

1 AN ACT concerning liquor.

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

4 Section 5. The Liquor Control Act of 1934 is amended by
5 changing Sections 2-1, 6-5, and 6-6 as follows:

6 (235 ILCS 5/2-1) (from Ch. 43, par. 96)

7 Sec. 2-1. No person shall manufacture, bottle, blend, sell,
8 barter, transport, transfer into this State from a point
9 outside this State, deliver, furnish or possess any alcoholic
10 liquor for beverage purposes, unless such person has been
11 issued a license by the Commission or except as permitted by
12 Section 6-29 of this Act or except as otherwise specifically
13 provided in this Act; provided, however, nothing herein
14 contained shall prevent the possession and transportation of
15 alcoholic liquor by the possessor for the personal use of the
16 possessor, his family and guests, nor prevent the making of
17 wine, cider or other alcoholic liquor by a person from fruits,
18 vegetables or grains, or the products thereof, by simple
19 fermentation and without distillation, if it is made solely for
20 the use of the maker, his family and his guests; and provided
21 further that nothing herein contained shall prevent any duly
22 licensed practicing physician or dentist from possessing or
23 using alcoholic liquor in the strict practice of his

1 profession, or any hospital or other institution caring for
2 sick and diseased persons, from possessing and using alcoholic
3 liquor for the treatment of bona fide patients of such hospital
4 or other institution; and provided further that any drug store
5 employing a licensed pharmacist may possess and use alcoholic
6 liquors in the concoction of prescriptions of duly licensed
7 physicians; and provided further, that the possession and
8 dispensation of wine by an authorized representative of any
9 church for the purpose of conducting any bona fide rite or
10 religious ceremony conducted by such church shall not be
11 prohibited by this Act.

12 The provisions of this Act shall not apply to any liquid or
13 solid containing one-half of one percent, or less, of alcohol
14 by volume.

15 (Source: P.A. 90-739, eff. 8-13-98.)

16 (235 ILCS 5/6-5) (from Ch. 43, par. 122)

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

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

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

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

16 No right of action shall exist for the collection of any
17 claim based upon credit extended to a distributor, importing
18 distributor or retail licensee contrary to the provisions of
19 this Section.

20 Every manufacturer, importing distributor and distributor
21 shall submit or cause to be submitted, to the State Commission,
22 in triplicate, not later than Thursday of each calendar week, a
23 verified written list of the names and respective addresses of
24 each retail licensee purchasing spirits or wine from such
25 manufacturer, importing distributor or distributor who, on the
26 first business day of that calendar week, was delinquent beyond

1 the above mentioned permissible merchandising credit period of
2 30 days; or, if such is the fact, a verified written statement
3 that no retail licensee purchasing spirits or wine was then
4 delinquent beyond such permissible merchandising credit period
5 of 30 days.

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

14 Such written verified reports required to be submitted by
15 this Section shall be posted by the State Commission in each of
16 its offices in places available for public inspection not later
17 than the day following receipt thereof by the Commission. The
18 reports so posted shall constitute notice to every
19 manufacturer, importing distributor and distributor of the
20 information contained therein. Actual notice to manufacturers,
21 importing distributors and distributors of the information
22 contained in any such posted reports, however received, shall
23 also constitute notice of such information.

24 The 30 day merchandising credit period allowed by this
25 Section shall commence with the day immediately following the
26 date of invoice and shall include all successive days including

1 Sundays and holidays to and including the 30th successive day.

2 In addition to other methods allowed by law, payment by
3 check during the period for which merchandising credit may be
4 extended under the provisions of this Section shall be
5 considered payment. All checks received in payment for
6 alcoholic liquor shall be promptly deposited for collection. A
7 post dated check or a check dishonored on presentation for
8 payment shall not be deemed payment.

9 A retail licensee shall not be deemed to be delinquent in
10 payment for any alleged sale to him of alcoholic liquor when
11 there exists a bona fide dispute between such retailer and a
12 manufacturer, importing distributor or distributor with
13 respect to the amount of indebtedness existing because of such
14 alleged sale.

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

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

21 If any part or provision of this Article or the application
22 thereof to any person or circumstances shall be adjudged
23 invalid by a court of competent jurisdiction, such judgment
24 shall be confined by its operation to the controversy in which
25 it was mentioned and shall not affect or invalidate the
26 remainder of this Article or the application thereof to any

1 other person or circumstance and to this and the provisions of
2 this Article are declared severable.

3 Nothing in this Section prohibits a manufacturer,
4 distributor, or importing distributor from furnishing
5 advertising signs, promotional materials, equipment, or
6 fixtures to a retail licensee or a retail licensee from
7 receiving those advertising signs, promotional materials,
8 equipment, or fixtures, provided that (i) the sole use and
9 purpose of the advertising signs, promotional materials,
10 equipment, or fixtures is limited to the sale or consumption of
11 beverage products containing one-half of one percent, or less,
12 of alcohol by volume and those beverage products are not
13 marketed for adult consumption as an alternative to alcoholic
14 beverages and (ii) the advertising signs, promotional
15 materials, equipment, or fixtures include the brand name of the
16 beverage product containing one-half of one percent, or less,
17 of alcohol by volume. A retail licensee is prohibited from
18 using those advertising signs, promotional materials,
19 equipment, or fixtures for the purpose of displaying or
20 promoting the sale or consumption of alcoholic beverages. A
21 manufacturer, distributor, or importing distributor shall not
22 be liable for a retail licensee's violation of the provisions
23 of this paragraph.

24 (Source: P.A. 83-762.)

25 (235 ILCS 5/6-6) (from Ch. 43, par. 123)

1 Sec. 6-6. Except as otherwise provided in this Act no
2 manufacturer or distributor or importing distributor shall,
3 directly~~7~~ or indirectly, sell, supply, furnish, give or pay
4 for, or loan or lease, any furnishing, fixture or equipment on
5 the premises of a place of business of another licensee
6 authorized under this Act to sell alcoholic liquor at retail,
7 either for consumption on or off the premises, nor shall he or
8 she~~2~~ directly or indirectly, pay for any such license, or
9 advance, furnish, lend or give money for payment of such
10 license, or purchase or become the owner of any note, mortgage,
11 or other evidence of indebtedness of such licensee or any form
12 of security therefor, nor shall such manufacturer, or
13 distributor, or importing distributor, directly or indirectly,
14 be interested in the ownership, conduct or operation of the
15 business of any licensee authorized to sell alcoholic liquor at
16 retail, nor shall any manufacturer, or distributor, or
17 importing distributor be interested directly or indirectly or
18 as owner or part owner of said premises or as lessee or lessor
19 thereof, in any premises upon which alcoholic liquor is sold at
20 retail.

21 No manufacturer or distributor or importing distributor
22 shall, directly or indirectly or through a subsidiary or
23 affiliate, or by any officer, director or firm of such
24 manufacturer, distributor or importing distributor, furnish,
25 give, lend or rent, install, repair or maintain, to or for any
26 retail licensee in this State, any signs or inside advertising

1 materials except as provided in this Section and Section 6-5.
2 With respect to retail licensees, other than any government
3 owned or operated auditorium, exhibition hall, recreation
4 facility or other similar facility holding a retailer's license
5 as described in Section 6-5, a manufacturer, distributor, or
6 importing distributor may furnish, give, lend or rent and
7 erect, install, repair and maintain to or for any retail
8 licensee, for use at any one time in or about or in connection
9 with a retail establishment on which the products of the
10 manufacturer, distributor or importing distributor are sold,
11 the following signs and inside advertising materials as
12 authorized in subparts (i), (ii), (iii), and (iv):

13 (i) Permanent outside signs shall be limited to one
14 outside sign, per brand, in place and in use at any one
15 time, costing not more than \$893, exclusive of erection,
16 installation, repair and maintenance costs, and permit
17 fees and shall bear only the manufacturer's name, brand
18 name, trade name, slogans, markings, trademark, or other
19 symbols commonly associated with and generally used in
20 identifying the product including, but not limited to,
21 "cold beer", "on tap", "carry out", and "packaged liquor".

22 (ii) Temporary outside signs shall be limited to one
23 temporary outside sign per brand. Examples of temporary
24 outside signs are banners, flags, pennants, streamers, and
25 other items of a temporary and non-permanent nature. Each
26 temporary outside sign must include the manufacturer's

1 name, brand name, trade name, slogans, markings,
2 trademark, or other symbol commonly associated with and
3 generally used in identifying the product. Temporary
4 outside signs may also include, for example, the product,
5 price, packaging, date or dates of a promotion and an
6 announcement of a retail licensee's specific sponsored
7 event, if the temporary outside sign is intended to promote
8 a product, and provided that the announcement of the retail
9 licensee's event and the product promotion are held
10 simultaneously. However, temporary outside signs may not
11 include names, slogans, markings, or logos that relate to
12 the retailer. Nothing in this subpart (ii) shall prohibit a
13 distributor or importing distributor from bearing the cost
14 of creating or printing a temporary outside sign for the
15 retail licensee's specific sponsored event or from bearing
16 the cost of creating or printing a temporary sign for a
17 retail licensee containing, for example, community
18 goodwill expressions, regional sporting event
19 announcements, or seasonal messages, provided that the
20 primary purpose of the temporary outside sign is to
21 highlight, promote, or advertise the product. In addition,
22 temporary outside signs provided by the manufacturer to the
23 distributor or importing distributor may also include, for
24 example, subject to the limitations of this Section,
25 preprinted community goodwill expressions, sporting event
26 announcements, seasonal messages, and manufacturer

1 promotional announcements. However, a distributor or
2 importing distributor shall not bear the cost of such
3 manufacturer preprinted signs.

4 (iii) Permanent inside signs, whether visible from the
5 outside or the inside of the premises, include, but are not
6 limited to: alcohol lists and menus that may include names,
7 slogans, markings, or logos that relate to the retailer;
8 neons; illuminated signs; clocks; table lamps; mirrors;
9 tap handles; decalcomanias; window painting; and window
10 trim. All permanent inside signs in place and in use at any
11 one time shall cost in the aggregate not more than \$2000
12 per manufacturer. A permanent inside sign must include the
13 manufacturer's name, brand name, trade name, slogans,
14 markings, trademark, or other symbol commonly associated
15 with and generally used in identifying the product.
16 However, permanent inside signs may not include names,
17 slogans, markings, or logos that relate to the retailer.
18 For the purpose of this subpart (iii), all permanent inside
19 signs may be displayed in an adjacent courtyard or patio
20 commonly referred to as a "beer garden" that is a part of
21 the retailer's licensed premises.

22 (iv) Temporary inside signs shall include, but are not
23 limited to, lighted chalk boards, acrylic table tent
24 beverage or hors d'oeuvre list holders, banners, flags,
25 pennants, streamers, and inside advertising materials such
26 as posters, placards, bowling sheets, table tents, inserts

1 for acrylic table tent beverage or hors d'oeuvre list
2 holders, sports schedules, or similar printed or
3 illustrated materials; however, such items, for example,
4 as coasters, trays, napkins, glassware and cups shall not
5 be deemed to be inside signs or advertising materials and
6 may only be sold to retailers. All temporary inside signs
7 and inside advertising materials in place and in use at any
8 one time shall cost in the aggregate not more than \$325 per
9 manufacturer. Nothing in this subpart (iv) prohibits a
10 distributor or importing distributor from paying the cost
11 of printing or creating any temporary inside banner or
12 inserts for acrylic table tent beverage or hors d'oeuvre
13 list holders for a retail licensee, provided that the
14 primary purpose for the banner or insert is to highlight,
15 promote, or advertise the product. For the purpose of this
16 subpart (iv), all temporary inside signs and inside
17 advertising materials may be displayed in an adjacent
18 courtyard or patio commonly referred to as a "beer garden"
19 that is a part of the retailer's licensed premises.

20 A "cost adjustment factor" shall be used to periodically
21 update the dollar limitations prescribed in subparts (i),
22 (iii), and (iv). The Commission shall establish the adjusted
23 dollar limitation on an annual basis beginning in January,
24 1997. The term "cost adjustment factor" means a percentage
25 equal to the change in the Bureau of Labor Statistics Consumer
26 Price Index or 5%, whichever is greater. The restrictions

1 contained in this Section 6-6 do not apply to signs, or
2 promotional or advertising materials furnished by
3 manufacturers, distributors or importing distributors to a
4 government owned or operated facility holding a retailer's
5 license as described in Section 6-5.

6 No distributor or importing distributor shall directly or
7 indirectly or through a subsidiary or affiliate, or by any
8 officer, director or firm of such manufacturer, distributor or
9 importing distributor, furnish, give, lend or rent, install,
10 repair or maintain, to or for any retail licensee in this
11 State, any signs or inside advertising materials described in
12 subparts (i), (ii), (iii), or (iv) of this Section except as
13 the agent for or on behalf of a manufacturer, provided that the
14 total cost of any signs and inside advertising materials
15 including but not limited to labor, erection, installation and
16 permit fees shall be paid by the manufacturer whose product or
17 products said signs and inside advertising materials advertise
18 and except as follows:

19 A distributor or importing distributor may purchase from or
20 enter into a written agreement with a manufacturer or a
21 manufacturer's designated supplier and such manufacturer or
22 the manufacturer's designated supplier may sell or enter into
23 an agreement to sell to a distributor or importing distributor
24 permitted signs and advertising materials described in
25 subparts (ii), (iii), or (iv) of this Section for the purpose
26 of furnishing, giving, lending, renting, installing,

1 repairing, or maintaining such signs or advertising materials
2 to or for any retail licensee in this State. Any purchase by a
3 distributor or importing distributor from a manufacturer or a
4 manufacturer's designated supplier shall be voluntary and the
5 manufacturer may not require the distributor or the importing
6 distributor to purchase signs or advertising materials from the
7 manufacturer or the manufacturer's designated supplier.

8 A distributor or importing distributor shall be deemed the
9 owner of such signs or advertising materials purchased from a
10 manufacturer or a manufacturer's designated supplier.

11 The provisions of Public Act 90-373 concerning signs or
12 advertising materials delivered by a manufacturer to a
13 distributor or importing distributor shall apply only to signs
14 or advertising materials delivered on or after August 14, 1997.

15 No person engaged in the business of manufacturing,
16 importing or distributing alcoholic liquors shall, directly or
17 indirectly, pay for, or advance, furnish, or lend money for the
18 payment of any license for another. Any licensee who shall
19 permit or assent, or be a party in any way to any violation or
20 infringement of the provisions of this Section shall be deemed
21 guilty of a violation of this Act, and any money loaned
22 contrary to a provision of this Act shall not be recovered
23 back, or any note, mortgage or other evidence of indebtedness,
24 or security, or any lease or contract obtained or made contrary
25 to this Act shall be unenforceable and void.

26 This Section shall not apply to airplane licensees

1 exercising powers provided in paragraph (i) of Section 5-1 of
2 this Act.

3 Nothing in this Section prohibits a manufacturer,
4 distributor, or importing distributor from furnishing
5 advertising signs, promotional materials, equipment, or
6 fixtures to a retail licensee or a retail licensee from
7 receiving those advertising signs, promotional materials,
8 equipment, or fixtures, provided that (i) the sole use and
9 purpose of the advertising signs, promotional materials,
10 equipment, or fixtures is limited to the sale or consumption of
11 beverage products containing one-half of one percent, or less,
12 of alcohol by volume and those beverage products are not
13 marketed for adult consumption as an alternative to alcoholic
14 beverages and (ii) the advertising signs, promotional
15 materials, equipment, or fixtures include the brand name of the
16 beverage product containing one-half of one percent, or less,
17 of alcohol by volume. A retail licensee is prohibited from
18 using those advertising signs, promotional materials,
19 equipment, or fixtures for the purpose of displaying or
20 promoting the sale or consumption of alcoholic beverages. A
21 manufacturer, distributor, or importing distributor shall not
22 be liable for a retail licensee's violation of the provisions
23 of this paragraph.

24 (Source: P.A. 89-238, eff. 8-4-95; 89-529, eff. 7-19-96;
25 90-373, eff. 8-14-97; 90-432, eff. 1-1-98; 90-655, eff.
26 7-30-98; revised 9-24-13.)