 gallons of beer per year. If a second-class wine-maker
11 manufactures spirits, it shall also obtain and shall only be
12 eligible for, in addition to any current license, a class 2
13 craft distiller license, shall not manufacture more than
14 100,000 gallons of spirits per year, and shall not be a member
15 of or affiliated with, directly or indirectly, a manufacturer
16 that produces more than 100,000 gallons of spirits per year.

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

21 Class 9. A craft distiller license, which may only be held
22 by a class 1 craft distiller licensee or class 2 craft
23 distiller licensee but not held by both a class 1 craft
24 distiller licensee and a class 2 craft distiller licensee,
25 shall grant all rights conveyed by either: (i) a class 1 craft
26 distiller license if the craft distiller holds a class 1 craft

1 distiller license; or (ii) a class 2 craft distiller licensee
2 if the craft distiller holds a class 2 craft distiller
3 license.

4 Class 10. A class 1 craft distiller license, which may
5 only be issued to a licensed craft distiller or licensed
6 non-resident dealer, shall allow the manufacture of up to
7 50,000 gallons of spirits per year provided that the class 1
8 craft distiller licensee does not manufacture more than a
9 combined 50,000 gallons of spirits per year and is not a member
10 of or affiliated with, directly or indirectly, a manufacturer
11 that produces more than 50,000 gallons of spirits per year ~~or~~
12 ~~any other alcoholic liquor.~~ If a class 1 craft distiller
13 manufactures beer, it shall also obtain and shall only be
14 eligible for, in addition to any current license, a class 1
15 brewer license, shall not manufacture more than 930,000
16 gallons of beer per year, and shall not be a member of or
17 affiliated with, directly or indirectly, a manufacturer that
18 produces more than 930,000 gallons of beer per year. If a class
19 1 craft distiller manufactures wine, it shall also obtain and
20 shall only be eligible for, in addition to any current
21 license, a first-class wine-manufacturer license or a
22 first-class wine-maker's license, shall not manufacture more
23 than 50,000 gallons of wine per year, and shall not be a member
24 of or affiliated with, directly or indirectly, a manufacturer
25 that produces more than 50,000 gallons of wine per year. A
26 class 1 craft distiller licensee may make sales and deliveries

1 to importing distributors and distributors and to retail
2 licensees in accordance with the conditions set forth in
3 paragraph (19) of subsection (a) of Section 3-12 of this Act.
4 However, the aggregate amount of spirits sold to non-licensees
5 and sold or delivered to retail licensees may not exceed 5,000
6 gallons per year.

7 A class 1 craft distiller licensee may sell up to 5,000
8 gallons of such spirits to non-licensees to the extent
9 permitted by any exemption approved by the State Commission
10 pursuant to Section 6-4 of this Act. A class 1 craft distiller
11 license holder may store such spirits at a non-contiguous
12 licensed location, but at no time shall a class 1 craft
13 distiller license holder directly or indirectly produce in the
14 aggregate more than 50,000 gallons of spirits per year.

15 A class 1 craft distiller licensee may hold more than one
16 class 1 craft distiller's license. However, a class 1 craft
17 distiller that holds more than one class 1 craft distiller
18 license shall not manufacture, in the aggregate, more than
19 50,000 gallons of spirits by distillation per year and shall
20 not sell, in the aggregate, more than 5,000 gallons of such
21 spirits to non-licensees in accordance with an exemption
22 approved by the State Commission pursuant to Section 6-4 of
23 this Act.

24 Class 11. A class 2 craft distiller license, which may
25 only be issued to a licensed craft distiller or licensed
26 non-resident dealer, shall allow the manufacture of up to

1 100,000 gallons of spirits per year provided that the class 2
2 craft distiller licensee does not manufacture more than a
3 combined 100,000 gallons of spirits per year and is not a
4 member of or affiliated with, directly or indirectly, a
5 manufacturer that produces more than 100,000 gallons of
6 spirits per year ~~or any other alcoholic liquor~~. If a class 2
7 craft distiller manufactures beer, it shall also obtain and
8 shall only be eligible for, in addition to any current
9 license, a class 2 brewer license, shall not manufacture more
10 than 3,720,000 gallons of beer per year, and shall not be a
11 member of or affiliated with, directly or indirectly, a
12 manufacturer that produces more than 3,720,000 gallons of beer
13 per year. If a class 2 craft distiller manufactures wine, it
14 shall also obtain and shall only be eligible for, in addition
15 to any current license, a second-class wine-maker's license,
16 shall not manufacture more than 150,000 gallons of wine per
17 year, and shall not be a member of or affiliated with, directly
18 or indirectly, a manufacturer that produces more than 150,000
19 gallons of wine per year. A class 2 craft distiller licensee
20 may make sales and deliveries to importing distributors and
21 distributors, but shall not make sales or deliveries to any
22 other licensee. If the State Commission provides prior
23 approval, a class 2 craft distiller licensee may annually
24 transfer up to 100,000 gallons of spirits manufactured by that
25 class 2 craft distiller licensee to the premises of a licensed
26 class 2 craft distiller wholly owned and operated by the same

1 licensee. A class 2 craft distiller may transfer spirits to a
2 distilling pub wholly owned and operated by the class 2 craft
3 distiller subject to the following limitations and
4 restrictions: (i) the transfer shall not annually exceed more
5 than 5,000 gallons; (ii) the annual amount transferred shall
6 reduce the distilling pub's annual permitted production limit;
7 (iii) all spirits transferred shall be subject to Article VIII
8 of this Act; (iv) a written record shall be maintained by the
9 distiller and distilling pub specifying the amount, date of
10 delivery, and receipt of the product by the distilling pub;
11 and (v) the distilling pub shall be located no farther than 80
12 miles from the class 2 craft distiller's licensed location.

13 A class 2 craft distiller shall, prior to transferring
14 spirits to a distilling pub wholly owned by the class 2 craft
15 distiller, furnish a written notice to the State Commission of
16 intent to transfer spirits setting forth the name and address
17 of the distilling pub and shall annually submit to the State
18 Commission a verified report identifying the total gallons of
19 spirits transferred to the distilling pub wholly owned by the
20 class 2 craft distiller.

21 A class 2 craft distiller license holder may store such
22 spirits at a non-contiguous licensed location, but at no time
23 shall a class 2 craft distiller license holder directly or
24 indirectly produce in the aggregate more than 100,000 gallons
25 of spirits per year.

26 Class 12. A class 1 brewer license, which may only be

1 issued to a licensed brewer or licensed non-resident dealer,
2 shall allow the manufacture of up to 930,000 gallons of beer
3 per year provided that the class 1 brewer licensee does not
4 manufacture more than a combined 930,000 gallons of beer per
5 year and is not a member of or affiliated with, directly or
6 indirectly, a manufacturer that produces more than 930,000
7 gallons of beer per year ~~or any other alcoholic liquor~~. If a
8 class 1 brewer manufactures spirits, it shall also obtain and
9 shall only be eligible for, in addition to any current
10 license, a class 1 craft distiller license, shall not
11 manufacture more than 50,000 gallons of spirits per year, and
12 shall not be a member of or affiliated with, directly or
13 indirectly, a manufacturer that produces more than 50,000
14 gallons of spirits per year. If a class 1 craft brewer
15 manufactures wine, it shall also obtain and shall only be
16 eligible for, in addition to any current license, a
17 first-class wine-manufacturer license or a first-class
18 wine-maker's license, shall not manufacture more than 50,000
19 gallons of wine per year, and shall not be a member of or
20 affiliated with, directly or indirectly, a manufacturer that
21 produces more than 50,000 gallons of wine per year. A class 1
22 brewer licensee may make sales and deliveries to importing
23 distributors and distributors and to retail licensees in
24 accordance with the conditions set forth in paragraph (18) of
25 subsection (a) of Section 3-12 of this Act. If the State
26 Commission provides prior approval, a class 1 brewer may

1 annually transfer up to 930,000 gallons of beer manufactured
2 by that class 1 brewer to the premises of a licensed class 1
3 brewer wholly owned and operated by the same licensee.

4 Class 13. A class 2 brewer license, which may only be
5 issued to a licensed brewer or licensed non-resident dealer,
6 shall allow the manufacture of up to 3,720,000 gallons of beer
7 per year provided that the class 2 brewer licensee does not
8 manufacture more than a combined 3,720,000 gallons of beer per
9 year and is not a member of or affiliated with, directly or
10 indirectly, a manufacturer that produces more than 3,720,000
11 gallons of beer per year ~~or any other alcoholic liquor~~. If a
12 class 2 brewer manufactures spirits, it shall also obtain and
13 shall only be eligible for, in addition to any current
14 license, a class 2 craft distiller license, shall not
15 manufacture more than 100,000 gallons of spirits per year, and
16 shall not be a member of or affiliated with, directly or
17 indirectly, a manufacturer that produces more than 100,000
18 gallons of spirits per year. If a class 2 craft distiller
19 manufactures wine, it shall also obtain and shall only be
20 eligible for, in addition to any current license, a
21 second-class wine-maker's license, shall not manufacture more
22 than 150,000 gallons of wine per year, and shall not be a
23 member of or affiliated with, directly or indirectly, a
24 manufacturer that produces more than 150,000 gallons of wine a
25 year. A class 2 brewer licensee may make sales and deliveries
26 to importing distributors and distributors, but shall not make

1 sales or deliveries to any other licensee. If the State
2 Commission provides prior approval, a class 2 brewer licensee
3 may annually transfer up to 3,720,000 gallons of beer
4 manufactured by that class 2 brewer licensee to the premises
5 of a licensed class 2 brewer wholly owned and operated by the
6 same licensee.

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

18 A class 2 brewer shall, prior to transferring beer to a
19 brew pub wholly owned by the class 2 brewer, furnish a written
20 notice to the State Commission of intent to transfer beer
21 setting forth the name and address of the brew pub and shall
22 annually submit to the State Commission a verified report
23 identifying the total gallons of beer transferred to the brew
24 pub wholly owned by the class 2 brewer.

25 Class 14. A class 3 brewer license, which may be issued to
26 a brewer or a non-resident dealer, shall allow the manufacture

1 of no more than 465,000 gallons of beer per year and no more
2 than 155,000 gallons at a single brewery premises, and shall
3 allow the sale of no more than 6,200 gallons of beer from each
4 in-state or out-of-state class 3 brewery premises, or 18,600
5 gallons in the aggregate, to retail licensees, class 1
6 brewers, class 2 brewers, and class 3 brewers as long as the
7 class 3 brewer licensee does not manufacture more than a
8 combined 465,000 gallons of beer per year and is not a member
9 of or affiliated with, directly or indirectly, a manufacturer
10 that produces more than 465,000 gallons of beer per year to
11 make sales to importing distributors, distributors, retail
12 licensees, brewers, class 1 brewers, class 2 brewers, and
13 class 3 brewers in accordance with the conditions set forth in
14 paragraph (20) of subsection (a) of Section 3-12. If the State
15 Commission provides prior approval, a class 3 brewer may
16 annually transfer up to 155,000 gallons of beer manufactured
17 by that class 3 brewer to the premises of a licensed class 3
18 brewer wholly owned and operated by the same licensee. A class
19 3 brewer shall manufacture beer at the brewer's class 3
20 designated licensed premises, and may sell beer as otherwise
21 provided in this Act.

22 (a-1) A manufacturer which is licensed in this State to
23 make sales or deliveries of alcoholic liquor to licensed
24 distributors or importing distributors and which enlists
25 agents, representatives, or individuals acting on its behalf
26 who contact licensed retailers on a regular and continual

1 basis in this State must register those agents,
2 representatives, or persons acting on its behalf with the
3 State Commission.

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

21 (b) A distributor's license shall allow (i) the wholesale
22 purchase and storage of alcoholic liquors and sale of
23 alcoholic liquors to licensees in this State and to persons
24 without the State, as may be permitted by law; (ii) the sale of
25 beer, cider, mead, or any combination thereof ~~or both beer and~~
26 ~~cider~~ to brewers, class 1 brewers, and class 2 brewers that,

1 pursuant to subsection (e) of Section 6-4 of this Act, sell
2 beer, cider, mead, or any combination thereof ~~or both beer and~~
3 ~~cider~~ to non-licensees at their breweries; ~~and~~ (iii) the sale
4 of vermouth to class 1 craft distillers and class 2 craft
5 distillers that, pursuant to subsection (e) of Section 6-4 of
6 this Act, sell spirits, vermouth, or both spirits and vermouth
7 to non-licensees at their distilleries; or (iv) as otherwise
8 provided in this Act. No person licensed as a distributor
9 shall be granted a non-resident dealer's license.

10 (c) An importing distributor's license may be issued to
11 and held by those only who are duly licensed distributors,
12 upon the filing of an application by a duly licensed
13 distributor, with the Commission and the Commission shall,
14 without the payment of any fee, immediately issue such
15 importing distributor's license to the applicant, which shall
16 allow the importation of alcoholic liquor by the licensee into
17 this State from any point in the United States outside this
18 State, and the purchase of alcoholic liquor in barrels, casks
19 or other bulk containers and the bottling of such alcoholic
20 liquors before resale thereof, but all bottles or containers
21 so filled shall be sealed, labeled, stamped and otherwise made
22 to comply with all provisions, rules and regulations governing
23 manufacturers in the preparation and bottling of alcoholic
24 liquors. The importing distributor's license shall permit such
25 licensee to purchase alcoholic liquor from Illinois licensed
26 non-resident dealers and foreign importers only. No person

1 licensed as an importing distributor shall be granted a
2 non-resident dealer's license.

3 (d) A retailer's license shall allow the licensee to sell
4 and offer for sale at retail, only in the premises specified in
5 the license, alcoholic liquor for use or consumption, but not
6 for resale in any form. Except as provided in Section 6-16,
7 6-29, or 6-29.1, nothing in this Act shall deny, limit,
8 remove, or restrict the ability of a holder of a retailer's
9 license to transfer or ship alcoholic liquor to the purchaser
10 for use or consumption subject to any applicable local law or
11 ordinance. For the purposes of this Section, "shipping" means
12 the movement of alcoholic liquor from a licensed retailer to a
13 consumer via a common carrier. Except as provided in Section
14 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit,
15 remove, or restrict the ability of a holder of a retailer's
16 license to deliver alcoholic liquor to the purchaser for use
17 or consumption. The delivery shall be made only within 12
18 hours from the time the alcoholic liquor leaves the licensed
19 premises of the retailer for delivery. For the purposes of
20 this Section, "delivery" means the movement of alcoholic
21 liquor purchased from a licensed retailer to a consumer
22 through the following methods:

- 23 (1) delivery within licensed retailer's parking lot,
24 including curbside, for pickup by the consumer;
- 25 (2) delivery by an owner, officer, director,
26 shareholder, or employee of the licensed retailer; or

1 (3) delivery by a third-party contractor, independent
2 contractor, or agent with whom the licensed retailer has
3 contracted to make deliveries of alcoholic liquors.

4 Under subsection (1), (2), or (3), delivery shall not
5 include the use of common carriers.

6 Any retail license issued to a manufacturer shall only
7 permit the manufacturer to sell beer at retail on the premises
8 actually occupied by the manufacturer. For the purpose of
9 further describing the type of business conducted at a retail
10 licensed premises, a retailer's licensee may be designated by
11 the State Commission as (i) an on premise consumption
12 retailer, (ii) an off premise sale retailer, or (iii) a
13 combined on premise consumption and off premise sale retailer.

14 Except for a municipality with a population of more than
15 1,000,000 inhabitants, a home rule unit may not regulate the
16 delivery of alcoholic liquor inconsistent with this
17 subsection. This paragraph is a limitation under subsection
18 (i) of Section 6 of Article VII of the Illinois Constitution on
19 the concurrent exercise by home rule units of powers and
20 functions exercised by the State.

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

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

1 Commission that the applicant has obtained local authority
2 approval.

3 Nothing in this Act prohibits an Illinois licensed
4 distributor from offering credit or a refund for unused,
5 salable alcoholic liquors to a holder of a special event
6 retailer's license or the special event retailer's licensee
7 from accepting the credit or refund of alcoholic liquors at
8 the conclusion of the event specified in the 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
13 liquors directly from manufacturers, foreign importers,
14 distributors and importing distributors from within or outside
15 this State; and to store such alcoholic liquors in this State;
16 provided that the above powers may be exercised only in
17 connection with the importation, purchase or storage of
18 alcoholic liquors to be sold or dispensed on a club, buffet,
19 lounge or dining car operated on an electric, gas or steam
20 railway in this State; and provided further, that railroad
21 licensees exercising the above powers shall be subject to all
22 provisions of Article VIII of this Act as applied to importing
23 distributors. A railroad license shall also permit the
24 licensee to sell or dispense alcoholic liquors on any club,
25 buffet, lounge or dining car operated on an electric, gas or
26 steam railway regularly operated by a common carrier in this

1 State, but shall not permit the sale for resale of any
2 alcoholic liquors to any licensee within this State. A license
3 shall be obtained for each car in which such sales are made.

4 (g) A boat license shall allow the sale of alcoholic
5 liquor in individual drinks, on any passenger boat regularly
6 operated as a common carrier on navigable waters in this State
7 or on any riverboat operated under the Illinois Gambling Act,
8 which boat or riverboat maintains a public dining room or
9 restaurant 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
6 allow a licensee who concurrently holds a second-class
7 wine-maker's license to sell and offer for sale at retail in
8 the premises specified in such license up to 100,000 gallons
9 of the second-class wine-maker's wine that is made at the
10 second-class wine-maker's licensed premises per year for use
11 or consumption but not for resale in any form. A first-class
12 wine-maker that concurrently holds a class 1 brewer license or
13 a class 1 craft distiller license shall not be eligible to hold
14 a wine-maker's premises license. A wine-maker's premises
15 license shall allow a licensee that concurrently holds a
16 first-class wine-maker's license or a second-class
17 wine-maker's license to sell and offer for sale at retail at
18 the premises specified in the wine-maker's premises license,
19 for use or consumption but not for resale in any form, any
20 beer, wine, and spirits purchased from a licensed distributor.
21 Upon approval from the State Commission, a wine-maker's
22 premises license shall allow the licensee to sell and offer
23 for sale at (i) the wine-maker's licensed premises and (ii) at
24 up to 2 additional locations for use and consumption and not
25 for resale. Each location shall require additional licensing
26 per location as specified in Section 5-3 of this Act. A

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

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

26 (k) A foreign importer's license shall permit such

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

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

25 No holder of a retailer's license issued by the Illinois
26 Liquor Control Commission shall purchase or receive any

1 alcoholic liquor, the order for which was solicited or offered
2 for sale to such retailer by a broker unless the broker is the
3 holder of a valid broker's license.

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

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

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

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

1 sells such alcoholic liquor in the State of Illinois only to
2 its registrants thereunder.

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

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

25 (n) A brew pub license shall allow the licensee to only (i)
26 manufacture up to 155,000 gallons of beer per year only on the

1 premises specified in the license, (ii) make sales of the beer
2 manufactured on the premises or, with the approval of the
3 Commission, beer manufactured on another brew pub licensed
4 premises that is wholly owned and operated by the same
5 licensee to importing distributors, distributors, and to
6 non-licensees for use and consumption, (iii) store the beer
7 upon the premises, (iv) sell and offer for sale at retail from
8 the licensed premises for off-premises consumption no more
9 than 155,000 gallons per year so long as such sales are only
10 made in-person, (v) sell and offer for sale at retail for use
11 and consumption on the premises specified in the license any
12 form of alcoholic liquor purchased from a licensed distributor
13 or importing distributor, (vi) with the prior approval of the
14 Commission, annually transfer no more than 155,000 gallons of
15 beer manufactured on the premises to a licensed brew pub
16 wholly owned and operated by the same licensee, and (vii)
17 notwithstanding item (i) of this subsection, brew pubs wholly
18 owned and operated by the same licensee may combine each
19 location's production limit of 155,000 gallons of beer per
20 year and allocate the aggregate total between the wholly
21 owned, operated, and licensed locations.

22 A brew pub licensee shall not under any circumstance sell
23 or offer for sale beer manufactured by the brew pub licensee to
24 retail licensees.

25 A person who holds a class 2 brewer license may
26 simultaneously hold a brew pub license if the class 2 brewer

1 (i) does not, under any circumstance, sell or offer for sale
2 beer manufactured by the class 2 brewer to retail licensees;
3 (ii) does not hold more than 3 brew pub licenses in this State;
4 (iii) does not manufacture more than a combined 3,720,000
5 gallons of beer per year, including the beer manufactured at
6 the brew pub; and (iv) is not a member of or affiliated with,
7 directly or indirectly, a manufacturer that produces more than
8 3,720,000 gallons of beer per year or any other alcoholic
9 liquor.

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

23 A brew pub licensee may apply for a class 3 brewer license
24 and upon: (i) meeting all applicable qualifications of this
25 Act, and relinquishing all commonly owned brew pub or retail
26 licenses shall be issued a class 3 brewer license. Nothing in

1 this Act shall prohibit the issuance of a class 3 brewer
2 license if the applicant:

3 (1) has a valid retail license on or before May 1,
4 2021;

5 (2) has an ownership interest in at least two brew
6 pubs licenses on or before May 1, 2021;

7 (3) the brew pub licensee applies for a class 3 brewer
8 license on or before October 1, 2022 and relinquishes all
9 commonly owned brew pub licenses; and

10 (4) relinquishes all commonly owned retail licenses on
11 or before December 31, 2022.

12 If a brew pub licensee is issued a class 3 brewer license,
13 the class 3 brewer license shall expire on the same date as the
14 existing brew pub license and the State Commission shall not
15 require a class 3 brewer licensee to obtain a brewer license,
16 or in the alternative to pay a fee for a brewer license, until
17 the date the brew pub license of the applicant would have
18 expired.

19 (o) A caterer retailer license shall allow the holder to
20 serve alcoholic liquors as an incidental part of a food
21 service that serves prepared meals which excludes the serving
22 of snacks as the primary meal, either on or off-site whether
23 licensed or unlicensed. A caterer retailer license shall allow
24 the holder, a distributor, or an importing distributor to
25 transfer any inventory to and from the holder's retail
26 premises and shall allow the holder to purchase alcoholic

1 liquor from a distributor or importing distributor to be
2 delivered directly to an off-site event.

3 Nothing in this Act prohibits a distributor or importing
4 distributor from offering credit or a refund for unused,
5 salable beer to a holder of a caterer retailer license or a
6 caterer retailer licensee from accepting a credit or refund
7 for unused, salable beer, in the event an act of God is the
8 sole reason an off-site event is cancelled and if: (i) the
9 holder of a caterer retailer license has not transferred
10 alcoholic liquor from its caterer retailer premises to an
11 off-site location; (ii) the distributor or importing
12 distributor offers the credit or refund for the unused,
13 salable beer that it delivered to the off-site premises and
14 not for any unused, salable beer that the distributor or
15 importing distributor delivered to the caterer retailer's
16 premises; and (iii) the unused, salable beer would likely
17 spoil if transferred to the caterer retailer's premises. A
18 caterer retailer license shall allow the holder to transfer
19 any inventory from any off-site location to its caterer
20 retailer premises at the conclusion of an off-site event or
21 engage a distributor or importing distributor to transfer any
22 inventory from any off-site location to its caterer retailer
23 premises at the conclusion of an off-site event, provided that
24 the distributor or importing distributor issues bona fide
25 charges to the caterer retailer licensee for fuel, labor, and
26 delivery and the distributor or importing distributor collects

1 payment from the caterer retailer licensee prior to the
2 distributor or importing distributor transferring inventory to
3 the caterer retailer premises.

4 For purposes of this subsection (o), an "act of God" means
5 an unforeseeable event, such as a rain or snow storm, hail, a
6 flood, or a similar event, that is the sole cause of the
7 cancellation of an off-site, outdoor event.

8 (p) An auction liquor license shall allow the licensee to
9 sell and offer for sale at auction wine and spirits for use or
10 consumption, or for resale by an Illinois liquor licensee in
11 accordance with provisions of this Act. An auction liquor
12 license will be issued to a person and it will permit the
13 auction liquor licensee to hold the auction anywhere in the
14 State. An auction liquor license must be obtained for each
15 auction at least 14 days in advance of the auction date.

16 (q) A special use permit license shall allow an Illinois
17 licensed retailer to transfer a portion of its alcoholic
18 liquor inventory from its retail licensed premises to the
19 premises specified in the license hereby created; to purchase
20 alcoholic liquor from a distributor or importing distributor
21 to be delivered directly to the location specified in the
22 license hereby created; and to sell or offer for sale at
23 retail, only in the premises specified in the license hereby
24 created, the transferred or delivered alcoholic liquor for use
25 or consumption, but not for resale in any form. A special use
26 permit license may be granted for the following time periods:

1 one day or less; 2 or more days to a maximum of 15 days per
2 location in any 12-month period. An applicant for the special
3 use permit license must also submit with the application proof
4 satisfactory to the State Commission that the applicant will
5 provide dram shop liability insurance to the maximum limits
6 and have local authority approval.

7 A special use permit license shall allow the holder to
8 transfer any inventory from the holder's special use premises
9 to its retail premises at the conclusion of the special use
10 event or engage a distributor or importing distributor to
11 transfer any inventory from the holder's special use premises
12 to its retail premises at the conclusion of an off-site event,
13 provided that the distributor or importing distributor issues
14 bona fide charges to the special use permit licensee for fuel,
15 labor, and delivery and the distributor or importing
16 distributor collects payment from the retail licensee prior to
17 the distributor or importing distributor transferring
18 inventory to the retail premises.

19 Nothing in this Act prohibits a distributor or importing
20 distributor from offering credit or a refund for unused,
21 salable beer to a special use permit licensee or a special use
22 permit licensee from accepting a credit or refund for unused,
23 salable beer at the conclusion of the event specified in the
24 license if: (i) the holder of the special use permit license
25 has not transferred alcoholic liquor from its retail licensed
26 premises to the premises specified in the special use permit

1 license; (ii) the distributor or importing distributor offers
2 the credit or refund for the unused, salable beer that it
3 delivered to the premises specified in the special use permit
4 license and not for any unused, salable beer that the
5 distributor or importing distributor delivered to the
6 retailer's premises; and (iii) the unused, salable beer would
7 likely spoil if transferred to the retailer premises.

8 (r) A winery shipper's license shall allow a person with a
9 first-class or second-class wine manufacturer's license, a
10 first-class or second-class wine-maker's license, or a limited
11 wine manufacturer's license or who is licensed to make wine
12 under the laws of another state to ship wine made by that
13 licensee directly to a resident of this State who is 21 years
14 of age or older for that resident's personal use and not for
15 resale. Prior to receiving a winery shipper's license, an
16 applicant for the license must provide the Commission with a
17 true copy of its current license in any state in which it is
18 licensed as a manufacturer of wine. An applicant for a winery
19 shipper's license must also complete an application form that
20 provides any other information the Commission deems necessary.
21 The application form shall include all addresses from which
22 the applicant for a winery shipper's license intends to ship
23 wine, including the name and address of any third party,
24 except for a common carrier, authorized to ship wine on behalf
25 of the manufacturer. The application form shall include an
26 acknowledgement consenting to the jurisdiction of the

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

23 Except for a common carrier, a third-party provider
24 shipping wine on behalf of a winery shipper's license holder
25 is the agent of the winery shipper's license holder and, as
26 such, a winery shipper's license holder is responsible for the

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

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

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

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

18 If the Department of Revenue or the State Commission requests
19 a statement under this paragraph, the third-party provider
20 must provide that statement no later than 30 days after the
21 request is made. Any books, records, supporting papers, and
22 documents containing information and data relating to a
23 statement under this paragraph shall be kept and preserved for
24 a period of 3 years, unless their destruction sooner is
25 authorized, in writing, by the Director of Revenue, and shall
26 be open and available to inspection by the Director of Revenue

1 or the State Commission or any duly authorized officer, agent,
2 or employee of the State Commission or the Department of
3 Revenue, at all times during business hours of the day. Any
4 person who violates any provision of this paragraph or any
5 rule of the State Commission for the administration and
6 enforcement of the provisions of this paragraph is guilty of a
7 Class C misdemeanor. In case of a continuing violation, each
8 day's continuance thereof shall be a separate and distinct
9 offense.

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

17 A winery shipper licensee must pay to the Department of
18 Revenue the State liquor gallonage tax under Section 8-1 for
19 all wine that is sold by the licensee and shipped to a person
20 in this State. For the purposes of Section 8-1, a winery
21 shipper licensee shall be taxed in the same manner as a
22 manufacturer of wine. A licensee who is not otherwise required
23 to register under the Retailers' Occupation Tax Act must
24 register under the Use Tax Act to collect and remit use tax to
25 the Department of Revenue for all gallons of wine that are sold
26 by the licensee and shipped to persons in this State. If a

1 licensee fails to remit the tax imposed under this Act in
2 accordance with the provisions of Article VIII of this Act,
3 the winery shipper's license shall be revoked in accordance
4 with the provisions of Article VII of this Act. If a licensee
5 fails to properly register and remit tax under the Use Tax Act
6 or the Retailers' Occupation Tax Act for all wine that is sold
7 by the winery shipper and shipped to persons in this State, the
8 winery shipper's license shall be revoked in accordance with
9 the provisions of Article VII of this Act.

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

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

20 As used in this subsection, "third-party provider" means
21 any entity that provides fulfillment house services, including
22 warehousing, packaging, distribution, order processing, or
23 shipment of wine, but not the sale of wine, on behalf of a
24 licensed winery shipper.

25 (s) A craft distiller tasting permit license shall allow
26 an Illinois licensed class 1 craft distiller or class 2 craft

1 distiller to transfer a portion of its alcoholic liquor
2 inventory from its class 1 craft distiller or class 2 craft
3 distiller licensed premises to the premises specified in the
4 license hereby created and to conduct a sampling, only in the
5 premises specified in the license hereby created, of the
6 transferred alcoholic liquor in accordance with subsection (c)
7 of Section 6-31 of this Act. The transferred alcoholic liquor
8 may not be sold or resold in any form. An applicant for the
9 craft distiller tasting permit license must also submit with
10 the application proof satisfactory to the State Commission
11 that the applicant will provide dram shop liability insurance
12 to the maximum limits and have local authority approval.

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

26 (u) A distilling pub license shall allow the licensee to

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

19 A distilling pub licensee shall not under any circumstance
20 sell or offer for sale spirits manufactured by the distilling
21 pub licensee to retail licensees.

22 A person who holds a class 2 craft distiller license may
23 simultaneously hold a distilling pub license if the class 2
24 craft distiller (i) does not, under any circumstance, sell or
25 offer for sale spirits manufactured by the class 2 craft
26 distiller to retail licensees; (ii) does not hold more than 3

1 distilling pub licenses in this State; (iii) does not
2 manufacture more than a combined 100,000 gallons of spirits
3 per year, including the spirits manufactured at the distilling
4 pub; and (iv) is not a member of or affiliated with, directly
5 or indirectly, a manufacturer that produces more than 100,000
6 gallons of spirits per year or any other alcoholic liquor.

7 (v) A craft distiller warehouse permit may be issued to
8 the holder of a class 1 craft distiller or class 2 craft
9 distiller license. The craft distiller warehouse permit shall
10 allow the holder to store or warehouse up to 500,000 gallons of
11 spirits manufactured by the holder of the permit at the
12 premises specified on the permit. Sales to non-licensees are
13 prohibited at the premises specified in the craft distiller
14 warehouse permit.

15 (w) A beer showcase permit license shall allow an
16 Illinois-licensed distributor to transfer a portion of its
17 beer inventory from its licensed premises to the premises
18 specified in the beer showcase permit license, and, in the
19 case of a class 3 brewer, transfer only beer the class 3 brewer
20 manufactures from its licensed premises to the premises
21 specified in the beer showcase permit license; and to sell or
22 offer for sale at retail, only in the premises specified in the
23 beer showcase permit license, the transferred or delivered
24 beer for on or off premise consumption, but not for resale in
25 any form and to sell to non-licensees not more than 96 fluid
26 ounces of beer per person. A beer showcase permit license may

1 be granted for the following time periods: one day or less; or
2 2 or more days to a maximum of 15 days per location in any
3 12-month period. An applicant for a beer showcase permit
4 license must also submit with the application proof
5 satisfactory to the State Commission that the applicant will
6 provide dram shop liability insurance to the maximum limits
7 and have local authority approval. The State Commission shall
8 require the beer showcase applicant to comply with Section
9 6-27.1.

10 (Source: P.A. 100-17, eff. 6-30-17; 100-201, eff. 8-18-17;
11 100-816, eff. 8-13-18; 100-885, eff. 8-14-18; 100-1050, eff.
12 8-23-18; 101-16, eff. 6-14-19; 101-31, eff. 6-28-19; 101-81,
13 eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff. 8-23-19;
14 101-615, eff. 12-20-19; 101-668, eff. 1-1-22.)

15 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

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

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

23	Online	Initial
24	renewal	license
25		or

non-online

renewal

For a manufacturer's license:

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

1	For a distributor's license		
2	(11,250,000 gallons		
3	or over)	1,450	2,200
4	For a distributor's license		
5	(over 4,500,000 gallons, but		
6	under 11,250,000 gallons)	950	1,450
7	For a distributor's license		
8	(4,500,000 gallons or under) ..	300	450
9	For a non-resident dealer's license		
10	(500,000 gallons or over)		
11	<u>or with self-distribution</u>		
12	<u>privileges</u>	1,200	1,500
13	For a non-resident dealer's license		
14	(under 500,000 gallons)	250	350
15	For a wine-maker's premises		
16	license.....	250	500
17	For a winery shipper's license		
18	(under 250,000 gallons)	200	350
19	For a winery shipper's license		
20	(250,000 or over, but		
21	under 500,000 gallons)	750	1,000
22	For a winery shipper's license		
23	(500,000 gallons or over)	1,200	1,500
24	For a wine-maker's premises		
25	license, second location	500	1,000
26	For a wine-maker's premises		

1	license, third location.....	500	1,000
2	For a retailer's license	600	750
3	For a special event retailer's		
4	license, (not-for-profit).....	25	25
5	<u>For a beer showcase permit license,</u>		
6	<u>one day only</u>	<u>100</u>	<u>150</u>
7	<u>2 days or more</u>	<u>150</u>	<u>250</u>
8	For a special use permit license,		
9	one day only	100	150
10	2 days or more	150	250
11	For a railroad license	100	150
12	For a boat license	500	1,000
13	For an airplane license, times the		
14	licensee's maximum number of		
15	aircraft in flight, serving		
16	liquor over the State at any		
17	given time, which either		
18	originate, terminate, or make		
19	an intermediate stop in		
20	the State.....	100	150
21	For a non-beverage user's license:		
22	Class 1.....	24	24
23	Class 2.....	60	60
24	Class 3.....	120	120
25	Class 4.....	240	240
26	Class 5.....	600	600

1	For a broker's license	750	1,000
2	For an auction liquor license	100	150
3	For a homebrewer special		
4	event permit	25	25
5	For a craft distiller		
6	tasting permit	25	25
7	For a BASSET trainer license	300	350
8	For a tasting representative		
9	license.....	200	300
10	For a brewer warehouse permit	25	25
11	For a craft distiller		
12	warehouse permit	25	25

13 Fees collected under this Section shall be paid into the
14 Dram Shop Fund. On and after July 1, 2003 and until June 30,
15 2016, of the funds received for a retailer's license, in
16 addition to the first \$175, an additional \$75 shall be paid
17 into the Dram Shop Fund, and \$250 shall be paid into the
18 General Revenue Fund. On and after June 30, 2016, one-half of
19 the funds received for a retailer's license shall be paid into
20 the Dram Shop Fund and one-half of the funds received for a
21 retailer's license shall be paid into the General Revenue
22 Fund. Beginning June 30, 1990 and on June 30 of each subsequent
23 year through June 29, 2003, any balance over \$5,000,000
24 remaining in the Dram Shop Fund shall be credited to State
25 liquor licensees and applied against their fees for State
26 liquor licenses for the following year. The amount credited to

1 each licensee shall be a proportion of the balance in the Dram
2 Fund that is the same as the proportion of the license fee paid
3 by the licensee under this Section for the period in which the
4 balance was accumulated to the aggregate fees paid by all
5 licensees during that period.

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

8 (a) Hospitals, sanitariums, or clinics when their use
9 of alcoholic liquor is exclusively medicinal, mechanical
10 or scientific.

11 (b) Universities, colleges of learning or schools when
12 their use of alcoholic liquor is exclusively medicinal,
13 mechanical or scientific.

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

16 (Source: P.A. 100-201, eff. 8-18-17; 100-816, eff. 8-13-18;
17 101-482, eff. 8-23-19; 101-615, eff. 12-20-19; revised
18 8-19-20.)

19 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

20 Sec. 6-4. (a) No person licensed by any licensing
21 authority as a distiller, or a wine manufacturer, or any
22 subsidiary or affiliate thereof, or any officer, associate,
23 member, partner, representative, employee, agent or
24 shareholder owning more than 5% of the outstanding shares of
25 such person shall be issued an importing distributor's or

1 distributor's license, nor shall any person licensed by any
2 licensing authority as an importing distributor, distributor
3 or retailer, or any subsidiary or affiliate thereof, or any
4 officer or associate, member, partner, representative,
5 employee, agent or shareholder owning more than 5% of the
6 outstanding shares of such person be issued a distiller's
7 license, a craft distiller's license, or a wine manufacturer's
8 license; and no person or persons licensed as a distiller,
9 craft distiller, class 1 craft distiller, or class 2 craft
10 distiller by any licensing authority shall have any interest,
11 directly or indirectly, with such distributor or importing
12 distributor.

13 However, an importing distributor or distributor, which on
14 January 1, 1985 is owned by a brewer, or any subsidiary or
15 affiliate thereof or any officer, associate, member, partner,
16 representative, employee, agent or shareholder owning more
17 than 5% of the outstanding shares of the importing distributor
18 or distributor referred to in this paragraph, may own or
19 acquire an ownership interest of more than 5% of the
20 outstanding shares of a wine manufacturer and be issued a wine
21 manufacturer's license by any licensing authority.

22 (b) The foregoing provisions shall not apply to any person
23 licensed by any licensing authority as a distiller or wine
24 manufacturer, or to any subsidiary or affiliate of any
25 distiller or wine manufacturer who shall have been heretofore
26 licensed by the State Commission as either an importing

1 distributor or distributor during the annual licensing period
2 expiring June 30, 1947, and shall actually have made sales
3 regularly to retailers.

4 (c) Provided, however, that in such instances where a
5 distributor's or importing distributor's license has been
6 issued to any distiller or wine manufacturer or to any
7 subsidiary or affiliate of any distiller or wine manufacturer
8 who has, during the licensing period ending June 30, 1947,
9 sold or distributed as such licensed distributor or importing
10 distributor alcoholic liquors and wines to retailers, such
11 distiller or wine manufacturer or any subsidiary or affiliate
12 of any distiller or wine manufacturer holding such
13 distributor's or importing distributor's license may continue
14 to sell or distribute to retailers such alcoholic liquors and
15 wines which are manufactured, distilled, processed or marketed
16 by distillers and wine manufacturers whose products it sold or
17 distributed to retailers during the whole or any part of its
18 licensing periods; and such additional brands and additional
19 products may be added to the line of such distributor or
20 importing distributor, provided, that such brands and such
21 products were not sold or distributed by any distributor or
22 importing distributor licensed by the State Commission during
23 the licensing period ending June 30, 1947, but can not sell or
24 distribute to retailers any other alcoholic liquors or wines.

25 (d) It shall be unlawful for any distiller licensed
26 anywhere to have any stock ownership or interest in any

1 distributor's or importing distributor's license wherein any
2 other person has an interest therein who is not a distiller and
3 does not own more than 5% of any stock in any distillery.
4 Nothing herein contained shall apply to such distillers or
5 their subsidiaries or affiliates, who had a distributor's or
6 importing distributor's license during the licensing period
7 ending June 30, 1947, which license was owned in whole by such
8 distiller, or subsidiaries or affiliates of such distiller.

9 (e) Any person licensed as a brewer, class 1 brewer, or
10 class 2 brewer shall be permitted to sell on the licensed
11 premises to non-licensees for on or off-premises consumption
12 for the premises in which he or she actually conducts such
13 business: (i) beer manufactured by the brewer, class 1 brewer,
14 ~~or~~ class 2 brewer, or class 3 brewer; (ii) beer manufactured by
15 any other brewer, class 1 brewer, ~~or~~ class 2 brewer, or class 3
16 brewer; and (iii) cider or mead. Any person licensed as a class
17 3 brewer shall be permitted to sell on the licensed premises to
18 non-licensees for on or off premises consumption for the
19 premises in which he or she actually conducts such business:
20 (i) beer manufactured by the class 3 brewer on the premises;
21 (ii) beer manufactured by any other brewer, class 1 brewer,
22 class 2 brewer, or class 3 brewer; and (iii) cider, wine, and
23 spirits. All products sold under this subsection that are not
24 manufactured on premises must be purchased through a licensed
25 distributor, importing distributor, or manufacturer with
26 self-distribution privileges. Such sales shall be limited to

1 on-premises, in-person sales only, for lawful consumption on
2 or off premises. Such authorization shall be considered a
3 privilege granted by the brewer license and, other than a
4 manufacturer of beer as stated above, no manufacturer or
5 distributor or importing distributor, excluding airplane
6 licensees exercising powers provided in paragraph (i) of
7 Section 5-1 of this Act, or any subsidiary or affiliate
8 thereof, or any officer, associate, member, partner,
9 representative, employee or agent, or shareholder shall be
10 issued a retailer's license, nor shall any person having a
11 retailer's license, excluding airplane licensees exercising
12 powers provided in paragraph (i) of Section 5-1 of this Act, or
13 any subsidiary or affiliate thereof, or any officer,
14 associate, member, partner, representative or agent, or
15 shareholder be issued a manufacturer's license or importing
16 distributor's license.

17 A manufacturer of beer that imports or transfers beer into
18 this State must comply with Sections 6-8 and 8-1 of this Act.

19 A person who holds a ~~class 1 or~~ class 2 brewer license and
20 is authorized by this Section to sell beer to non-licensees
21 shall not sell beer to non-licensees from more than 3 total
22 brewer or commonly owned brew pub licensed locations in this
23 State. The ~~class 1 or~~ class 2 brewer shall designate to the
24 State Commission the brewer or brew pub locations from which
25 it will sell beer to non-licensees.

26 A person licensed as a class 1 craft distiller or a class 2

1 craft distiller, including a person who holds more than one
2 class 1 craft distiller or class 2 craft distiller license,
3 not affiliated with any other person manufacturing spirits may
4 be authorized by the State Commission to sell (1) up to 5,000
5 gallons of spirits produced by the person to non-licensees for
6 on or off-premises consumption for the premises in which he or
7 she actually conducts business permitting only the retail sale
8 of spirits manufactured at such premises and (2) vermouth
9 purchased through a licensed distributor for on-premises
10 consumption. Such sales shall be limited to on-premises,
11 in-person sales only, for lawful consumption on or off
12 premises, and such authorization shall be considered a
13 privilege granted by the class 1 craft distiller or class 2
14 craft distiller license. A class 1 craft distiller or class 2
15 craft distiller licensed for retail sale shall secure liquor
16 liability insurance coverage in an amount at least equal to
17 the maximum liability amounts set forth in subsection (a) of
18 Section 6-21 of this Act.

19 A class 1 craft distiller or class 2 craft distiller
20 license holder shall not deliver any alcoholic liquor to any
21 non-licensee off the licensed premises. A class 1 craft
22 distiller or class 2 craft distiller shall affirm in its
23 annual license application that it does not produce more than
24 50,000 or 100,000 gallons of distilled spirits annually,
25 whichever is applicable, and that the craft distiller does not
26 sell more than 5,000 gallons of spirits to non-licensees for

1 on or off-premises consumption. In the application, which
2 shall be sworn under penalty of perjury, the class 1 craft
3 distiller or class 2 craft distiller shall state the volume of
4 production and sales for each year since the class 1 craft
5 distiller's or class 2 craft distiller's establishment.

6 A person who holds a class 1 craft distiller or class 2
7 craft distiller license and is authorized by this Section to
8 sell spirits to non-licensees shall not sell spirits to
9 non-licensees from more than 3 total distillery or commonly
10 owned distilling pub licensed locations in this State. The
11 class 1 craft distiller or class 2 craft distiller shall
12 designate to the State Commission the distillery or distilling
13 pub locations from which it will sell spirits to
14 non-licensees.

15 (f) (Blank).

16 (g) Notwithstanding any of the foregoing prohibitions, a
17 limited wine manufacturer may sell at retail at its
18 manufacturing site for on or off premises consumption and may
19 sell to distributors. A limited wine manufacturer licensee
20 shall secure liquor liability insurance coverage in an amount
21 at least equal to the maximum liability amounts set forth in
22 subsection (a) of Section 6-21 of this Act.

23 (h) The changes made to this Section by Public Act 99-47
24 shall not diminish or impair the rights of any person, whether
25 a distiller, wine manufacturer, agent, or affiliate thereof,
26 who requested in writing and submitted documentation to the

1 State Commission on or before February 18, 2015 to be approved
2 for a retail license pursuant to what has heretofore been
3 subsection (f); provided that, on or before that date, the
4 State Commission considered the intent of that person to apply
5 for the retail license under that subsection and, by recorded
6 vote, the State Commission approved a resolution indicating
7 that such a license application could be lawfully approved
8 upon that person duly filing a formal application for a retail
9 license and if that person, within 90 days of the State
10 Commission appearance and recorded vote, first filed an
11 application with the appropriate local commission, which
12 application was subsequently approved by the appropriate local
13 commission prior to consideration by the State Commission of
14 that person's application for a retail license. It is further
15 provided that the State Commission may approve the person's
16 application for a retail license or renewals of such license
17 if such person continues to diligently adhere to all
18 representations made in writing to the State Commission on or
19 before February 18, 2015, or thereafter, or in the affidavit
20 filed by that person with the State Commission to support the
21 issuance of a retail license and to abide by all applicable
22 laws and duly adopted rules.

23 (i) Notwithstanding any other provision of this Act, the
24 common ownership of a brewery, winery, or a distillery shall
25 not authorize the grant of and aggregation of retail
26 privileges granted to any person or licensees in subsection

1 (e). Any person or licensee with common ownership in a
2 brewery, winery, or a distillery shall be limited to the
3 retail privileges granted to only one of the commonly owned
4 brewery, winery, or distillery. The State Commission is hereby
5 authorized to restrict the locations of any commonly owned
6 brewery, winery, or distillery to prevent the expansion of
7 retail privileges, including, without limitation, restricting
8 a commonly owned brewery, winery, or distillery from operating
9 in adjacent licensed premises or restricting self-distribution
10 privileges.

11 (Source: P.A. 100-201, eff. 8-18-17; 100-816, eff. 8-13-18;
12 100-885, eff. 8-14-18; 101-81, eff. 7-12-19; 101-482, eff.
13 8-23-19; 101-615, eff. 12-20-19.)

14 (235 ILCS 5/6-5) (from Ch. 43, par. 122)

15 Sec. 6-5. Except as otherwise provided in this Section, it
16 is unlawful for any person having a retailer's license or any
17 officer, associate, member, representative or agent of such
18 licensee to accept, receive or borrow money, or anything else
19 of value, or accept or receive credit (other than
20 merchandising credit in the ordinary course of business for a
21 period not to exceed 30 days) directly or indirectly from any
22 manufacturer, importing distributor or distributor of
23 alcoholic liquor, or from any person connected with or in any
24 way representing, or from any member of the family of, such
25 manufacturer, importing distributor, distributor or

1 wholesaler, or from any stockholders in any corporation
2 engaged in manufacturing, distributing or wholesaling of such
3 liquor, or from any officer, manager, agent or representative
4 of said manufacturer. Except as provided below, it is unlawful
5 for any manufacturer or distributor or importing distributor
6 to give or lend money or anything of value, or otherwise loan
7 or extend credit (except such merchandising credit) directly
8 or indirectly to any retail licensee or to the manager,
9 representative, agent, officer or director of such licensee. A
10 manufacturer, distributor or importing distributor may furnish
11 free advertising, posters, signs, brochures, hand-outs, or
12 other promotional devices or materials to any unit of
13 government owning or operating any auditorium, exhibition
14 hall, recreation facility or other similar facility holding a
15 retailer's license, provided that the primary purpose of such
16 promotional devices or materials is to promote public events
17 being held at such facility. A unit of government owning or
18 operating such a facility holding a retailer's license may
19 accept such promotional devices or materials designed
20 primarily to promote public events held at the facility. No
21 retail licensee delinquent beyond the 30 day period specified
22 in this Section shall solicit, accept or receive credit,
23 purchase or acquire alcoholic liquors, directly or indirectly
24 from any other licensee, and no manufacturer, distributor or
25 importing distributor shall knowingly grant or extend credit,
26 sell, furnish or supply alcoholic liquors to any such

1 delinquent retail licensee; provided that the purchase price
2 of all beer sold to a retail licensee shall be paid by the
3 retail licensee in cash on or before delivery of the beer, and
4 unless the purchase price payable by a retail licensee for
5 beer sold to him in returnable bottles shall expressly include
6 a charge for the bottles and cases, the retail licensee shall,
7 on or before delivery of such beer, pay the seller in cash a
8 deposit in an amount not less than the deposit required to be
9 paid by the distributor to the brewer; but where the brewer
10 sells direct to the retailer, the deposit shall be an amount no
11 less than that required by the brewer from his own
12 distributors; and provided further, that in no instance shall
13 this deposit be less than 50 cents for each case of beer in
14 pint or smaller bottles and 60 cents for each case of beer in
15 quart or half-gallon bottles; and provided further, that the
16 purchase price of all beer sold to an importing distributor or
17 distributor shall be paid by such importing distributor or
18 distributor in cash on or before the 15th day (Sundays and
19 holidays excepted) after delivery of such beer to such
20 purchaser; and unless the purchase price payable by such
21 importing distributor or distributor for beer sold in
22 returnable bottles and cases shall expressly include a charge
23 for the bottles and cases, such importing distributor or
24 distributor shall, on or before the 15th day (Sundays and
25 holidays excepted) after delivery of such beer to such
26 purchaser, pay the seller in cash a required amount as a

1 deposit to assure the return of such bottles and cases.
2 Nothing herein contained shall prohibit any licensee from
3 crediting or refunding to a purchaser the actual amount of
4 money paid for bottles, cases, kegs or barrels returned by the
5 purchaser to the seller or paid by the purchaser as a deposit
6 on bottles, cases, kegs or barrels, when such containers or
7 packages are returned to the seller. Nothing herein contained
8 shall prohibit any manufacturer, importing distributor or
9 distributor from extending usual and customary credit for
10 alcoholic liquor sold to customers or purchasers who live in
11 or maintain places of business outside of this State when such
12 alcoholic liquor is actually transported and delivered to such
13 points outside of this State.

14 A manufacturer, distributor, or importing distributor may
15 furnish free social media advertising to a retail licensee if
16 the social media advertisement does not contain the retail
17 price of any alcoholic liquor and the social media
18 advertisement complies with any applicable rules or
19 regulations issued by the Alcohol and Tobacco Tax and Trade
20 Bureau of the United States Department of the Treasury. A
21 manufacturer, distributor, or importing distributor may list
22 the names of one or more unaffiliated retailers in the
23 advertisement of alcoholic liquor through social media.
24 Nothing in this Section shall prohibit a retailer from
25 communicating with a manufacturer, distributor, or importing
26 distributor on social media or sharing media on the social

1 media of a manufacturer, distributor, or importing
2 distributor. A retailer may request free social media
3 advertising from a manufacturer, distributor, or importing
4 distributor. Nothing in this Section shall prohibit a
5 manufacturer, distributor, or importing distributor from
6 sharing, reposting, or otherwise forwarding a social media
7 post by a retail licensee, so long as the sharing, reposting,
8 or forwarding of the social media post does not contain the
9 retail price of any alcoholic liquor. No manufacturer,
10 distributor, or importing distributor shall pay or reimburse a
11 retailer, directly or indirectly, for any social media
12 advertising services, except as specifically permitted in this
13 Act. No retailer shall accept any payment or reimbursement,
14 directly or indirectly, for any social media advertising
15 services offered by a manufacturer, distributor, or importing
16 distributor, except as specifically permitted in this Act. For
17 the purposes of this Section, "social media" means a service,
18 platform, or site where users communicate with one another and
19 share media, such as pictures, videos, music, and blogs, with
20 other users free of charge.

21 No right of action shall exist for the collection of any
22 claim based upon credit extended to a distributor, importing
23 distributor or retail licensee contrary to the provisions of
24 this Section.

25 Every manufacturer, importing distributor and distributor
26 shall submit or cause to be submitted, to the State

1 Commission, in triplicate, not later than Thursday of each
2 calendar week, a verified written list of the names and
3 respective addresses of each retail licensee purchasing
4 spirits or wine from such manufacturer, importing distributor
5 or distributor who, on the first business day of that calendar
6 week, was delinquent beyond the above mentioned permissible
7 merchandising credit period of 30 days; or, if such is the
8 fact, a verified written statement that no retail licensee
9 purchasing spirits or wine was then delinquent beyond such
10 permissible merchandising credit period of 30 days.

11 Every manufacturer, importing distributor and distributor
12 shall submit or cause to be submitted, to the State
13 Commission, in triplicate, a verified written list of the
14 names and respective addresses of each previously reported
15 delinquent retail licensee who has cured such delinquency by
16 payment, which list shall be submitted not later than the
17 close of the second full business day following the day such
18 delinquency was so cured.

19 The written list of delinquent retail licensees shall be
20 developed, administered, and maintained only by the State
21 Commission. The State Commission shall notify each retail
22 licensee that it has been placed on the delinquency list.
23 Determinations of delinquency or nondelinquency shall be made
24 only by the State Commission.

25 Such written verified reports required to be submitted by
26 this Section shall be posted by the State Commission in each of

1 its offices in places available for public inspection not
2 later than the day following receipt thereof by the State
3 Commission. The reports so posted shall constitute notice to
4 every manufacturer, importing distributor and distributor of
5 the information contained therein. Actual notice to
6 manufacturers, importing distributors and distributors of the
7 information contained in any such posted reports, however
8 received, shall also constitute notice of such information.

9 The 30 day merchandising credit period allowed by this
10 Section shall commence with the day immediately following the
11 date of invoice and shall include all successive days
12 including Sundays and holidays to and including the 30th
13 successive day.

14 In addition to other methods allowed by law, payment by
15 check during the period for which merchandising credit may be
16 extended under the provisions of this Section shall be
17 considered payment. All checks received in payment for
18 alcoholic liquor shall be promptly deposited for collection. A
19 post dated check or a check dishonored on presentation for
20 payment shall not be deemed payment.

21 A retail licensee shall not be deemed to be delinquent in
22 payment for any alleged sale to him of alcoholic liquor when
23 there exists a bona fide dispute between such retailer and a
24 manufacturer, importing distributor or distributor with
25 respect to the amount of indebtedness existing because of such
26 alleged sale. A retail licensee shall not be deemed to be

1 delinquent under this provision and 11 Ill. Adm. Code 100.90
2 until 30 days after the date on which the region in which the
3 retail licensee is located enters Phase 4 of the Governor's
4 Restore Illinois Plan as issued on May 5, 2020.

5 A delinquent retail licensee who engages in the retail
6 liquor business at 2 or more locations shall be deemed to be
7 delinquent with respect to each such location.

8 The license of any person who violates any provision of
9 this Section shall be subject to suspension or revocation in
10 the manner provided by this Act.

11 If any part or provision of this Article or the
12 application thereof to any person or circumstances shall be
13 adjudged invalid by a court of competent jurisdiction, such
14 judgment shall be confined by its operation to the controversy
15 in which it was mentioned and shall not affect or invalidate
16 the remainder of this Article or the application thereof to
17 any other person or circumstance and to this and the
18 provisions of this Article are declared severable.

19 (Source: P.A. 101-631, eff. 6-2-20.)

20 (235 ILCS 5/6-6.1 new)

21 Sec. 6-6.1. Stocking, rotation, resetting, and pricing
22 services.

23 (a) In this Section:

24 "Reset" means the large-scale rearrangement of the
25 alcoholic liquor products at a retailer's premises.

1 "Rotation" means moving newer, fresher products from a
2 storage area to a point-of-sale area and the replenishing of
3 the point-of-sale area with fresh products.

4 "Stocking" means the placing of alcoholic liquors where
5 they are to be stored or where they are offered for sale.

6 (b) Manufacturers, distributors, or importing distributors
7 may stock at retail licensed establishments alcoholic liquors
8 they sell, provided that the alcoholic liquor products of
9 other manufacturers, distributors, or importing distributors
10 are not moved, altered, or disturbed. This stocking may be
11 done one time either during the normal course of, 24 hours
12 before, or within 24 hours after a regular sales call or one
13 time either during the normal course of, 24 hours before, or
14 within 24 hours after delivery to the retailer. The stocking
15 is considered service incidental to a sales call or delivery.

16 (c) Manufacturers, distributors, or importing distributors
17 may rotate their own alcoholic liquor products at a retailer's
18 premises one time either during the normal course of, 24 hours
19 before, or within 24 hours after a regular sales call or one
20 time either during the normal course of, 24 hours before, or
21 within 24 hours after delivery to the retailer. Rotation may
22 be performed at any location within a retailer's premises.

23 (d) Manufacturers, distributors, or importing distributors
24 may participate in or be present at merchandising resets
25 conducted at a retailer's premises no more than 4 times per
26 year. During resets, manufacturers, distributors, or importing

1 distributors may stock or restock entire sections of
2 point-of-sale locations at the retailer's premises. No reset
3 shall occur without at least 14 days' prior notice made by the
4 retailer to all manufacturers, distributors, or importing
5 distributors whose alcoholic liquor products are carried by
6 the retailer. Manufacturers, distributors, or importing
7 distributors may only move, alter, disturb, or displace their
8 alcoholic liquor products and the products of properly
9 notified, but nonattending, manufacturers, distributors, or
10 importing distributors.

11 (e) Manufacturers, distributors, or importing distributors
12 may provide to retailers recommended diagrams, shelf plans, or
13 shelf schematics that suggest beneficial display locations for
14 their alcoholic liquor products at the retailer's premises.
15 Manufacturers, distributors, or importing distributors may not
16 condition pricing discounts, credits, rebates, access to
17 brands, or the provision of any other item or activity
18 permissible under this Act upon a retailer's choice to
19 implement or not implement diagrams, shelf plans, or shelf
20 schematics.

21 (f) Manufacturers, distributors, or importing distributors
22 may not affix prices to products on behalf of retailers. This
23 prohibition includes the indirect affixing of prices to
24 product, including entering prices into a retailer's computer
25 system. This prohibition does not prohibit manufacturers,
26 distributors, or importing distributors, after stocking a

1 shelf, from affixing shelf tags that identify the product and
2 price of the alcoholic liquor; however, at no time may
3 manufacturers, distributors, or importing distributors
4 delegate or contract this service to a third party. Shelf tags
5 are considered point-of-sale advertising materials and are
6 subject to Section 6-6. If permitted stocking by
7 manufacturers, distributors, or importing distributors
8 involves movement and a change in the placement of its product
9 on the retailer's shelf, shelf tags may be moved to the new
10 position of the product.

11 (235 ILCS 5/6-9.1)

12 Sec. 6-9.1. Deliveries to retail establishments.

13 (a) A distributor of wine or spirits shall deliver to any
14 retailer within any geographic area in which that distributor
15 has been granted by a wholesaler the right to sell its
16 trademark, brand, or name at least once every 2 weeks if (i) in
17 the case of a retailer located in a county with a population of
18 at least 3,000,000 inhabitants or in a county adjacent to a
19 county with at least 3,000,000 inhabitants, the retailer
20 agrees to purchase at least \$200 of wine or spirits from the
21 distributor every 2 weeks; or (ii) in the case of a retailer
22 located in a county with a population of less than 3,000,000
23 that is not adjacent to a county with a population of at least
24 3,000,000 inhabitants, the retailer agrees to purchase at
25 least \$50 of wine or spirits from the distributor every 2

1 weeks.

2 (b) On January 1, 2002 and every 2 years thereafter, the
3 dollar amounts in items (i) and (ii) of subsection (a) shall be
4 increased or decreased by a percentage equal to the percentage
5 increase or decrease in the Consumer Price Index during the
6 previous 2 years according to the most recent available data.

7 (c) Any brewer or non-resident dealer which holds
8 self-distribution privileges pursuant to a class 1 brewer
9 license or a class 3 brewer license under this Act shall
10 deliver beer to any retailer in the brewer's wholly owned or
11 leased vehicles or through a freight forwarding service,
12 excluding common carriers such as Federal Express, United
13 Parcel Service, or similar common carriers, and shall provide
14 services to the retailer upon the request of the retailer if
15 such services are permitted under this Act and the rules of the
16 Commission.

17 (Source: P.A. 91-482, eff. 1-1-00.)

18 (235 ILCS 5/6-9.5 new)

19 Sec. 6-9.5. Definitions. As used in this Section through
20 Section 6-9.15:

21 "Common ownership" means any ownership interest of more
22 than 5% of the total ownership interest of 2 or more retail
23 licensees.

24 "Cooperative agent" means a person or persons with the
25 authority to contract for the purchase and delivery of wine

1 and spirits on behalf of a cooperative purchase group.

2 "Cooperative purchase group" means a group of 2 or more
3 individually owned or commonly owned retail licensees who join
4 together to enter into a cooperative purchase agreement.

5 "Cooperative purchasing agreement" means an agreement
6 entered into between 2 or more individually owned, commonly
7 owned, or not commonly owned retail licensees for the purpose
8 of purchasing wine or spirits, excluding any product fermented
9 with malt or any substitute for malt, from a distributor or
10 importing distributor.

11 "Quantity discounting" means a sales program between a
12 wine or spirits distributor or importing distributor and a
13 retail licensee, retail licensees, or a cooperative purchase
14 group in which the primary purpose of the program is to
15 increase product sales to retail licensees and is not a
16 subterfuge to provide prohibited things of value as
17 inducements to retail licensees or to the members of a
18 cooperative purchasing group. "Quantity discounting" includes
19 circumstances in which a wine or spirits distributor or
20 importing distributor offers a retail licensee, retail
21 licensees, or a cooperative purchase group a discount based
22 upon an agreement by which the retail licensee, retail
23 licensees, or a cooperative purchase group may purchase a
24 predetermined number of products in return for receiving a
25 discount on the goods purchased that may be applied either as a
26 price reduction at the time of sale or as a rebate or credit

1 following the sale.

2 (235 ILCS 5/6-9.10 new)

3 Sec. 6-9.10. Cooperative purchasing agreements.

4 (a) A cooperative purchasing agreement shall only be valid
5 if the following conditions are met:

6 (1) the agreement is in writing and signed by all
7 parties to the agreement;

8 (2) the agreement contains the complete license
9 information for all parties to the agreement, including
10 State and local license numbers and expiration dates as
11 well as the date on which the retail member joined the
12 cooperative purchase group;

13 (3) a retail licensee that is a party to the agreement
14 must not be a party to any other related cooperative
15 purchasing agreement;

16 (4) the agreement identifies and designates the name
17 and address of the agent or agents with the authority to
18 contract for the purchase and delivery of wine or spirits
19 on behalf of the cooperative purchase group;

20 (5) a copy of the executed agreement, including any
21 amendments, deletions, or additions, is kept on the
22 premises of each party to the agreement for a period of 3
23 years;

24 (6) a copy of the executed agreement, including any
25 amendments, deletions, or additions, is delivered to the

1 relevant licensee with distribution privileges and to the
2 State Commission before making any purchases under the
3 agreement; any amendments, deletions, or additions must be
4 submitted to the State Commission within 7 business days
5 after the amendment, deletion, or addition is executed;
6 and

7 (7) the agreement must designate whether the
8 cooperative purchasing group is comprised of retail
9 licenses engaged in the sale of wine or spirits on or off
10 the premises.

11 (b) A retail licensee may, pursuant to a cooperative
12 purchasing agreement, make purchases as a member of a
13 cooperative purchase group or independently of any such group.
14 Nothing in this Section or any other Section of this Act shall
15 be construed to prohibit commonly or not commonly owned retail
16 licensees from making purchases separate and apart from any
17 membership in a cooperative purchase group.

18 (c) A retailer may only be a member of one cooperative
19 purchase group at a time. A retail licensee may change to a
20 different cooperative purchase group no more than twice in a
21 12-month period. However, if an existing cooperative purchase
22 group member purchases a retail location from a member of
23 another cooperative purchase group, the new owner of the
24 retail location may move the membership of the retail licensee
25 to a different cooperative purchasing group.

26 (d) When a retail licensee joins an existing cooperative

1 purchasing group, the new member must be a member for a period
2 of 7 days before being able to participate in any quantity
3 discount programs.

4 (e) Cooperative purchasing group members must be either
5 all on-premises retail licensees or all off-premises retail
6 licensees.

7 (f) Any individual retail licensee that is a member of a
8 cooperative purchase group that fails to comply with the terms
9 and conditions of this Section may be deemed to be in violation
10 of Section 6-5. Any distributor or importing distributor that
11 fails to comply with this Section may be deemed to be in
12 violation of Section 6-5.

13 (g) The State Commission shall keep a list of the members
14 of each cooperative purchase group and shall make that list
15 available on its website.

16 (h) A retail licensee that is a member of a cooperative
17 purchase group shall not have an ownership interest, directly
18 or indirectly, in any entity licensed by this Act other than a
19 retailer.

20 (i) It is unlawful for a distributor or importing
21 distributor to furnish, give, or lend money or anything of
22 value to a cooperative agent.

23 (j) It is the duty of each retail licensee of the
24 cooperative purchase group to make books and records available
25 upon reasonable notice for the purpose of investigation and
26 control by the State Commission or any local liquor control

1 commission having jurisdiction over the retail licensee of the
2 cooperative purchase group.

3 (k) A cooperative agent shall not have an ownership
4 interest, directly or indirectly, in an entity licensed under
5 any other license category under this Act.

6 (l) A retailer, manufacturer, importing distributor,
7 distributor, or cooperative agent shall remain in compliance
8 with federal law pursuant to the prohibitions and exceptions
9 provided in 27 CFR Part 6 and any promulgated rules thereof. A
10 cooperative agent that is compliant with Sections 6-5 and 6-6
11 shall not receive cash or anything of value from both the
12 retail licensee and an importing distributor or distributor,
13 non-resident dealer or manufacturers as part of a cooperative
14 purchasing group agreement.

15 (235 ILCS 5/6-9.15 new)

16 Sec. 6-9.15. Quantity discounting terms for wine or
17 spirits cooperative purchase agreements.

18 (a) All wine or spirits quantity discount programs offered
19 to consumption off the premises retailers must be offered to
20 all consumption off the premises cooperative groups and
21 cooperative agents; and all quantity discount programs offered
22 to consumption on the premises retailers shall be offered to
23 all consumption on the premises cooperative groups and
24 cooperative agents. Quantity discount programs shall:

25 (1) be open and available for acceptance for 7

1 business days;

2 (2) be designed and implemented to produce product
3 volume growth with retail licensees;

4 (3) be based on the volume of product purchased;
5 however, discounts may include price reductions, cash, and
6 credits and no-charge wine or spirits products may be
7 given instead of a discount;

8 (4) be documented on related sales invoices or credit
9 memoranda;

10 (5) not require a retail licensee to take and dispose
11 of any quota of wine or spirits; however, bona fide
12 quantity discounts shall not be deemed to be quota sales;
13 and

14 (6) not require a retail licensee to purchase one
15 product in order to purchase another; this includes
16 combination sales if one or more products may be purchased
17 only in combination with other products and not
18 individually.

19 (b) A distributor or importing distributor that makes
20 quantity discount sales to participating members of a
21 cooperative purchase group shall issue customary invoices to
22 each participating retail licensee itemizing the wine or
23 spirit sold and delivered as part of a quantity discount
24 program to each participating retail licensee.

25 (c) If a distributor or importing distributor offers a
26 quantity discount for wine or spirits, excluding any product

1 fermented with malt or any substitute for malt, cooperative
2 purchase groups shall purchase a minimum of 250 cases in each
3 quantity discount program. Each individual participating
4 member of a cooperative purchase group purchasing product
5 through a quantity discount program may be required to
6 purchase the following minimum amounts:

7 (1) 2% of cases of any quantity discount program of
8 500 or fewer cases.

9 (2) 1.5% of cases of any quantity discount program of
10 at least 501 and not more than 2,000 cases.

11 (3) 1% of cases of any quantity discount program of
12 2,001 or more cases.

13 (d) The cooperative agent shall place each cooperative
14 purchase order under the name of the cooperative purchase
15 group and shall identify each participating retail member
16 involved with the purchase, the quantity of product purchase,
17 the price attributable to each retailer member's purchase and
18 a requested delivery date. A retail licensee may make
19 purchases through a cooperative purchasing group or
20 independently of such group. Nothing in this Section shall be
21 construed to prohibit retail licensees from making purchases
22 separate and apart from any cooperative purchasing group.

23 (e) Each distributor or importing distributor shall
24 separately invoice each participating cooperative purchase
25 group member for the purchase made on behalf of such
26 participating member.

1 (f) A cooperative purchasing group shall maintain the
2 records of each cooperative purchase order placed for 90 days.

3 The records shall include:

4 (1) the date the cooperative purchasing group order
5 was placed and the date of any amendments to the order;

6 (2) the distributor or importing distributor with
7 which the cooperative purchasing group placed the order;

8 (3) the names and license numbers of each cooperative
9 purchasing group member participating in the order;

10 (4) the price discounts and net price of all wine or
11 spirits ordered by each cooperative purchase group member;

12 and

13 (5) the requested delivery date for the order.

14 (g) A cooperative purchase group is subject to the books
15 and records requirements of Section 6-10 and subsection (e) of
16 11 Ill. Admin. Code 100.130.

17 (h) A cooperative purchasing group shall retain a surety
18 bond at all times for no less than \$250,000. If a cooperative
19 purchasing group member is delinquent in payment pursuant to
20 Section 6-5, the surety shall immediately pay the importing
21 distributor or distributor the delinquent amount. The surety
22 bond required by this Section may be acquired from a company,
23 agent, or broker of the cooperative purchase group's choice.
24 If the surety bond does not cure the indebtedness, the 30-day
25 merchandising credit requirements of Section 6-5 shall apply
26 jointly to each cooperative purchasing group until the

1 indebtedness is cured. The cooperative purchasing group is
2 responsible for all costs and fees related to the surety bond.

3 (i) Any licensee that fails to comply with the terms and
4 conditions of this Section may be deemed to be in violation of
5 this Act.

6 (j) Nothing in this Section shall apply to quantity
7 discount programs offered for any product fermented with malt
8 or any substitute for malt. Nothing in the Section shall be
9 construed to prohibit, limit, or interfere with quantity
10 discount, credit, or rebate programs offered for any product
11 fermented with malt or any substitute for malt.

12 (235 ILCS 5/6-17.5 new)

13 Sec. 6-17.5. Purchase of wine or spirits by a retail
14 licensee from another retail licensee.

15 (a) No retail licensee may purchase wine or spirits from,
16 or possess wine or spirits purchased from, any person other
17 than a distributor or importing distributor; however, a retail
18 licensee that purchases wine or spirits from a licensed
19 Illinois retailer shall only receive a warning for the first 2
20 violations of this Section within a 12-month period. If a
21 retail licensee violates this Section a third time within the
22 same 12-month period of the preceding 2 warnings, then the
23 retailer licensee may be subject to the penalties under
24 Section 10-1.

25 (b) A retailer that is delinquent in payment pursuant to

1 Section 6-5 shall be prohibited from purchasing wine or
2 spirits from another retailer pursuant to this Section until
3 the indebtedness is cured.

4 (235 ILCS 5/6-37 new)

5 Sec. 6-37. Transfer of wine or spirits by a retail
6 licensee with multiple licenses.

7 (a) No original package of wine or spirits may be
8 transferred from one retail licensee to any other retail
9 licensee without prior permission from the State Commission;
10 however, if the same retailer owns more than one licensed
11 retail location, an off-premise retailer may transfer up to 3%
12 of its average monthly purchases by volume and an on-premise
13 retailer may transfer up to 5% of its average monthly
14 purchases by volume of original package of wine or spirits
15 from one or more of such retailer's licensed locations to
16 another of that retailer's licensed locations each month
17 without prior permission from the State Commission, subject to
18 the following conditions:

19 (1) notice is provided to the distributor responsible
20 for the geographic area of the brand, size, and quantity
21 of the wine or spirits to be transferred within the
22 geographic area; and

23 (2) the transfer is made by common carrier, a licensed
24 distributor's or importing distributor's vehicle, or a
25 vehicle owned and operated by the licensee.

1 (b) All transfers must be properly documented on a form
2 provided by the State Commission that includes the following
3 information:

4 (1) the license number of the retail licensee's
5 location from which the transfer is to be made and the
6 license number of the retail licensee's location to which
7 the transfer is to be made;

8 (2) the brand, size, and quantity of the wine or
9 spirits to be transferred; and

10 (3) the date the transfer is made.

11 (c) A retail licensee location that transfers or receives
12 an original package of wine or spirits as authorized by this
13 Section shall not be deemed to be engaged in business as a
14 wholesaler or distributor based upon the transfer authorized
15 by this Section.

16 (d) A transfer authorized by this Section shall not be
17 deemed a sale.

18 (e) A retailer that is delinquent in payment pursuant to
19 Section 6-5 shall be prohibited from transferring wine or
20 spirits to a commonly owned retailer pursuant to this Section
21 until the indebtedness is cured.

22 (f) As used in this Section:

23 "Average monthly purchases" is calculated using a 12-month
24 rolling average of the total volume purchased over the 12 most
25 recent months previous to the month in which the transfer is
26 made and dividing that total by 12.

1 "Month" means a calendar month.

2 (235 ILCS 5/6-38 new)

3 Sec. 6-38. One-time inventory transfer of wine or spirits
4 by a retail licensee with multiple licenses.

5 (a) No original package of wine or spirits may be
6 transferred from one retail licensee to any other retail
7 licensee without permission from the State Commission pursuant
8 to 11 Ill. Admin. Code 100.250; however, if the same retailer
9 owns more than one licensed retail location, the retailer may
10 transfer inventory of original packages of wine or spirits
11 from one or more of such retailer's licensed locations to
12 another of that retailer's licensed locations without prior
13 permission from the State Commission, under the following
14 circumstances:

15 (1) acts of god (such as, but not limited to,
16 pandemics, fires, explosions, tornadoes, earthquakes,
17 drought, and floods);

18 (2) federal, State, or local law or ordinance change;

19 (3) bankruptcy;

20 (4) permanent or temporary closure of one or more of
21 the retail licensee's locations;

22 (5) the retail licensee obtains an additional liquor
23 license for a new location;

24 (6) a retail licensee purchases another retail
25 licensee's location;

1 (7) a new licensee opens a business at the same
2 location where the prior licensee conducted business, when
3 the new licensee takes possession of the inventory of the
4 immediately prior license; or

5 (8) other unforeseeable circumstances beyond the
6 control of the licensee, such as circumstances:

7 (A) the licensee cannot reasonably take
8 precautions to prevent; and

9 (B) in which the only reasonable method of
10 disposing of the alcoholic liquor products would be a
11 transfer to another licensee or location.

12 (b) The transfer shall be made by:

13 (1) common carrier;

14 (2) a licensed distributor's or importing
15 distributor's vehicle; or

16 (3) a vehicle owned and operated by the licensee.

17 (c) All transfers must be properly documented on a form
18 provided by the State Commission that includes the following
19 information:

20 (1) the license number of the retail licensee's
21 location from which the transfer is to be made and the
22 license number of the retail licensee's location to which
23 the transfer is to be made;

24 (2) the brand, size, and quantity of the wine or
25 spirits to be transferred; and

26 (3) the date the transfer is made.

1 (d) A retail licensee location that transfers or receives
2 an original package of wine or spirits as authorized by this
3 Section shall not be deemed to be engaged in business as a
4 wholesaler or distributor based upon the transfer authorized
5 by this Section.

6 (e) A transfer authorized by this Section shall not be
7 deemed a sale.

8 (235 ILCS 5/8-10.5 new)

9 Sec. 8-10.5. Beer production quantity reporting.

10 (a) As used in this Section:

11 "Directly" means that a licensed distributor was not used
12 in the transaction.

13 "Final packaging container" means the last vessel in which
14 beer is held before (i) consumption by an individual on the
15 brewer's licensed premises; (ii) being placed in a keg,
16 bottle, or can for consumption by an individual; or (iii)
17 being removed for additional fermentation and aging in a cask
18 or barrel.

19 (b) A brewer who is a class 1 brewer, class 2 brewer, class
20 3 brewer, or brew pub licensee shall accurately measure the
21 quantity of beer transferred into its final packaging
22 container to determine the brewer's tax liability by
23 converting beer production into the amount of beer sold and to
24 ensure compliance with any production or self-distribution
25 quantity limitations under this Act applicable to the class 1

1 brewer, class 2 brewer, class 3 brewer, or brew pub. The
2 measurement shall comply with 27 CFR 25.41 and 27 CFR 25.42.
3 Any brewer subject to this Section shall file, on the same date
4 as the brewer files similar reports with the U.S. Department
5 of the Treasury's Tobacco and Alcohol Tax and Trade Bureau,
6 with the Department and State Commission a report of their use
7 of water along with their "Brewer's Report of Operations"
8 filed with the U.S. Department of Treasury's Alcohol and
9 Tobacco Tax and Trade Bureau and shall maintain and produce
10 for examination and inspection by the Department and the State
11 Commission utility bills for water for 3 years along with
12 their "Brewer's Report of Operations" filed with the U.S.
13 Department of Treasury's Alcohol and Tobacco Tax and Trade
14 Bureau. The Department, in cooperation with the State
15 Commission, may audit on an annual basis the amount a class 1
16 brewer, class 2 brewer, class 3 brewer, or brew pub licensee
17 produces to determine compliance with this Act.

18 (c) A brewer's failure to comply with this Section shall
19 result in the State Commission issuing a fine or suspending or
20 revoking the brewer's license.

21 Section 95. No acceleration or delay. Where this Act makes
22 changes in a statute that is represented in this Act by text
23 that is not yet or no longer in effect (for example, a Section
24 represented by multiple versions), the use of that text does
25 not accelerate or delay the taking effect of (i) the changes

1 made by this Act or (ii) provisions derived from any other
2 Public Act.

3 Section 99. Effective date. This Act takes effect upon
4 becoming law, except that the changes to Section 6-5 of the
5 Liquor Control Act of 1934 take effect January 1, 2022.