

1 AN ACT in relation to alcoholic 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 Section 5-1 as follows:

6 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

9 (a) Manufacturer's license - Class 1. Distiller, Class
10 2. Rectifier, Class 3. Brewer, Class 4. First Class Wine
11 Manufacturer, Class 5. Second Class Wine Manufacturer,
12 Class 6. First Class Winemaker, Class 7. Second Class
13 Winemaker, Class 8. Limited Wine Manufacturer,

14 (b) Distributor's license,

15 (c) Importing Distributor's license,

16 (d) Retailer's license,

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

18 (f) Railroad license,

19 (g) Boat license,

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

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

22 (j) Airplane license,

23 (k) Foreign importer's license,

24 (l) Broker's license,

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

26 (n) Brew Pub license,

27 (o) Auction liquor license,

28 (p) Caterer retailer license,

29 (q) Special use permit license.

30 No person, firm, partnership, corporation, or other legal
31 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
4 manufacture, importation in bulk, storage, distribution and
5 sale of alcoholic liquor to persons without the State, as may
6 be permitted by law and to licensees in this State as
7 follows:

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

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

16 Class 3. A Brewer may make sales and deliveries of beer
17 to importing distributors, distributors, and to
18 non-licensees, and to retailers provided the brewer obtains
19 an importing distributor's license or distributor's license
20 in accordance with the provisions of this Act.

21 Class 4. A first class wine-manufacturer may make sales
22 and deliveries of up to 50,000 gallons of wine to
23 manufacturers, importing distributors and distributors, and
24 to no other licensees.

25 Class 5. A second class Wine manufacturer may make sales
26 and deliveries of more than 50,000 gallons of wine to
27 manufacturers, importing distributors and distributors and to
28 no other licensees.

29 Class 6. A first-class wine-maker's license shall allow
30 the manufacture of up to 50,000 gallons of wine per year, and
31 the storage and sale of such wine to distributors in the
32 State and to persons without the State, as may be permitted
33 by law. A first-class wine-maker's license shall allow the
34 sale of no more than 5,000 gallons of the licensee's wine to

1 retailers. The State Commission shall issue only one
2 first-class wine-maker's license to any person, firm,
3 partnership, corporation, or other legal business entity that
4 is engaged in the making of less than 50,000 gallons of wine
5 annually that applies for a first-class wine-maker's license.
6 No subsidiary or affiliate thereof, nor any officer,
7 associate, member, partner, representative, employee, agent,
8 or shareholder may be issued an additional wine-maker's
9 license by the State Commission.

10 Class 7. A second-class wine-maker's license shall allow
11 the manufacture of between 50,000 and 100,000 gallons of wine
12 per year, and the storage and sale of such wine to
13 distributors in this State and to persons without the State,
14 as may be permitted by law. A second-class wine-maker's
15 license shall allow the sale of no more than 10,000 gallons
16 of the licensee's wine directly to retailers. The State
17 Commission shall issue only one second-class wine-maker's
18 license to any person, firm, partnership, corporation, or
19 other legal business entity that is engaged in the making of
20 less than 100,000 gallons of wine annually that applies for a
21 second-class wine-maker's license. No subsidiary or
22 affiliate thereof, or any officer, associate, member,
23 partner, representative, employee, agent, or shareholder may
24 be issued an additional wine-maker's license by the State
25 Commission.

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

30 (a-1) A manufacturer which is licensed in this State to
31 make sales or deliveries of alcoholic liquor and which
32 enlists agents, representatives, or individuals acting on its
33 behalf who contact licensed retailers on a regular and
34 continual basis in this State must register those agents,

1 representatives, or persons acting on its behalf with the
2 State Commission.

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

18 (b) A distributor's license shall allow the wholesale
19 purchase and storage of alcoholic liquors and sale of
20 alcoholic liquors to licensees in this State and to persons
21 without the State, as may be permitted by law.

22 (c) An importing distributor's license may be issued to
23 and held by those only who are duly licensed distributors,
24 upon the filing of an application by a duly licensed
25 distributor, with the Commission and the Commission shall,
26 without the payment of any fee, immediately issue such
27 importing distributor's license to the applicant, which shall
28 allow the importation of alcoholic liquor by the licensee
29 into this State from any point in the United States outside
30 this State, and the purchase of alcoholic liquor in barrels,
31 casks or other bulk containers and the bottling of such
32 alcoholic liquors before resale thereof, but all bottles or
33 containers so filled shall be sealed, labeled, stamped and
34 otherwise made to comply with all provisions, rules and

1 regulations governing manufacturers in the preparation and
2 bottling of alcoholic liquors. The importing distributor's
3 license shall permit such licensee to purchase alcoholic
4 liquor from Illinois licensed non-resident dealers and
5 foreign importers only.

6 (d) A retailer's license shall allow the licensee to
7 sell and offer for sale at retail, only in the premises
8 specified in such license, alcoholic liquor for use or
9 consumption, but not for resale in any form: Provided that
10 any retail license issued to a manufacturer shall only permit
11 such manufacturer to sell beer at retail on the premises
12 actually occupied by such manufacturer.

13 After January 1, 1995 there shall be 2 classes of
14 licenses issued under a retailers license.

15 (1) A "retailers on premise consumption license"
16 shall allow the licensee to sell and offer for sale at
17 retail, only on the premises specified in the license,
18 alcoholic liquor for use or consumption on the premises
19 or on and off the premises, but not for resale in any
20 form.

21 (2) An "off premise sale license" shall allow the
22 licensee to sell, or offer for sale at retail, alcoholic
23 liquor intended only for off premise consumption and not
24 for resale in any form.

25 For the purpose of compliance with a local license
26 limitation or local ordinance that limits a retailers on
27 premise consumption licensee to the sale of alcoholic liquor
28 other than spirits, a distilled spirit that is (1) made from
29 a blend of grains, rice, and sweet potatoes, (2) contains not
30 more than 24% alcohol, and (3) is commonly known as "soju"
31 shall be considered wine rather than spirits.

32 Notwithstanding any other provision of this subsection
33 (d), a retail licensee may sell alcoholic liquors to a
34 special event retailer licensee for resale to the extent

1 permitted under subsection (e).

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

32 (f) A railroad license shall permit the licensee to
33 import alcoholic liquors into this State from any point in
34 the United States outside this State and to store such

1 alcoholic liquors in this State; to make wholesale purchases
2 of alcoholic liquors directly from manufacturers, foreign
3 importers, distributors and importing distributors from
4 within or outside this State; and to store such alcoholic
5 liquors in this State; provided that the above powers may be
6 exercised only in connection with the importation, purchase
7 or storage of alcoholic liquors to be sold or dispensed on a
8 club, buffet, lounge or dining car operated on an electric,
9 gas or steam railway in this State; and provided further,
10 that railroad licensees exercising the above powers shall be
11 subject to all provisions of Article VIII of this Act as
12 applied to importing distributors. A railroad license shall
13 also permit the licensee to sell or dispense alcoholic
14 liquors on any club, buffet, lounge or dining car operated on
15 an electric, gas or steam railway regularly operated by a
16 common carrier in this State, but shall not permit the sale
17 for resale of any alcoholic liquors to any licensee within
18 this State. A license shall be obtained for each car in
19 which such sales are made.

20 (g) A boat license shall allow the sale of alcoholic
21 liquor in individual drinks, on any passenger boat regularly
22 operated as a common carrier on navigable waters in this
23 State, which boat maintains a public dining room or
24 restaurant thereon.

25 (h) A non-beverage user's license shall allow the
26 licensee to purchase alcoholic liquor from a licensed
27 manufacturer or importing distributor, without the imposition
28 of any tax upon the business of such licensed manufacturer or
29 importing distributor as to such alcoholic liquor to be used
30 by such licensee solely for the non-beverage purposes set
31 forth in subsection (a) of Section 8-1 of this Act, and such
32 licenses shall be divided and classified and shall permit the
33 purchase, possession and use of limited and stated quantities
34 of alcoholic liquor as follows:

- 1 Class 1, not to exceed 500 gallons
- 2 Class 2, not to exceed 1,000 gallons
- 3 Class 3, not to exceed 5,000 gallons
- 4 Class 4, not to exceed 10,000 gallons
- 5 Class 5, not to exceed 50,000 gallons

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

26 (j) An airplane license shall permit the licensee to
 27 import alcoholic liquors into this State from any point in
 28 the United States outside this State and to store such
 29 alcoholic liquors in this State; to make wholesale purchases
 30 of alcoholic liquors directly from manufacturers, foreign
 31 importers, distributors and importing distributors from
 32 within or outside this State; and to store such alcoholic
 33 liquors in this State; provided that the above powers may be
 34 exercised only in connection with the importation, purchase

1 or storage of alcoholic liquors to be sold or dispensed on an
2 airplane; and provided further, that airplane licensees
3 exercising the above powers shall be subject to all
4 provisions of Article VIII of this Act as applied to
5 importing distributors. An airplane licensee shall also
6 permit the sale or dispensing of alcoholic liquors on any
7 passenger airplane regularly operated by a common carrier in
8 this State, but shall not permit the sale for resale of any
9 alcoholic liquors to any licensee within this State. A
10 single airplane license shall be required of an airline
11 company if liquor service is provided on board aircraft in
12 this State. The annual fee for such license shall be as
13 determined in Section 5-3.

14 (k) A foreign importer's license shall permit such
15 licensee to purchase alcoholic liquor from Illinois licensed
16 non-resident dealers only, and to import alcoholic liquor
17 other than in bulk from any point outside the United States
18 and to sell such alcoholic liquor to Illinois licensed
19 importing distributors and to no one else in Illinois;
20 provided that the foreign importer registers with the State
21 Commission every brand of alcoholic liquor that it proposes
22 to sell to Illinois licensees during the license period and
23 provided further that the foreign importer complies with all
24 of the provisions of Section 6-9 of this Act with respect to
25 registration of such Illinois licensees as may be granted the
26 right to sell such brands at wholesale.

27 (l) (i) A broker's license shall be required of all
28 persons who solicit orders for, offer to sell or offer to
29 supply alcoholic liquor to retailers in the State of
30 Illinois, or who offer to retailers to ship or cause to be
31 shipped or to make contact with distillers, rectifiers,
32 brewers or manufacturers or any other party within or without
33 the State of Illinois in order that alcoholic liquors be
34 shipped to a distributor, importing distributor or foreign

1 importer, whether such solicitation or offer is consummated
2 within or without the State of Illinois.

3 No holder of a retailer's license issued by the Illinois
4 Liquor Control Commission shall purchase or receive any
5 alcoholic liquor, the order for which was solicited or
6 offered for sale to such retailer by a broker unless the
7 broker is the holder of a valid broker's license.

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

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

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

27 This subsection (1) shall not apply to distributors,
28 employees of distributors, or employees of a manufacturer who
29 has registered the trademark, brand or name of the alcoholic
30 liquor pursuant to Section 6-9 of this Act, and who regularly
31 sells such alcoholic liquor in the State of Illinois only to
32 its registrants thereunder.

33 Any agent, representative, or person subject to
34 registration pursuant to subsection (a-1) of this Section

1 shall not be eligible to receive a broker's license.

2 (m) A non-resident dealer's license shall permit such
3 licensee to ship into and warehouse alcoholic liquor into
4 this State from any point outside of this State, and to sell
5 such alcoholic liquor to Illinois licensed foreign importers
6 and importing distributors and to no one else in this State;
7 provided that said non-resident dealer shall register with
8 the Illinois Liquor Control Commission each and every brand
9 of alcoholic liquor which it proposes to sell to Illinois
10 licensees during the license period; and further provided
11 that it shall comply with all of the provisions of Section
12 6-9 hereof with respect to registration of such Illinois
13 licensees as may be granted the right to sell such brands at
14 wholesale.

15 (n) A brew pub license shall allow the licensee to
16 manufacture beer only on the premises specified in the
17 license, to make sales of the beer manufactured on the
18 premises to importing distributors, distributors, and to
19 non-licensees for use and consumption, to store the beer upon
20 the premises, and to sell and offer for sale at retail from
21 the licensed premises, provided that a brew pub licensee
22 shall not sell for off-premises consumption more than 50,000
23 gallons per year.

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

29 (p) An auction liquor license shall allow the licensee
30 to sell and offer for sale at auction wine and spirits for
31 use or consumption, or for resale by an Illinois liquor
32 licensee in accordance with provisions of this Act. An
33 auction liquor license will be issued to a person and it will
34 permit the auction liquor licensee to hold the auction

1 anywhere in the State. An auction liquor license must be
2 obtained for each auction at least 14 days in advance of the
3 auction date.

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

19 (Source: P.A. 91-357, eff. 7-29-99; 92-105, eff. 1-1-02;
20 92-378, eff. 8-16-01; revised 10-10-01.)