

AN ACT concerning liquor.

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

Section 5. The Liquor Control Act of 1934 is amended by changing Sections 1-3.17.1, 3-12, 5-1, 5-3, 6-4, and 8-2 and by adding Sections 1-3.47, 1-3.48, and 6-40 as follows:

(235 ILCS 5/1-3.17.1) (from Ch. 43, par. 95.17.1)

Sec. 1-3.17.1. "Special event retailer" means an educational, fraternal, political, civic, religious, or non-profit organization which sells or offers for sale beer, spirits, or wine, or any combination thereof, only for consumption on or off the premises specified in the license and those sales are made at the location and on the dates designated by a special event retail license.

(Source: P.A. 100-17, eff. 6-30-17.)

(235 ILCS 5/1-3.47 new)

Sec. 1-3.47. Class 3 craft distiller. "Class 3 craft distiller" means a person who is a holder of a distiller license or a non-resident dealer license who manufactures no more than 100,000 gallons of spirits per year in the aggregate and who may make sales to importing distributors, distributors, and retail licensees in accordance with the

conditions set forth in paragraph (21) of subsection (a) of Section 3-12.

(235 ILCS 5/1-3.48 new)

Sec. 1-3.48. Spirits showcase permit. "Spirits showcase permit" means a license for use by a class 1 craft distiller, class 2 craft distiller, or class 3 craft distiller to allow for the transfer of spirits only from an existing licensed premises of a class 1 craft distiller, class 2 craft distiller, or class 3 craft distiller to a designated site for a specific event.

(235 ILCS 5/3-12)

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

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

(1) To receive applications and to issue licenses to manufacturers, foreign importers, importing distributors, distributors, non-resident dealers, on premise consumption retailers, off premise sale retailers, special event retailer licensees, special use permit licenses, auction liquor licenses, brew pubs, caterer retailers, non-beverage users, railroads, including owners and lessees of sleeping, dining, and cafe cars, airplanes, boats, brokers, and wine maker's premises licensees in accordance with the provisions of this Act, and to suspend

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

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

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

The fine imposed under this paragraph may not exceed

\$500 for each violation. Each day that the activity, which gave rise to the original fine, continues is a separate violation. The maximum fine that may be levied against any licensee, for the period of the license, shall not exceed \$20,000. The maximum penalty that may be imposed on a licensee for selling a bottle of alcoholic liquor with a foreign object in it or serving from a bottle of alcoholic liquor with a foreign object in it shall be the destruction of that bottle of alcoholic liquor for the first 10 bottles so sold or served from by the licensee. For the eleventh bottle of alcoholic liquor and for each third bottle thereafter sold or served from by the licensee with a foreign object in it, the maximum penalty that may be imposed on the licensee is the destruction of the bottle of alcoholic liquor and a fine of up to \$50.

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

(2) To adopt such rules and regulations consistent with the provisions of this Act which shall be necessary

to carry on its functions and duties to the end that the health, safety, and welfare of the People of the State of Illinois shall be protected and temperance in the consumption of alcoholic liquors shall be fostered and promoted and to distribute copies of such rules and regulations to all licensees affected thereby.

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

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

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

(5.1) Upon receipt of a complaint or upon having knowledge that any person is engaged in business as a manufacturer, importing distributor, distributor, or

retailer without a license or valid license, to conduct an investigation. If, after conducting an investigation, the State Commission is satisfied that the alleged conduct occurred or is occurring, it may issue a cease and desist notice as provided in this Act, impose civil penalties as provided in this Act, notify the local liquor authority, or file a complaint with the State's Attorney's Office of the county where the incident occurred or the Attorney General.

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

(5.3) To receive complaints from licensees, local officials, law enforcement agencies, organizations, and persons stating that any licensee has been or is violating any provision of this Act or the rules and regulations issued pursuant to this Act. Such complaints shall be in

writing, signed and sworn to by the person making the complaint, and shall state with specificity the facts in relation to the alleged violation. If the State Commission has reasonable grounds to believe that the complaint substantially alleges a violation of this Act or rules and regulations adopted pursuant to this Act, it shall conduct an investigation. If, after conducting an investigation, the State Commission is satisfied that the alleged violation did occur, it shall proceed with disciplinary action against the licensee as provided in this Act.

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

(5.5) To investigate any and all unlicensed activity.

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

(6) To hear and determine appeals from orders of a local commission in accordance with the provisions of this Act, as hereinafter set forth. Hearings under this

subsection shall be held in Springfield or Chicago, at whichever location is the more convenient for the majority of persons who are parties to the hearing.

(7) The State Commission shall establish uniform systems of accounts to be kept by all retail licensees having more than 4 employees, and, for this purpose, the State Commission may classify all retail licensees having more than 4 employees and establish a uniform system of accounts for each class and prescribe the manner in which such accounts shall be kept. The State Commission may also prescribe the forms of accounts to be kept by all retail licensees having more than 4 employees, including, but not limited to, accounts of earnings and expenses and any distribution, payment, or other distribution of earnings or assets, and any other forms, records, and memoranda which in the judgment of the State Commission ~~commission~~ may be necessary or appropriate to carry out any of the provisions of this Act, including, but not limited to, such forms, records, and memoranda as will readily and accurately disclose at all times the beneficial ownership of such retail licensed business. The accounts, forms, records, and memoranda shall be available at all reasonable times for inspection by authorized representatives of the State Commission or by any local liquor control commissioner or his or her authorized representative. The State Commission ~~commission~~ may, from

time to time, alter, amend, or repeal, in whole or in part, any uniform system of accounts, or the form and manner of keeping accounts.

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

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

(9) To investigate the administration of laws in relation to alcoholic liquors in this and other states and any foreign countries, and to recommend from time to time to the Governor and through him or her to the legislature

of this State, such amendments to this Act, if any, as it may think desirable and as will serve to further the general broad purposes contained in Section 1-2 hereof.

(10) To adopt such rules and regulations consistent with the provisions of this Act which shall be necessary for the control, sale, or disposition of alcoholic liquor damaged as a result of an accident, wreck, flood, fire, or other similar occurrence.

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

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

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

(13) (Blank).

(14) On or before April 30, 2008 and every 2 years

thereafter, the State Commission shall present a written report to the Governor and the General Assembly that shall be based on a study of the impact of Public Act 95-634 on the business of soliciting, selling, and shipping wine from inside and outside of this State directly to residents of this State. As part of its report, the State Commission shall provide all of the following information:

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

(B) The amount of licensing fees received.

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

(D) The number of alcohol compliance operations conducted.

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

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

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

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

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

cider, mead, or both cider and mead to brewers, class 1 brewers, class 2 brewers, ~~and~~ class 3 brewers, and class 3 craft distillers that, pursuant to subsection (e) of Section 6-4 of this Act, sell beer, cider, spirits, mead, or any combination thereof to non-licensees at their breweries or distilleries.

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

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

(D) A self-distribution exemption holder shall annually certify to the State Commission its production of wine in the previous 12 months and its anticipated production and sales for the next 12 months. The State Commission may fine, suspend, or revoke a self-distribution exemption after a hearing if it finds that the exemption holder has made a material misrepresentation in its application, violated a revenue or liquor law of Illinois, exceeded production of 25,000 gallons of wine, 930,000 gallons of beer, or 50,000 gallons of spirits in any calendar year, or become part of an affiliated group producing more than 25,000 gallons of wine, 930,000 gallons of beer, or 50,000 gallons of spirits.

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

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

(G) Nothing in this paragraph (17) shall prohibit a self-distribution exemption holder from entering into or

simultaneously having a distribution agreement with a licensed Illinois distributor.

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

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

(B) In the application, which shall be sworn under penalty of perjury, the class 1 brewer licensee shall

state (1) the date it was established; (2) its volume of beer manufactured and sold for each year since its establishment; (3) its efforts to establish distributor relationships; (4) that a self-distribution exemption is necessary to facilitate the marketing of its beer; and (5) that it will comply with the alcoholic beverage and revenue laws of the United States, this State, and any other state where it is licensed.

(C) Any application submitted shall be posted on the State Commission's website at least 45 days prior to action by the State Commission. The State Commission shall approve the application for a self-distribution exemption if the class 1 brewer licensee: (1) is in compliance with the State, revenue, and alcoholic beverage laws; (2) is not a member of any affiliated group that manufactures, directly or indirectly, more than 930,000 gallons of beer per annum, 25,000 gallons of wine per annum, or 50,000 gallons of spirits per annum; (3) shall not annually manufacture for sale more than 930,000 gallons of beer, 25,000 gallons of wine, or 50,000 gallons of spirits; (4) shall not annually sell more than 232,500 gallons of its beer to retail licensees and class 3 brewers and to brewers, class 1 brewers, and class 2 brewers that, pursuant to subsection (e) of Section 6-4 of this Act, sell beer, cider, mead, or any combination thereof to non-licensees at their breweries; and (5) has relinquished

any brew pub license held by the licensee, including any ownership interest it held in the licensed brew pub.

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

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

(F) Nothing in this paragraph (18) shall prohibit a self-distribution exemption holder from entering into or simultaneously having a distribution agreement with a licensed Illinois importing distributor or a distributor. If a self-distribution exemption holder enters into a distribution agreement and has assigned distribution rights to an importing distributor or distributor, then

the self-distribution exemption holder's distribution rights in the assigned territories shall cease in a reasonable time not to exceed 60 days.

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

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

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

States, this State, and any other state where it is licensed.

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

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

has become part of an affiliated group manufacturing more than 50,000 gallons of spirits, 930,000 gallons of beer, or 25,000 gallons of wine.

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

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

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

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

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

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

- (1) the date it was established;
- (2) its volume of beer manufactured and sold for each year since its establishment;
- (3) its efforts to establish distributor relationships;
- (4) that a self-distribution exemption is necessary to facilitate the marketing of its beer; and
- (5) that it will comply with the alcoholic beverage and revenue laws of the United States, this State, and any other state where it is licensed.

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

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

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

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

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

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

(21) (A) A class 3 craft distiller licensee who manufactures less than 100,000 gallons of spirits in the aggregate may make application to the State Commission for a self-distribution exemption to allow the sale of not more than 5,000 gallons of the exemption holder's spirits per year that are manufactured at a wholly owned class 3

craft distiller's in-state or out-of-state licensed premises to retail licensees and class 3 brewers and to class 3 craft distillers that, pursuant to subsection (e) of Section 6-4, sell beer, cider, spirits, or any combination thereof to non-licensees at their licensed distilleries.

(B) In the application, which shall be sworn under penalty of perjury, the class 3 craft distiller licensee shall state:

(1) the date it was established;

(2) its volume of spirits manufactured and sold for each year since its establishment;

(3) its efforts to establish distributor relationships;

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

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

(C) Any application submitted shall be posted on the State Commission's website at least 45 days before action by the State Commission. The State Commission shall approve the application for a self-distribution exemption if the class 3 craft distiller licensee:

(1) is in compliance with the State, revenue, and

alcoholic beverage laws;

(2) is not a member of any affiliated group that manufacturers, directly or indirectly, more than 100,000 gallons of spirits per annum;

(3) shall not annually manufacture for sale more than 100,000 gallons of spirits; and

(4) does not sell more than 5,000 gallons of its spirits per year to retail licensees and class 3 brewers and to class 3 craft distillers that, pursuant to subsection (e) of Section 6-4, sell beer, cider, spirits, or any combination thereof to non-licensees at their licensed distilleries.

(D) A self-distribution exemption holder shall annually certify to the State Commission its manufacture of spirits during the previous 12 months and its anticipated manufacture and sales of spirits for the next 12 months. The State Commission may fine, suspend, or revoke a self-distribution exemption after a hearing if it finds that the exemption holder has made a material misrepresentation in its application, violated a revenue or alcoholic beverage law of Illinois, exceeded the manufacture of 100,000 gallons of spirits in any calendar year, or became part of an affiliated group manufacturing more than 100,000 gallons of spirits.

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

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

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

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

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

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

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

(iii) the number of reported violations, the number of cease and desist notices issued by the Commission, the

number of notices of violations issued to the Department of Revenue, and the number of notices and complaints of violations to law enforcement officials.

(Source: P.A. 101-37, eff. 7-3-19; 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 102-442, eff. 8-20-21; 102-558, eff. 8-20-21; 102-813, eff. 5-13-22; revised 7-17-25.)

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

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

(a) Manufacturer's license - Class 1. Distiller, Class 2. Rectifier, Class 3. Brewer, Class 4. First Class Wine Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6. First Class Winemaker, Class 7. Second Class Winemaker, Class 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class 10. Class 1 Craft Distiller, Class 11. Class 2 Craft Distiller, Class 12. Class 1 Brewer, Class 13. Class 2 Brewer, Class 14. Class 3 Brewer, Class 15. Class 3 Craft Distiller,

(b) Distributor's license,

(c) Importing Distributor's license,

(d) Retailer's license,

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

(f) Railroad license,

(g) Boat license,

(h) Non-Beverage User's license,

(i) Wine-maker's premises license,

- (j) Airplane license,
- (k) Foreign importer's license,
- (l) Broker's license,
- (m) Non-resident dealer's license,
- (n) Brew Pub license,
- (o) Auction liquor license,
- (p) Caterer retailer license,
- (q) Special use permit license,
- (r) Winery shipper's license,
- (s) Craft distiller tasting permit,
- (t) Brewer warehouse permit,
- (u) Distilling pub license,
- (v) Craft distiller warehouse permit,
- (w) Beer showcase permit, ~~and~~
- (x) Spirits showcase permit.

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

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

Class 1. A Distiller may make sales and deliveries of alcoholic liquor to distillers, rectifiers, importing distributors, distributors, ~~and~~ and non-beverage users and to no

other licensees.

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

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

Class 4. A first class wine-manufacturer may make sales and deliveries of up to 50,000 gallons of wine to manufacturers, importing distributors and distributors, and to no other licensees. If a first-class wine-manufacturer manufactures beer, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 brewer license, shall not manufacture more than 930,000 gallons of beer per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year. If the first-class wine-manufacturer manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any

current license, a class 1 craft distiller license, shall not manufacture more than 50,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year. A first-class wine-manufacturer shall be permitted to sell wine manufactured at the first-class wine-manufacturer premises to non-licensees.

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

Class 6. A first-class wine-maker's license shall allow the manufacture of up to 50,000 gallons of wine per year, and the storage and sale of such wine to distributors in the State and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public Act 95-634), is a holder of a first-class wine-maker's license and annually produces more than 25,000 gallons of its own wine and who distributes its wine to licensed retailers shall cease this practice on or before July 1, 2008 in compliance with Public Act 95-634. If a first-class wine-maker manufactures beer, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 brewer license, shall not manufacture more than 930,000 gallons of beer per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000

gallons of beer per year. If the first-class wine-maker manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 craft distiller license, shall not manufacture more than 50,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year. A first-class wine-maker holding a class 1 brewer license or a class 1 craft distiller license shall not be eligible for a wine-maker's premises license but shall be permitted to sell wine manufactured at the first-class wine-maker premises to non-licensees.

Class 7. A second-class wine-maker's license shall allow the manufacture of up to 150,000 gallons of wine per year, and the storage and sale of such wine to distributors in this State and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public Act 95-634), is a holder of a second-class wine-maker's license and annually produces more than 25,000 gallons of its own wine and who distributes its wine to licensed retailers shall cease this practice on or before July 1, 2008 in compliance with Public Act 95-634. If a second-class wine-maker manufactures beer, it shall also obtain and shall only be eligible for, in addition to any current license, a class 2 brewer license, shall not manufacture more than 3,720,000 gallons of beer per year, and shall not be a member

of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year. If a second-class wine-maker manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 2 craft distiller license, shall not manufacture more than 100,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 100,000 gallons of spirits per year.

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

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

Class 10. A class 1 craft distiller license, which may only be issued to a licensed craft distiller or licensed non-resident dealer, shall allow the manufacture of up to 50,000 gallons of spirits per year provided that the class 1

craft distiller licensee does not manufacture more than a combined 50,000 gallons of spirits per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year. If a class 1 craft distiller manufactures beer, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 brewer license, shall not manufacture more than 930,000 gallons of beer per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year. If a class 1 craft distiller manufactures wine, it shall also obtain and shall only be eligible for, in addition to any current license, a first-class wine-manufacturer license or a first-class wine-maker's license, shall not manufacture more than 50,000 gallons of wine per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of wine per year. A class 1 craft distiller licensee may make sales and deliveries to importing distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (19) of subsection (a) of Section 3-12 of this Act. However, the aggregate amount of spirits sold to non-licensees and sold or delivered to retail licensees may not exceed 5,000 gallons per year.

A class 1 craft distiller licensee may sell up to 5,000

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

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

Class 11. A class 2 craft distiller license, which may only be issued to a licensed craft distiller or licensed non-resident dealer, shall allow the manufacture of up to 100,000 gallons of spirits per year provided that the class 2 craft distiller licensee does not manufacture more than a combined 100,000 gallons of spirits per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 100,000 gallons of spirits per year. If a class 2 craft distiller manufactures beer, it shall also obtain and shall only be eligible for, in

addition to any current license, a class 2 brewer license, shall not manufacture more than 3,720,000 gallons of beer per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year. If a class 2 craft distiller manufactures wine, it shall also obtain and shall only be eligible for, in addition to any current license, a second-class wine-maker's license, shall not manufacture more than 150,000 gallons of wine per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 150,000 gallons of wine per year. A class 2 craft distiller licensee may make sales and deliveries to importing distributors and distributors, but shall not make sales or deliveries to any other licensee. If the State Commission provides prior approval, a class 2 craft distiller licensee may annually transfer up to 100,000 gallons of spirits manufactured by that class 2 craft distiller licensee to the premises of a licensed class 2 craft distiller wholly owned and operated by the same licensee. A class 2 craft distiller may transfer spirits to a distilling pub wholly owned and operated by the class 2 craft distiller subject to the following limitations and restrictions: (i) the transfer shall not annually exceed more than 5,000 gallons; (ii) the annual amount transferred shall reduce the distilling pub's annual permitted production limit; (iii) all spirits transferred shall be subject to Article VIII of this Act; (iv)

a written record shall be maintained by the distiller and distilling pub specifying the amount, date of delivery, and receipt of the product by the distilling pub; and (v) the distilling pub shall be located no farther than 80 miles from the class 2 craft distiller's licensed location.

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

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

Class 12. A class 1 brewer license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 930,000 gallons of beer per year provided that the class 1 brewer licensee does not manufacture more than a combined 930,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year. If a class 1 brewer manufactures

spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 craft distiller license, shall not manufacture more than 50,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year. If a class 1 craft brewer manufactures wine, it shall also obtain and shall only be eligible for, in addition to any current license, a first-class wine-manufacturer license or a first-class wine-maker's license, shall not manufacture more than 50,000 gallons of wine per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of wine per year. A class 1 brewer licensee may make sales and deliveries to importing distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (18) of subsection (a) of Section 3-12 of this Act. If the State Commission provides prior approval, a class 1 brewer may annually transfer up to 930,000 gallons of beer manufactured by that class 1 brewer to the premises of a licensed class 1 brewer wholly owned and operated by the same licensee.

Class 13. A class 2 brewer license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 3,720,000 gallons of beer per year provided that the class 2 brewer licensee does not manufacture more than a combined 3,720,000 gallons of beer per

year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year. If a class 2 brewer manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 2 craft distiller license, shall not manufacture more than 100,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 100,000 gallons of spirits per year. If a class 2 craft distiller manufactures wine, it shall also obtain and shall only be eligible for, in addition to any current license, a second-class wine-maker's license, shall not manufacture more than 150,000 gallons of wine per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 150,000 gallons of wine a year. A class 2 brewer licensee may make sales and deliveries to importing distributors and distributors, but shall not make sales or deliveries to any other licensee. If the State Commission provides prior approval, a class 2 brewer licensee may annually transfer up to 3,720,000 gallons of beer manufactured by that class 2 brewer licensee to the premises of a licensed class 2 brewer wholly owned and operated by the same licensee.

A class 2 brewer may transfer beer to a brew pub wholly owned and operated by the class 2 brewer subject to the following limitations and restrictions: (i) the transfer shall

not annually exceed more than 31,000 gallons; (ii) the annual amount transferred shall reduce the brew pub's annual permitted production limit; (iii) all beer transferred shall be subject to Article VIII of this Act; (iv) a written record shall be maintained by the brewer and brew pub specifying the amount, date of delivery, and receipt of the product by the brew pub; and (v) the brew pub shall be located no farther than 80 miles from the class 2 brewer's licensed location.

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

Class 14. A class 3 brewer license, which may be issued to a brewer or a non-resident dealer, shall allow the manufacture of no more than 465,000 gallons of beer per year and no more than 155,000 gallons at a single brewery premises, and shall allow the sale of no more than 6,200 gallons of beer from each in-state or out-of-state class 3 brewery premises, or 18,600 gallons in the aggregate, to retail licensees, class 1 brewers, class 2 brewers, and class 3 brewers as long as the class 3 brewer licensee does not manufacture more than a combined 465,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer

that produces more than 465,000 gallons of beer per year to make sales to importing distributors, distributors, retail licensees, brewers, class 1 brewers, class 2 brewers, and class 3 brewers in accordance with the conditions set forth in paragraph (20) of subsection (a) of Section 3-12. If the State Commission provides prior approval, a class 3 brewer may annually transfer up to 155,000 gallons of beer manufactured by that class 3 brewer to the premises of a licensed class 3 brewer wholly owned and operated by the same licensee. A class 3 brewer shall manufacture beer at the brewer's class 3 designated licensed premises, and may sell beer as otherwise provided in this Act.

Class 15. A class 3 craft distiller license, which may be issued to a distiller or a non-resident dealer, shall allow the manufacture of no more than 100,000 gallons of spirits per year and shall allow the sale of spirits from the class 3 craft distiller's in-state or out-of-state class 3 craft distillery premises to retail licensees, class 3 brewers, and class 3 craft distillers as long as the class 3 craft distiller licensee does not manufacture more than a combined 100,000 gallons of spirits per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 100,000 gallons of spirits per year and to make sales to importing distributors, distributors, retail licensees, class 3 brewers, and class 3 craft distillers in accordance with the conditions set forth in paragraph (21) of

subsection (a) of Section 3-12. If the State Commission provides prior approval, a class 3 craft distiller may annually transfer up to 2,500 gallons of spirits manufactured by that class 3 craft distiller to the premises of a licensed class 3 craft distiller wholly owned and operated by the same licensee. A class 3 craft distiller shall manufacture spirits at the distiller's class 3 designated licensed premises and may sell spirits as otherwise provided in this Act.

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

Registration of agents, representatives, or persons acting on behalf of a manufacturer is fulfilled by submitting a form to the State Commission. The form shall be developed by the State Commission and shall include the name and address of the applicant, the name and address of the manufacturer he or she represents, the territory or areas assigned to sell to or discuss pricing terms of alcoholic liquor, and any other questions deemed appropriate and necessary. All statements in the forms required to be made by law or by rule shall be deemed material, and any person who knowingly misstates any material

fact under oath in an application is guilty of a Class B misdemeanor. Fraud, misrepresentation, false statements, misleading statements, evasions, or suppression of material facts in the securing of a registration are grounds for suspension or revocation of the registration. The State Commission shall post a list of registered agents on the State Commission's website.

(b) A distributor's license shall allow (i) the wholesale purchase and storage of alcoholic liquors and sale of alcoholic liquors to licensees in this State and to persons without the State, as may be permitted by law; (ii) the sale of beer, cider, mead, or any combination thereof to brewers, class 1 brewers, and class 2 brewers that, pursuant to subsection (e) of Section 6-4 of this Act, sell beer, cider, mead, or any combination thereof to non-licensees at their breweries; (iii) the sale of vermouth to class 1 craft distillers and class 2 craft distillers that, pursuant to subsection (e) of Section 6-4 of this Act, sell spirits, vermouth, or both spirits and vermouth to non-licensees at their distilleries; or (iv) as otherwise provided in this Act. No person licensed as a distributor shall be granted a non-resident dealer's license.

(c) An importing distributor's license may be issued to and held by those only who are duly licensed distributors, upon the filing of an application by a duly licensed distributor, with the State Commission and the State

Commission shall, without the payment of any fee, immediately issue such importing distributor's license to the applicant, which shall allow the importation of alcoholic liquor by the licensee into this State from any point in the United States outside this State, and the purchase of alcoholic liquor in barrels, casks, or other bulk containers and the bottling of such alcoholic liquors before resale thereof, but all bottles or containers so filled shall be sealed, labeled, stamped, and otherwise made to comply with all provisions, rules, and regulations governing manufacturers in the preparation and bottling of alcoholic liquors. The importing distributor's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers and foreign importers only. No person licensed as an importing distributor shall be granted a non-resident dealer's license.

(d) A retailer's license shall allow the licensee to sell and offer for sale at retail, only in the premises specified in the license, alcoholic liquor for use or consumption, but not for resale in any form. Except as provided in Section 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit, remove, or restrict the ability of a holder of a retailer's license to transfer or ship alcoholic liquor to the purchaser for use or consumption subject to any applicable local law or ordinance. For the purposes of this Section, "shipping" means the movement of alcoholic liquor from a licensed retailer to a consumer via a common carrier. Except as provided in Section

6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit, remove, or restrict the ability of a holder of a retailer's license to deliver alcoholic liquor to the purchaser for use or consumption. The delivery shall be made only within 12 hours from the time the alcoholic liquor leaves the licensed premises of the retailer for delivery. For the purposes of this Section, "delivery" means the movement of alcoholic liquor purchased from a licensed retailer to a consumer through the following methods:

(1) delivery within licensed retailer's parking lot, including curbside, for pickup by the consumer;

(2) delivery by an owner, officer, director, shareholder, or employee of the licensed retailer; or

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

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

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

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

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

(e) A special event retailer's license (not-for-profit) shall permit the licensee to purchase alcoholic liquors from an Illinois licensed distributor (unless the licensee purchases less than \$500 of alcoholic liquors for the special event, in which case the licensee may purchase the alcoholic liquors from a licensed retailer) and shall allow the licensee to sell and offer for sale, at retail, alcoholic liquors for consumption on or off the premises specified in the license ~~for use or consumption~~, but not for resale in any form and only at the location and on the specific dates designated for the special event in the license. An applicant for a special event retailer license must (i) furnish with the application: (A) a resale number issued under Section 2c of the Retailers'

Occupation Tax Act or evidence that the applicant is registered under Section 2a of the Retailers' Occupation Tax Act, (B) a current, valid exemption identification number issued under Section 1g of the Retailers' Occupation Tax Act, and a certification to the State Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a statement that the applicant is not registered under Section 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers' Occupation Tax Act, and does not hold an exemption number under Section 1g of the Retailers' Occupation Tax Act, in which event the State Commission shall set forth on the special event retailer's license a statement to that effect; (ii) submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance in the maximum limits; and (iii) show proof satisfactory to the State Commission that the applicant has obtained local authority approval.

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

(f) A railroad license shall permit the licensee to import alcoholic liquors into this State from any point in the United

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

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

(h) A non-beverage user's license shall allow the licensee

to purchase alcoholic liquor from a licensed manufacturer or importing distributor, without the imposition of any tax upon the business of such licensed manufacturer or importing distributor as to such alcoholic liquor to be used by such licensee solely for the non-beverage purposes set forth in subsection (a) of Section 8-1 of this Act, and such licenses shall be divided and classified and shall permit the purchase, possession, and use of limited and stated quantities of alcoholic liquor as follows:

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

(i) A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license not more than 50,000 gallons of the first-class wine-maker's wine that is made at the first-class wine-maker's licensed premises per year for use or consumption, but not for resale in any form. A wine-maker's premises license shall allow a licensee who concurrently holds a second-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license up to 100,000 gallons of the second-class wine-maker's wine that is made at the second-class wine-maker's licensed premises per year for use

or consumption but not for resale in any form. A first-class wine-maker that concurrently holds a class 1 brewer license or a class 1 craft distiller license shall not be eligible to hold a wine-maker's premises license. A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license or a second-class wine-maker's license to sell and offer for sale at retail at the premises specified in the wine-maker's premises license, for use or consumption but not for resale in any form, any beer, wine, and spirits purchased from a licensed distributor. Upon approval from the State Commission, a wine-maker's premises license shall allow the licensee to sell and offer for sale at (i) the wine-maker's licensed premises and (ii) ~~at~~ up to 2 additional locations for use and consumption and not for resale. Each location shall require additional licensing per location as specified in Section 5-3 of this Act. A wine-maker's premises licensee shall secure liquor liability insurance coverage in an amount at least equal to the maximum liability amounts set forth in subsection (a) of Section 6-21 of this Act.

(j) An airplane license shall permit the licensee to import alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases of alcoholic liquors directly from manufacturers, foreign importers, distributors, and importing distributors from

within or outside this State; and to store such alcoholic liquors in this State; provided that the above powers may be exercised only in connection with the importation, purchase, or storage of alcoholic liquors to be sold or dispensed on an airplane; and provided further, that airplane licensees exercising the above powers shall be subject to all provisions of Article VIII of this Act as applied to importing distributors. An airplane licensee shall also permit the sale or dispensing of alcoholic liquors on any passenger airplane regularly operated by a common carrier in this State, but shall not permit the sale for resale of any alcoholic liquors to any licensee within this State. A single airplane license shall be required of an airline company if liquor service is provided on board aircraft in this State. The annual fee for such license shall be as determined in Section 5-3.

(k) A foreign importer's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers only, and to import alcoholic liquor other than in bulk from any point outside the United States and to sell such alcoholic liquor to Illinois licensed importing distributors and to no one else in Illinois; provided that (i) the foreign importer registers with the State Commission every brand of alcoholic liquor that it proposes to sell to Illinois licensees during the license period, (ii) the foreign importer complies with all of the provisions of Section 6-9 of this Act with respect to registration of such Illinois licensees as may

be granted the right to sell such brands at wholesale, and (iii) the foreign importer complies with the provisions of Sections 6-5 and 6-6 of this Act to the same extent that these provisions apply to manufacturers.

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

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

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

(ii) A broker's license shall be required of a person

within this State, other than a retail licensee, who, for a fee or commission, promotes, solicits, or accepts orders for alcoholic liquor, for use or consumption and not for resale, to be shipped from this State and delivered to residents outside of this State by an express company, common carrier, or contract carrier. This Section does not apply to any person who promotes, solicits, or accepts orders for wine as specifically authorized in Section 6-29 of this Act.

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

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

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

(m) A non-resident dealer's license shall permit such licensee to ship into and warehouse alcoholic liquor into this State from any point outside of this State, and to sell such alcoholic liquor to Illinois licensed foreign importers and importing distributors and to no one else in this State;

provided that (i) said non-resident dealer shall register with the Illinois Liquor Control Commission each and every brand of alcoholic liquor which it proposes to sell to Illinois licensees during the license period, (ii) it shall comply with all of the provisions of Section 6-9 hereof with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale by duly filing such registration statement, thereby authorizing the non-resident dealer to proceed to sell such brands at wholesale, and (iii) the non-resident dealer shall comply with the provisions of Sections 6-5 and 6-6 of this Act to the same extent that these provisions apply to manufacturers. No person licensed as a non-resident dealer shall be granted a distributor's or importing distributor's license.

(n) A brew pub license shall allow the licensee to only (i) manufacture up to 155,000 gallons of beer per year only on the premises specified in the license, (ii) make sales of the beer manufactured on the premises or, with the approval of the State Commission, beer manufactured on another brew pub licensed premises that is wholly owned and operated by the same licensee to importing distributors, distributors, and ~~to~~ non-licensees for use and consumption, (iii) store the beer upon the premises, (iv) sell and offer for sale at retail from the licensed premises for off-premises consumption no more than 155,000 gallons per year so long as such sales are only made in-person, (v) sell and offer for sale at retail for use

and consumption on the premises specified in the license any form of alcoholic liquor purchased from a licensed distributor or importing distributor, (vi) with the prior approval of the State Commission, annually transfer no more than 155,000 gallons of beer manufactured on the premises to a licensed brew pub wholly owned and operated by the same licensee, and (vii) notwithstanding item (i) of this subsection, brew pubs wholly owned and operated by the same licensee may combine each location's production limit of 155,000 gallons of beer per year and allocate the aggregate total between the wholly owned, operated, and licensed locations.

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

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

Notwithstanding any other provision of this Act, a

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

A brew pub licensee may apply for a class 3 brewer license and, upon meeting all applicable qualifications of this Act and relinquishing all commonly owned brew pub or retail licenses, shall be issued a class 3 brewer license. Nothing in this Act shall prohibit the issuance of a class 3 brewer license if the applicant:

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

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

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

(4) relinquishes all commonly owned retail licenses on

or before December 31, 2022.

If a brew pub licensee is issued a class 3 brewer license, the class 3 brewer license shall expire on the same date as the existing brew pub license and the State Commission shall not require a class 3 brewer licensee to obtain a brewer license⁷ or in the alternative, to pay a fee for a brewer license, until the date the brew pub license of the applicant would have expired.

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

Nothing in this Act prohibits a distributor or importing distributor from offering credit or a refund for unused, salable beer to a holder of a caterer retailer license or a caterer retailer licensee from accepting a credit or refund for unused, salable beer, in the event an act of God is the sole reason an off-site event is canceled ~~cancelled~~ and if:

(i) the holder of a caterer retailer license has not transferred alcoholic liquor from its caterer retailer

premises to an off-site location; (ii) the distributor or importing distributor offers the credit or refund for the unused, salable beer that it delivered to the off-site premises and not for any unused, salable beer that the distributor or importing distributor delivered to the caterer retailer's premises; and (iii) the unused, salable beer would likely spoil if transferred to the caterer retailer's premises. A caterer retailer license shall allow the holder to transfer any inventory from any off-site location to its caterer retailer premises at the conclusion of an off-site event or engage a distributor or importing distributor to transfer any inventory from any off-site location to its caterer retailer premises at the conclusion of an off-site event, provided that the distributor or importing distributor issues bona fide charges to the caterer retailer licensee for fuel, labor, and delivery and the distributor or importing distributor collects payment from the caterer retailer licensee prior to the distributor or importing distributor transferring inventory to the caterer retailer premises.

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

(p) An auction liquor license shall allow the licensee to sell and offer for sale at auction wine and spirits for use or consumption, or for resale by an Illinois liquor licensee in

accordance with provisions of this Act. An auction liquor license will be issued to a person and it will permit the auction liquor licensee to hold the auction anywhere in the State. An auction liquor license must be obtained for each auction at least 14 days in advance of the auction date.

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

A special use permit license shall allow the holder to transfer any inventory from the holder's special use premises to its retail premises at the conclusion of the special use

event or engage a distributor or importing distributor to transfer any inventory from the holder's special use premises to its retail premises at the conclusion of an off-site event, provided that the distributor or importing distributor issues bona fide charges to the special use permit licensee for fuel, labor, and delivery and the distributor or importing distributor collects payment from the retail licensee prior to the distributor or importing distributor transferring inventory to the retail premises.

Nothing in this Act prohibits a distributor or importing distributor from offering credit or a refund for unused, salable beer to a special use permit licensee or a special use permit licensee from accepting a credit or refund for unused, salable beer at the conclusion of the event specified in the license if: (i) the holder of the special use permit license has not transferred alcoholic liquor from its retail licensed premises to the premises specified in the special use permit license; (ii) the distributor or importing distributor offers the credit or refund for the unused, salable beer that it delivered to the premises specified in the special use permit license and not for any unused, salable beer that the distributor or importing distributor delivered to the retailer's premises; and (iii) the unused, salable beer would likely spoil if transferred to the retailer premises.

(r) A winery shipper's license shall allow a person with a first-class or second-class wine manufacturer's license, a

first-class or second-class wine-maker's license, or a limited wine manufacturer's license or who is licensed to make wine under the laws of another state to ship wine made by that licensee directly to a resident of this State who is 21 years of age or older for that resident's personal use and not for resale. Prior to receiving a winery shipper's license, an applicant for the license must provide the State Commission with a true copy of its current license in any state in which it is licensed as a manufacturer of wine. An applicant for a winery shipper's license must also complete an application form that provides any other information the State Commission deems necessary. The application form shall include all addresses from which the applicant for a winery shipper's license intends to ship wine, including the name and address of any third party, except for a common carrier, authorized to ship wine on behalf of the manufacturer. The application form shall include an acknowledgment ~~acknowledgement~~ consenting to the jurisdiction of the State Commission, the Illinois Department of Revenue, and the courts of this State concerning the enforcement of this Act and any related laws, rules, and regulations, including authorizing the Department of Revenue and the State Commission to conduct audits for the purpose of ensuring compliance with Public Act 95-634, and an acknowledgment ~~acknowledgement~~ that the wine manufacturer is in compliance with Section 6-2 of this Act. Any third party, except for a common carrier, authorized to ship wine on behalf

of a first-class or second-class wine manufacturer's licensee, a first-class or second-class wine-maker's licensee, a limited wine manufacturer's licensee, or a person who is licensed to make wine under the laws of another state shall also be disclosed by the winery shipper's licensee, and a copy of the written appointment of the third-party wine provider, except for a common carrier, to the wine manufacturer shall be filed with the State Commission as a supplement to the winery shipper's license application or any renewal thereof. The winery shipper's license holder shall affirm under penalty of perjury, as part of the winery shipper's license application or renewal, that he or she only ships wine, either directly or indirectly through a third-party provider, from the licensee's own production.

Except for a common carrier, a third-party provider shipping wine on behalf of a winery shipper's license holder is the agent of the winery shipper's license holder and, as such, a winery shipper's license holder is responsible for the acts and omissions of the third-party provider acting on behalf of the license holder. A third-party provider, except for a common carrier, that engages in shipping wine into Illinois on behalf of a winery shipper's license holder shall consent to the jurisdiction of the State Commission and the State. Any third-party, except for a common carrier, holding such an appointment shall, by February 1 of each calendar year and upon request by the State Commission or the Department of

Revenue, file with the State Commission a statement detailing each shipment made to an Illinois resident. The statement shall include the name and address of the third-party provider filing the statement, the time period covered by the statement, and the following information:

- (1) the name, address, and license number of the winery shipper on whose behalf the shipment was made;
- (2) the quantity of the products delivered; and
- (3) the date and address of the shipment.

If the Department of Revenue or the State Commission requests a statement under this paragraph, the third-party provider must provide that statement no later than 30 days after the request is made. Any books, records, supporting papers, and documents containing information and data relating to a statement under this paragraph shall be kept and preserved for a period of 3 years, unless their destruction sooner is authorized, in writing, by the Director of Revenue, and shall be open and available to inspection by the Director of Revenue or the State Commission or any duly authorized officer, agent, or employee of the State Commission or the Department of Revenue, at all times during business hours of the day. Any person who violates any provision of this paragraph or any rule of the State Commission for the administration and enforcement of the provisions of this paragraph is guilty of a Class C misdemeanor. In case of a continuing violation, each day's continuance thereof shall be a separate and distinct

offense.

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

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

the provisions of Article VII of this Act.

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

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

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

(s) A craft distiller tasting permit license shall allow an Illinois licensed class 1 craft distiller or class 2 craft distiller to transfer a portion of its alcoholic liquor inventory from its class 1 craft distiller or class 2 craft distiller licensed premises to the premises specified in the license hereby created and to conduct a sampling, only in the premises specified in the license hereby created, of the transferred alcoholic liquor in accordance with subsection (c) of Section 6-31 of this Act. The transferred alcoholic liquor may not be sold or resold in any form. An applicant for the

craft distiller tasting permit license must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval.

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

(u) A distilling pub license shall allow the licensee to only (i) manufacture up to 5,000 gallons of spirits per year only on the premises specified in the license, (ii) make sales of the spirits manufactured on the premises or, with the approval of the State Commission, spirits manufactured on another distilling pub licensed premises that is wholly owned and operated by the same licensee to importing distributors and distributors and to non-licensees for use and consumption, (iii) store the spirits upon the premises, (iv) sell and offer

for sale at retail from the licensed premises for off-premises consumption no more than 5,000 gallons per year so long as such sales are only made in-person, (v) sell and offer for sale at retail for use and consumption on the premises specified in the license any form of alcoholic liquor purchased from a licensed distributor or importing distributor, and (vi) with the prior approval of the State Commission, annually transfer no more than 5,000 gallons of spirits manufactured on the premises to a licensed distilling pub wholly owned and operated by the same licensee.

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

A person who holds a class 2 craft distiller license may simultaneously hold a distilling pub license if the class 2 craft distiller (i) does not, under any circumstance, sell or offer for sale spirits manufactured by the class 2 craft distiller to retail licensees; (ii) does not hold more than 3 distilling pub licenses in this State; (iii) does not manufacture more than a combined 100,000 gallons of spirits per year, including the spirits manufactured at the distilling pub; and (iv) is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 100,000 gallons of spirits per year or any other alcoholic liquor.

(v) A craft distiller warehouse permit may be issued to the holder of a class 1 craft distiller or class 2 craft

distiller license. The craft distiller warehouse permit shall allow the holder to store or warehouse up to 500,000 gallons of spirits manufactured by the holder of the permit at the premises specified on the permit. Sales to non-licensees are prohibited at the premises specified in the craft distiller warehouse permit.

(w) A beer showcase permit license shall allow ~~an Illinois licensed distributor to transfer a portion of its beer inventory from its licensed premises to the premises specified in the beer showcase permit license, and, in the case of~~ a class 3 brewer to, transfer only beer the class 3 brewer manufactures from its licensed premises to the premises specified in the beer showcase permit license, and to sell or offer for sale at retail, only in the premises specified in the beer showcase permit license, the transferred or delivered beer for on or off premise consumption, but not for resale in any form and to sell to non-licensees not more than 96 fluid ounces of beer per person. A beer showcase permit license may be granted for the following time periods: one day or less; or 2 or more days to a maximum of 15 days per location in any 12-month period. An applicant for a beer showcase permit license must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval. The State Commission shall require the beer showcase applicant to comply with Section

6-27.1.

(x) A spirits showcase permit shall allow a class 3 craft distiller to transfer only spirits the class 3 craft distiller manufactures from its licensed premises to the premises specified in the spirits showcase permit and to sell or offer for sale at retail, only in the premises specified in the spirits showcase permit, the transferred or delivered spirits for on-premises or off-premises consumption, but not for resale in any form, and to sell to non-licensees not more than 156 fluid ounces of spirits per person. A spirits showcase permit may be granted for the following time periods: one day or less; or 2 or more days up to a maximum of 15 days per location in any 12-month period. An applicant for a spirits showcase permit must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval. The State Commission shall require the spirits showcase applicant to comply with Section 6-27.1.

(Source: P.A. 101-16, eff. 6-14-19; 101-31, eff. 6-28-19; 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff. 8-23-19; 101-615, eff. 12-20-19; 101-668, eff. 1-1-22; 102-442, eff. 8-20-21; 102-1142, eff. 2-17-23; revised 7-2-25.)

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

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

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

	Online renewal	Initial license or non-online renewal
For a manufacturer's license:		
Class 1. Distiller	\$4,000	\$5,000
Class 2. Rectifier	4,000	5,000
Class 3. Brewer	1,200	1,500
Class 4. First-class Wine		
Manufacturer	750	900
Class 5. Second-class		
Wine Manufacturer	1,500	1,750
Class 6. First-class wine-maker	750	900
Class 7. Second-class wine-maker ..	1,500	1,750
Class 8. Limited Wine		
Manufacturer	250	350
Class 9. Craft Distiller	2,000	2,500
Class 10. Class 1 Craft Distiller ..	50	75

Class 11. Class 2 Craft Distiller ..	75	100
Class 12. Class 1 Brewer	50	75
Class 13. Class 2 Brewer	75	100
Class 14. Class 3 Brewer	25	50
<u>Class 15. Class 3 Craft Distiller ..</u>	<u>175</u>	<u>200</u>
For a Brew Pub License	1,200	1,500
For a Distilling Pub License	1,200	1,500
For a caterer retailer's license ..	350	500
For a foreign importer's license ..	25	25
For an importing distributor's license.....	25	25
For a distributor's license (11,250,000 gallons or over)	1,450	2,200
For a distributor's license (over 4,500,000 gallons, but under 11,250,000 gallons)	950	1,450
For a distributor's license (4,500,000 gallons or under) ..	300	450
For a non-resident dealer's license (500,000 gallons or over) or with self-distribution privileges	1,200	1,500
For a non-resident dealer's license (under 500,000 gallons)	250	350
For a wine-maker's premises		

license.....	250	500
For a winery shipper's license		
(under 250,000 gallons)	200	350
For a winery shipper's license		
(250,000 or over, but		
under 500,000 gallons)	750	1,000
For a winery shipper's license		
(500,000 gallons or over)	1,200	1,500
For a wine-maker's premises		
license, second location	500	1,000
For a wine-maker's premises		
license, third location.....	500	1,000
For a retailer's license	600	750
For a special event retailer's		
license, (not-for-profit).....	25	25
For a beer showcase permit,		
one day only	100	150
2 days or more	150	250
<u>For a spirits showcase permit,</u>		
<u>one day only</u>	<u>100</u>	<u>150</u>
<u>2 days or more</u>	<u>150</u>	<u>250</u>
For a special use permit license,		
one day only	100	150
2 days or more	150	250
For a railroad license	100	150
For a boat license	500	1,000

For an airplane license, times the licensee's maximum number of aircraft in flight, serving liquor over the State at any given time, which either originate, terminate, or make an intermediate stop in the State	100	150
For a non-beverage user's license:		
Class 1	24	24
Class 2	60	60
Class 3	120	120
Class 4	240	240
Class 5	600	600
For a broker's license	750	1,000
For an auction liquor license	100	150
For a homebrewer special event permit	25	25
For a craft distiller tasting permit	25	25
For a BASSET trainer license	300	350
For a tasting representative license	200	300
For a brewer warehouse permit	25	25
For a craft distiller warehouse permit	25	25

Fees collected under this Section shall be paid into the Dram Shop Fund. The State Commission shall waive license renewal fees for those retailers' licenses that are designated as "1A" by the State Commission and expire on or after July 1, 2022, and on or before June 30, 2023. One-half of the funds received for a retailer's license shall be paid into the Dram Shop Fund and one-half of the funds received for a retailer's license shall be paid into the General Revenue Fund.

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

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

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

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

(Source: P.A. 102-442, eff. 8-20-21; 102-558, eff. 8-20-21; 102-699, eff. 4-19-22; 102-1142, eff. 2-17-23; 103-154, eff. 6-30-23; 103-605, eff. 7-1-24.)

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

Sec. 6-4. Prohibited ownership interests; retail sales by certain manufacturers.

(a) No person licensed by any licensing authority as a

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

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

(b) The foregoing provisions shall not apply to any person

licensed by any licensing authority as a distiller or wine manufacturer, or to any subsidiary or affiliate of any distiller or wine manufacturer who shall have been heretofore licensed by the State Commission as either an importing distributor or distributor during the annual licensing period expiring June 30, 1947, and shall actually have made sales regularly to retailers.

(c) Provided, however, that in such instances where a distributor's or importing distributor's license has been issued to any distiller or wine manufacturer or to any subsidiary or affiliate of any distiller or wine manufacturer who has, during the licensing period ending June 30, 1947, sold or distributed as such licensed distributor or importing distributor alcoholic liquors and wines to retailers, such distiller or wine manufacturer or any subsidiary or affiliate of any distiller or wine manufacturer holding such distributor's or importing distributor's license may continue to sell or distribute to retailers such alcoholic liquors and wines which are manufactured, distilled, processed or marketed by distillers and wine manufacturers whose products it sold or distributed to retailers during the whole or any part of its licensing periods; and such additional brands and additional products may be added to the line of such distributor or importing distributor, provided, that such brands and such products were not sold or distributed by any distributor or importing distributor licensed by the State Commission during

the licensing period ending June 30, 1947, but can not sell or distribute to retailers any other alcoholic liquors or wines.

(d) It shall be unlawful for any distiller licensed anywhere to have any stock ownership or interest in any distributor's or importing distributor's license wherein any other person has an interest therein who is not a distiller and does not own more than 5% of any stock in any distillery. Nothing herein contained shall apply to such distillers or their subsidiaries or affiliates, who had a distributor's or importing distributor's license during the licensing period ending June 30, 1947, which license was owned in whole by such distiller, or subsidiaries or affiliates of such distiller.

(e) Any person licensed as a brewer, class 1 brewer, or class 2 brewer shall be permitted to sell on the licensed premises to non-licensees for on or off-premises consumption for the premises in which he or she actually conducts such business: (i) beer manufactured by the brewer, class 1 brewer, class 2 brewer, or class 3 brewer; (ii) beer manufactured by any other brewer, class 1 brewer, class 2 brewer, or class 3 brewer; and (iii) cider or mead. Any person licensed as a class 3 brewer shall be permitted to sell on the licensed premises to non-licensees for on or off premises consumption for the premises in which he or she actually conducts such business: (i) beer manufactured by the class 3 brewer on the premises; (ii) beer manufactured by any other brewer, class 1 brewer, class 2 brewer, or class 3 brewer; and (iii) cider, wine, and

spirits. All products sold under this subsection that are not manufactured on premises must be purchased through a licensed distributor, importing distributor, or manufacturer with self-distribution privileges. Such sales shall be limited to on-premises, in-person sales only, for lawful consumption on or off premises. Such authorization shall be considered a privilege granted by the brewer license and, other than a manufacturer of beer as stated above, no manufacturer or distributor or importing distributor, excluding airplane licensees exercising powers provided in paragraph (i) of Section 5-1 of this Act, or any subsidiary or affiliate thereof, or any officer, associate, member, partner, representative, employee or agent, or shareholder shall be issued a retailer's license, nor shall any person having a retailer's license, excluding airplane licensees exercising powers provided in paragraph (i) of Section 5-1 of this Act, or any subsidiary or affiliate thereof, or any officer, associate, member, partner, representative or agent, or shareholder be issued a manufacturer's license or importing distributor's license.

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

A person who holds a class 2 brewer license and is authorized by this Section to sell beer to non-licensees shall not sell beer to non-licensees from more than 3 total brewer or commonly owned brew pub licensed locations in this State. The

class 2 brewer shall designate to the State Commission the brewer or brew pub locations from which it will sell beer to non-licensees.

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

A class 1 craft distiller or class 2 craft distiller license holder shall not deliver any alcoholic liquor to any non-licensee off the licensed premises. A class 1 craft distiller or class 2 craft distiller shall affirm in its

annual license application that it does not produce more than 50,000 or 100,000 gallons of distilled spirits annually, whichever is applicable, and that the craft distiller does not sell more than 5,000 gallons of spirits to non-licensees for on or off-premises consumption. In the application, which shall be sworn under penalty of perjury, the class 1 craft distiller or class 2 craft distiller shall state the volume of production and sales for each year since the class 1 craft distiller's or class 2 craft distiller's establishment.

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

A class 3 craft distiller license shall allow the licensee to only (i) manufacture up to 100,000 gallons of spirits per year, (ii) make sales of the spirits manufactured on the premises or, with the approval of the State Commission, spirits manufactured on another class 3 craft distiller's licensed premises that are wholly owned and operated by the same licensee to importing distributors and distributors, to retail licensees in accordance with the conditions set forth

in paragraph (21) of subsection (a) of Section 3-12 of this Act, and to non-licensees for use and consumption, (iii) store the spirits upon the premises, (iv) sell and offer for sale at retail from the licensed premises for off-premises consumption no more than 5,000 gallons per year so long as such sales are only made in-person, (v) sell and offer for sale at retail for use and consumption on the premises specified in the license any form of alcoholic liquor purchased from a licensed distributor or importing distributor, and (vi) with the prior approval of the State Commission, annually transfer no more than 2,500 gallons of spirits manufactured on the premises to a second and separate location licensed as a class 3 craft distiller if the second location is wholly owned and operated by the same licensee. The second location may operate with the same retail privileges as the original licensed premises.

(f) (Blank).

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

(h) The changes made to this Section by Public Act 99-47 shall not diminish or impair the rights of any person, whether a distiller, wine manufacturer, agent, or affiliate thereof,

who requested in writing and submitted documentation to the State Commission on or before February 18, 2015 to be approved for a retail license pursuant to what has heretofore been subsection (f); provided that, on or before that date, the State Commission considered the intent of that person to apply for the retail license under that subsection and, by recorded vote, the State Commission approved a resolution indicating that such a license application could be lawfully approved upon that person duly filing a formal application for a retail license and if that person, within 90 days of the State Commission appearance and recorded vote, first filed an application with the appropriate local commission, which application was subsequently approved by the appropriate local commission prior to consideration by the State Commission of that person's application for a retail license. It is further provided that the State Commission may approve the person's application for a retail license or renewals of such license if such person continues to diligently adhere to all representations made in writing to the State Commission on or before February 18, 2015, or thereafter, or in the affidavit filed by that person with the State Commission to support the issuance of a retail license and to abide by all applicable laws and duly adopted rules.

(i) Notwithstanding any other provision of this Act, the common ownership of a brewery, winery, or a distillery shall not authorize the grant of and aggregation of retail

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

(Source: P.A. 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 101-615, eff. 12-20-19; 102-442, eff. 8-20-21.)

(235 ILCS 5/6-40 new)

Sec. 6-40. Consumer loyalty and reward programs.

(a) In this Section:

"Loyalty program" means a structured program used by a brew pub licensee, class 1 brewer licensee, class 2 brewer licensee, class 3 brewer licensee, or manufacturer licensee with retail privileges licensed under this Act to encourage participants to continue to shop at the brew pub licensee's, class 1 brewer licensee's, class 2 brewer licensee's, class 3 brewer licensee's, or manufacturer licensee with retail privileges' business by allowing participants access to special pricing on products by virtue of being a member of a

bona fide loyalty program.

"Mug club" means a group that is organized by a brew pub licensee, class 1 brewer licensee, class 2 brewer licensee, class 3 brewer licensee, or manufacturer licensee with retail privileges licensed under this Act whose members are entitled to discounted malt, brewed, or distilled beverages and that is designed to allow a consumer to access rewards for purchases made on the brew pub licensee's, class 1 brewer licensee's, class 2 brewer licensee's, class 3 brewer licensee's, or manufacturer licensee with retail privileges' premises. "Mug club" includes, but is not limited to, point accumulation programs, the purchase and use of specialty glassware, and the purchase and use of non-alcoholic beverage products.

"Rewards program" means a structured program used by a brew pub licensee, class 1 brewer licensee, class 2 brewer licensee, class 3 brewer licensee, or manufacturer licensee with retail privileges licensed under this Act to encourage participants to continue to shop at the brew pub licensee, class 1 brewer licensee, class 2 brewer licensee, class 3 brewer licensee, or manufacturer licensee with retail privileges licensed business by allowing participants to accrue program benefits, in the form of points or other accrual-based methods of reward, through the purchase of products, to be redeemed in the form of a discount upon a subsequent transaction on alcoholic or non-alcoholic products.

(b) A brew pub licensee, class 1 brewer licensee, class 2

brewer licensee, class 3 brewer licensee, or manufacturer licensee with retail privileges may do any of the following:

(1) operate a loyalty program, reward program, or mug club for alcoholic beverages that the brew pub licensee, class 1 brewer licensee, class 2 brewer licensee, class 3 brewer licensee, or manufacturer licensee with retail privileges is licensed to sell;

(2) offer incentives to consumers for participation in a rewards program, loyalty program, or mug club;

(3) offer consumers discounts on its products as part of a rewards program, loyalty program, or mug club;

(4) offer benefits to members or participants of a rewards program, loyalty program, or mug club that are not offered to other consumers;

(5) offer specialty glassware or other non-alcoholic products for sale to members or participants in a rewards program, loyalty program, or mug club and offer a price discount to the owner of that glassware on additional purchases using the glassware; or

(6) require members or participants in a rewards program, loyalty program, or mug club to pay an annual fee as well as a renewal fee to join or maintain membership or continue participation in a rewards program, loyalty program, or mug club.

(c) Membership in a mug club shall be by written application, and the licensee that organized the mug club must

maintain a written list of active members as part of its records.

(d) This Section applies only to a brew pub licensee, class 1 brewer licensee, class 2 brewer licensee, class 3 brewer licensee, or manufacturer licensee with retail privileges. Nothing in this Section applies to an off-premises or on-premise retail licensee or be construed to regulate, limit, or prohibit any discount program, rewards program, loyalty program, mug club, or any other similar program, however defined or structured, that is created, administered, or offered by an off-premises or on-premises retail licensee.

(235 ILCS 5/8-2) (from Ch. 43, par. 159)

Sec. 8-2. Payments; reports. It is the duty of each manufacturer with respect to alcoholic liquor produced or imported by such manufacturer, or purchased tax-free by such manufacturer from another manufacturer or importing distributor, and of each importing distributor as to alcoholic liquor purchased by such importing distributor from foreign importers or from anyone from any point in the United States outside of this State or purchased tax-free from another manufacturer or importing distributor, to pay the tax imposed by Section 8-1 to the Department of Revenue on or before the 15th day of the calendar month following the calendar month in which such alcoholic liquor is sold or used by such manufacturer or by such importing distributor other than in an

authorized tax-free manner or to pay that tax electronically as provided in this Section.

Each manufacturer and each importing distributor shall make payment under one of the following methods: (1) on or before the 15th day of each calendar month, file in person or by United States first-class mail, postage pre-paid, with the Department of Revenue, on forms prescribed and furnished by the Department, a report in writing in such form as may be required by the Department in order to compute, and assure the accuracy of, the tax due on all taxable sales and uses of alcoholic liquor occurring during the preceding month. Payment of the tax in the amount disclosed by the report shall accompany the report or, (2) on or before the 15th day of each calendar month, electronically file with the Department of Revenue, on forms prescribed and furnished by the Department, an electronic report in such form as may be required by the Department in order to compute, and assure the accuracy of, the tax due on all taxable sales and uses of alcoholic liquor occurring during the preceding month. An electronic payment of the tax in the amount disclosed by the report shall accompany the report. A manufacturer or distributor who files an electronic report and electronically pays the tax imposed pursuant to Section 8-1 to the Department of Revenue on or before the 15th day of the calendar month following the calendar month in which such alcoholic liquor is sold or used by that manufacturer or importing distributor other than in an

authorized tax-free manner shall pay to the Department the amount of the tax imposed pursuant to Section 8-1, less a discount which is allowed to reimburse the manufacturer or importing distributor for the expenses incurred in keeping and maintaining records, preparing and filing the electronic returns, remitting the tax, and supplying data to the Department upon request.

The discount shall be in an amount as follows:

(1) For original returns due on or after January 1, 2003 through September 30, 2003, the discount shall be 1.75% or \$1,250 per return, whichever is less;

(2) For original returns due on or after October 1, 2003 through September 30, 2004, the discount shall be 2% or \$3,000 per return, whichever is less; and

(3) For original returns due on or after October 1, 2004, the discount shall be 2% or \$2,000 per return, whichever is less.

The Department may, if it deems it necessary in order to insure the payment of the tax imposed by this Article, require returns to be made more frequently than and covering periods of less than a month. Such return shall contain such further information as the Department may reasonably require.

It shall be presumed that all alcoholic liquors acquired or made by any importing distributor or manufacturer have been sold or used by him in this State and are the basis for the tax imposed by this Article unless proven, to the satisfaction of

the Department, that such alcoholic liquors are (1) still in the possession of such importing distributor or manufacturer, or (2) prior to the termination of possession have been lost by theft or through unintentional destruction, or (3) that such alcoholic liquors are otherwise exempt from taxation under this Act.

If any payment provided for in this Section exceeds the manufacturer's or importing distributor's liabilities under this Act, as shown on an original report, the manufacturer or importing distributor may credit such excess payment against liability subsequently to be remitted to the Department under this Act, in accordance with reasonable rules adopted by the Department. If the Department subsequently determines that all or any part of the credit taken was not actually due to the manufacturer or importing distributor, the manufacturer's or importing distributor's discount shall be reduced by an amount equal to the difference between the discount as applied to the credit taken and that actually due, and the manufacturer or importing distributor shall be liable for penalties and interest on such difference.

The Department may require any foreign importer to file monthly information returns, by the 15th day of the month following the month which any such return covers, if the Department determines this to be necessary to the proper performance of the Department's functions and duties under this Act. Such return shall contain such information as the

Department may reasonably require.

Every manufacturer and importing distributor, except for a manufacturer or importing distributor who is applying for a manufacturer's or importing distributor's license under this Act for the first time or a manufacturer or importing distributor who ~~that~~ in the preceding year had less than \$50,000 of tax liability under this Article, shall also file, with the Department, a bond in an amount not less than \$1,000 and not to exceed \$100,000 on a form to be approved by, and with a surety or sureties satisfactory to, the Department. Such bond may be required as a condition to renew a license for subsequent annual license terms if a manufacturer or importing distributor exceeds \$50,000 in tax liability. Such bond shall be conditioned upon the manufacturer or importing distributor paying to the Department all monies becoming due from such manufacturer or importing distributor under this Article. The Department shall fix the penalty of such bond in each case, taking into consideration the amount of alcoholic liquor expected to be sold and used by such manufacturer or importing distributor, and the penalty fixed by the Department shall be sufficient, in the Department's opinion, to protect the State of Illinois against failure to pay any amount due under this Article, but the amount of the penalty fixed by the Department shall not exceed twice the amount of tax liability of a monthly return, nor shall the amount of such penalty be less than \$1,000. The Department shall notify the State Commission of

the Department's approval or disapproval of any such manufacturer's or importing distributor's bond, or of the termination or cancellation of any such bond, or of the Department's direction to a manufacturer or importing distributor that he must file additional bond in order to comply with this Section. The State Commission shall not renew ~~issue~~ a license for ~~to~~ any applicant for a manufacturer's or importing distributor's license if ~~unless~~ the State Commission has received a notification from the Department showing that such applicant is required to file and has not filed a satisfactory bond with the Department hereunder and that such bond has not been approved by the Department. Failure by any licensed manufacturer or importing distributor to keep a satisfactory bond in effect with the Department or to furnish additional bond to the Department, when required hereunder by the Department to do so, shall be grounds for the revocation or suspension of such manufacturer's or importing distributor's license by the Commission. If a manufacturer or importing distributor fails to pay any amount due under this Article, his bond with the Department shall be deemed forfeited, and the Department may institute a suit in its own name on such bond.

After notice and opportunity for a hearing the State Commission may revoke or suspend the license of any manufacturer or importing distributor who fails to comply with the provisions of this Section. Notice of such hearing and the

time and place thereof shall be in writing and shall contain a statement of the charges against the licensee. Such notice may be given by United States registered or certified mail with return receipt requested, addressed to the person concerned at his last known address and shall be given not less than 7 days prior to the date fixed for the hearing. An order revoking or suspending a license under the provisions of this Section may be reviewed in the manner provided in Section 7-10 of this Act. No new license shall be granted to a person whose license has been revoked for a violation of this Section or, in case of suspension, shall such suspension be terminated until he has paid to the Department all taxes and penalties which he owes the State under the provisions of this Act.

Every manufacturer or importing distributor who has, as verified by the Department, continuously complied with the conditions of the bond under this Act for a period of 2 years shall be considered to be a prior continuous compliance taxpayer. In determining the consecutive period of time for qualification as a prior continuous compliance taxpayer, any consecutive period of time of qualifying compliance immediately prior to the effective date of this amendatory Act of 1987 shall be credited to any manufacturer or importing distributor.

A manufacturer or importing distributor that is a prior continuous compliance taxpayer under this Section and becomes a successor as the result of an acquisition, merger, or

consolidation of a manufacturer or importing distributor shall be deemed to be a prior continuous compliance taxpayer with respect to the acquired, merged, or consolidated entity.

Every prior continuous compliance taxpayer shall be exempt from the bond requirements of this Act until the Department has determined the taxpayer to be delinquent in the filing of any return or deficient in the payment of any tax under this Act. Any taxpayer who fails to pay an admitted or established liability under this Act may also be required to post bond or other acceptable security with the Department guaranteeing the payment of such admitted or established liability.

The Department shall discharge any surety and shall release and return any bond or security deposit assigned, pledged or otherwise provided to it by a taxpayer under this Section within 30 days after: (1) such taxpayer becomes a prior continuous compliance taxpayer; or (2) such taxpayer has ceased to collect receipts on which he is required to remit tax to the Department, has filed a final tax return, and has paid to the Department an amount sufficient to discharge his remaining tax liability as determined by the Department under this Act.

(Source: P.A. 100-1171, eff. 1-4-19; 101-37, eff. 7-3-19.)

Section 10. The Liquor Control Act of 1934 is amended by changing Sections 5-1, and 6-28.8 as follows:

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

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

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

(b) Distributor's license,

(c) Importing Distributor's license,

(d) Retailer's license,

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

(f) Railroad license,

(g) Boat license,

(h) Non-Beverage User's license,

(i) Wine-maker's premises license,

(j) Airplane license,

(k) Foreign importer's license,

(l) Broker's license,

(m) Non-resident dealer's license,

(n) Brew Pub license,

(o) Auction liquor license,

(p) Caterer retailer license,

- (q) Special use permit license,
- (r) Winery shipper's license,
- (s) Craft distiller tasting permit,
- (t) Brewer warehouse permit,
- (u) Distilling pub license,
- (v) Craft distiller warehouse permit,
- (w) Beer showcase permit.

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

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

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

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

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

including any alcoholic liquor that subsection (e) of Section 6-4 authorizes a brewer to sell in its original package only to a non-licensee for pick-up by a non-licensee either within the interior of the brewery premises or ~~at~~ outside of the brewery premises at a curb-side or parking lot adjacent to the brewery premises, subject to any local ordinance.

Class 4. A first class wine-manufacturer may make sales and deliveries of up to 50,000 gallons of wine to manufacturers, importing distributors and distributors, and to no other licensees. If a first-class wine-manufacturer manufactures beer, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 brewer license, shall not manufacture more than 930,000 gallons of beer per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year. If the first-class wine-manufacturer manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 craft distiller license, shall not manufacture more than 50,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year. A first-class wine-manufacturer shall be permitted to sell wine manufactured at the first-class wine-manufacturer premises to non-licensees.

Class 5. A second class wine ~~Wine~~ manufacturer may make

sales and deliveries of more than 50,000 gallons of wine to manufacturers, importing distributors and distributors and to no other licensees.

Class 6. A first-class wine-maker's license shall allow the manufacture of up to 50,000 gallons of wine per year⁷ and the storage and sale of such wine to distributors in the State and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public Act 95-634), is a holder of a first-class wine-maker's license and annually produces more than 25,000 gallons of its own wine and who distributes its wine to licensed retailers shall cease this practice on or before July 1, 2008 in compliance with Public Act 95-634. If a first-class wine-maker manufactures beer, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 brewer license, shall not manufacture more than 930,000 gallons of beer per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year. If the first-class wine-maker manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 craft distiller license, shall not manufacture more than 50,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year. A first-class wine-maker holding a class 1 brewer license or a

class 1 craft distiller license shall not be eligible for a wine-maker's premises license but shall be permitted to sell wine manufactured at the first-class wine-maker premises to non-licensees.

Class 7. A second-class wine-maker's license shall allow the manufacture of up to 150,000 gallons of wine per year, and the storage and sale of such wine to distributors in this State and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public Act 95-634), is a holder of a second-class wine-maker's license and annually produces more than 25,000 gallons of its own wine and who distributes its wine to licensed retailers shall cease this practice on or before July 1, 2008 in compliance with Public Act 95-634. If a second-class wine-maker manufactures beer, it shall also obtain and shall only be eligible for, in addition to any current license, a class 2 brewer license, shall not manufacture more than 3,720,000 gallons of beer per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year. If a second-class wine-maker manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 2 craft distiller license, shall not manufacture more than 100,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 100,000

gallons of spirits per year.

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

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

Class 10. A class 1 craft distiller license, which may only be issued to a licensed craft distiller or licensed non-resident dealer, shall allow the manufacture of up to 50,000 gallons of spirits per year provided that the class 1 craft distiller licensee does not manufacture more than a combined 50,000 gallons of spirits per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year. If a class 1 craft distiller manufactures beer, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 brewer license, shall not manufacture more than 930,000 gallons of beer per year, and

shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year. If a class 1 craft distiller manufactures wine, it shall also obtain and shall only be eligible for, in addition to any current license, a first-class wine-manufacturer license or a first-class wine-maker's license, shall not manufacture more than 50,000 gallons of wine per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of wine per year. A class 1 craft distiller licensee may make sales and deliveries to importing distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (19) of subsection (a) of Section 3-12 of this Act. However, the aggregate amount of spirits sold to non-licensees and sold or delivered to retail licensees may not exceed 5,000 gallons per year.

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

A class 1 craft distiller licensee may hold more than one

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

Class 11. A class 2 craft distiller license, which may only be issued to a licensed craft distiller or licensed non-resident dealer, shall allow the manufacture of up to 100,000 gallons of spirits per year provided that the class 2 craft distiller licensee does not manufacture more than a combined 100,000 gallons of spirits per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 100,000 gallons of spirits per year. If a class 2 craft distiller manufactures beer, it shall also obtain and shall only be eligible for, in addition to any current license, a class 2 brewer license, shall not manufacture more than 3,720,000 gallons of beer per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year. If a class 2 craft distiller manufactures wine, it shall also obtain and shall only be eligible for, in addition to any current license, a second-class wine-maker's license, shall not manufacture more

than 150,000 gallons of wine per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 150,000 gallons of wine per year. A class 2 craft distiller licensee may make sales and deliveries to importing distributors and distributors, but shall not make sales or deliveries to any other licensee. If the State Commission provides prior approval, a class 2 craft distiller licensee may annually transfer up to 100,000 gallons of spirits manufactured by that class 2 craft distiller licensee to the premises of a licensed class 2 craft distiller wholly owned and operated by the same licensee. A class 2 craft distiller may transfer spirits to a distilling pub wholly owned and operated by the class 2 craft distiller subject to the following limitations and restrictions: (i) the transfer shall not annually exceed more than 5,000 gallons; (ii) the annual amount transferred shall reduce the distilling pub's annual permitted production limit; (iii) all spirits transferred shall be subject to Article VIII of this Act; (iv) a written record shall be maintained by the distiller and distilling pub specifying the amount, date of delivery, and receipt of the product by the distilling pub; and (v) the distilling pub shall be located no farther than 80 miles from the class 2 craft distiller's licensed location.

A class 2 craft distiller shall, prior to transferring spirits to a distilling pub wholly owned by the class 2 craft distiller, furnish a written notice to the State Commission of

intent to transfer spirits setting forth the name and address of the distilling pub and shall annually submit to the State Commission a verified report identifying the total gallons of spirits transferred to the distilling pub wholly owned by the class 2 craft distiller.

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

Class 12. A class 1 brewer license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 930,000 gallons of beer per year provided that the class 1 brewer licensee does not manufacture more than a combined 930,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year. If a class 1 brewer manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 craft distiller license, shall not manufacture more than 50,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year. If a class 1 craft brewer manufactures wine, it shall also obtain and shall only be eligible for, in addition to any current license, a

first-class wine-manufacturer license or a first-class wine-maker's license, shall not manufacture more than 50,000 gallons of wine per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of wine per year. A class 1 brewer licensee may make sales and deliveries to importing distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (18) of subsection (a) of Section 3-12 of this Act. If the State Commission provides prior approval, a class 1 brewer may annually transfer up to 930,000 gallons of beer manufactured by that class 1 brewer to the premises of a licensed class 1 brewer wholly owned and operated by the same licensee.

Class 13. A class 2 brewer license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 3,720,000 gallons of beer per year provided that the class 2 brewer licensee does not manufacture more than a combined 3,720,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year. If a class 2 brewer manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 2 craft distiller license, shall not manufacture more than 100,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces

more than 100,000 gallons of spirits per year. If a class 2 craft distiller manufactures wine, it shall also obtain and shall only be eligible for, in addition to any current license, a second-class wine-maker's license, shall not manufacture more than 150,000 gallons of wine per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 150,000 gallons of wine a year. A class 2 brewer licensee may make sales and deliveries to importing distributors and distributors, but shall not make sales or deliveries to any other licensee. If the State Commission provides prior approval, a class 2 brewer licensee may annually transfer up to 3,720,000 gallons of beer manufactured by that class 2 brewer licensee to the premises of a licensed class 2 brewer wholly owned and operated by the same licensee.

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

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

Class 14. A class 3 brewer license, which may be issued to a brewer or a non-resident dealer, shall allow the manufacture of no more than 465,000 gallons of beer per year and no more than 155,000 gallons at a single brewery premises, and shall allow the sale of no more than 6,200 gallons of beer from each in-state or out-of-state class 3 brewery premises, or 18,600 gallons in the aggregate, to retail licensees, class 1 brewers, class 2 brewers, and class 3 brewers as long as the class 3 brewer licensee does not manufacture more than a combined 465,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 465,000 gallons of beer per year to make sales to importing distributors, distributors, retail licensees, brewers, class 1 brewers, class 2 brewers, and class 3 brewers in accordance with the conditions set forth in paragraph (20) of subsection (a) of Section 3-12. If the State Commission provides prior approval, a class 3 brewer may annually transfer up to 155,000 gallons of beer manufactured by that class 3 brewer to the premises of a licensed class 3

brewer wholly owned and operated by the same licensee. A class 3 brewer shall manufacture beer at the brewer's class 3 designated licensed premises, and may sell beer as otherwise provided in this Act.

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

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

suspension or revocation of the registration. The State Commission shall post a list of registered agents on the State Commission's website.

(b) A distributor's license shall allow (i) the wholesale purchase and storage of alcoholic liquors and sale of alcoholic liquors to licensees in this State and to persons without the State, as may be permitted by law; (ii) the sale of beer, cider, mead, or any combination thereof to brewers, class 1 brewers, and class 2 brewers that, pursuant to subsection (e) of Section 6-4 of this Act, sell beer, cider, mead, or any combination thereof to non-licensees at their breweries; (iii) the sale of vermouth to class 1 craft distillers and class 2 craft distillers that, pursuant to subsection (e) of Section 6-4 of this Act, sell spirits, vermouth, or both spirits and vermouth to non-licensees at their distilleries; or (iv) as otherwise provided in this Act. No person licensed as a distributor shall be granted a non-resident dealer's license.

(c) An importing distributor's license may be issued to and held by those only who are duly licensed distributors, upon the filing of an application by a duly licensed distributor, with the State Commission and the State Commission shall, without the payment of any fee, immediately issue such importing distributor's license to the applicant, which shall allow the importation of alcoholic liquor by the licensee into this State from any point in the United States

outside this State, and the purchase of alcoholic liquor in barrels, casks, or other bulk containers and the bottling of such alcoholic liquors before resale thereof, but all bottles or containers so filled shall be sealed, labeled, stamped, and otherwise made to comply with all provisions, rules, and regulations governing manufacturers in the preparation and bottling of alcoholic liquors. The importing distributor's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers and foreign importers only. No person licensed as an importing distributor shall be granted a non-resident dealer's license.

(d) A retailer's license shall allow the licensee to sell and offer for sale at retail, ~~only~~ in or from the premises specified in the license, alcoholic liquor for use or consumption, but not for resale in any form except as otherwise provided in this Act. Except as provided in Section 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit, remove, or restrict the ability of a holder of a retailer's license to transfer or ship alcoholic liquor to the purchaser for use or consumption subject to any applicable local law or ordinance. For the purposes of this Section, "shipping" means the movement of alcoholic liquor from a licensed retailer to a consumer via a common carrier. Except as provided in Section 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit, remove, or restrict the ability of a holder of a retailer's license to deliver alcoholic liquor to the purchaser for use

or consumption. The delivery shall be made only within 12 hours from the time the alcoholic liquor leaves the licensed premises of the retailer for delivery. For the purposes of this Section, "delivery" means the movement of alcoholic liquor purchased from a licensed retailer to a consumer through the following methods:

(1) delivery within licensed retailer's parking lot, including curbside, for pickup by the consumer;

(2) delivery by an owner, officer, director, shareholder, or employee of the licensed retailer; or

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

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

A retail licensee may use any website, mobile application, or similar platform that facilitates the sale or delivery of food, beverages, or goods and is owned or operated by the retail licensee, third-party contractor, an independent contractor, or an agent with whom the licensed retailer has contracted to facilitate deliveries or sales of alcoholic liquors under this Section. The use of any website, mobile application, or similar platform to facilitate deliveries or sales of alcoholic liquors shall not be considered an illegal sale, resale, transfer, barter, or exchange of alcohol under this Act.

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

Except for a municipality with a population of more than 1,000,000 inhabitants, a home rule unit may not regulate the delivery of alcoholic liquor or require a retail licensee to obtain a separate or additional license for the delivery of alcoholic liquor ~~inconsistent with this subsection~~. This paragraph is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule units of powers and functions exercised by the State. A non-home rule municipality may not regulate the delivery of alcoholic liquor or require a retail licensee to obtain a separate or additional license for the delivery of alcoholic liquor ~~inconsistent with this subsection~~.

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

The requirements in subsection (b-5) of Section 6-29 apply only to a winery shipper licensee that ships wine via common

carrier and do not apply to a winery shipper licensee or a retail licensee that delivers, or causes to be delivered, alcohol pursuant to the methods outlined in item (1), (2), or (3) of this subsection.

Except as provided in this Section, for a manufacturer with a retail license, nothing in this Section shall be construed to prohibit an on-premises consumption retailer, off-premises sale retailer, or combined on-premises consumption and off-premises sale retailer from delivering alcohol pursuant to this Section.

A retail licensee shall contract only with a third-party contractor, independent contractor, or agent to facilitate or make deliveries of alcoholic liquors that has a policy to verify the age of the person to whom the alcoholic liquor is being delivered based on the person's valid proof of identity indicating the person is age 21 or over. A retail licensee shall not be civilly liable for sales or deliveries made to intoxicated persons or persons under the age of 21 if the delivery of alcoholic liquor was conducted by a third-party contractor, independent contractor, or agent with whom the licensed retailer has contracted to make deliveries of alcoholic liquor.

(e) A special event retailer's license (not-for-profit) shall permit the licensee to purchase alcoholic liquors from an Illinois licensed distributor (unless the licensee purchases less than \$500 of alcoholic liquors for the special

event, in which case the licensee may purchase the alcoholic liquors from a licensed retailer) and shall allow the licensee to sell and offer for sale, at retail, alcoholic liquors for use or consumption, but not for resale in any form and only at the location and on the specific dates designated for the special event in the license. An applicant for a special event retailer license must (i) furnish with the application: (A) a resale number issued under Section 2c of the Retailers' Occupation Tax Act or evidence that the applicant is registered under Section 2a of the Retailers' Occupation Tax Act, (B) a current, valid exemption identification number issued under Section 1g of the Retailers' Occupation Tax Act, and a certification to the State Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a statement that the applicant is not registered under Section 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers' Occupation Tax Act, and does not hold an exemption number under Section 1g of the Retailers' Occupation Tax Act, in which event the State Commission shall set forth on the special event retailer's license a statement to that effect; (ii) submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance in the maximum limits; and (iii) show proof satisfactory to the State Commission that the applicant has obtained local authority approval.

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

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

shall be obtained for each car in which such sales are made.

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

(h) A non-beverage user's license shall allow the licensee to purchase alcoholic liquor from a licensed manufacturer or importing distributor, without the imposition of any tax upon the business of such licensed manufacturer or importing distributor as to such alcoholic liquor to be used by such licensee solely for the non-beverage purposes set forth in subsection (a) of Section 8-1 of this Act, and such licenses shall be divided and classified and shall permit the purchase, possession~~2~~ and use of limited and stated quantities of alcoholic liquor as follows:

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

(i) A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license not more than 50,000 gallons of the first-class

wine-maker's wine that is made at the first-class wine-maker's licensed premises per year for use or consumption, but not for resale in any form. A wine-maker's premises license shall allow a licensee who concurrently holds a second-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license up to 100,000 gallons of the second-class wine-maker's wine that is made at the second-class wine-maker's licensed premises per year for use or consumption but not for resale in any form. A first-class wine-maker that concurrently holds a class 1 brewer license or a class 1 craft distiller license shall not be eligible to hold a wine-maker's premises license. A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license or a second-class wine-maker's license to sell and offer for sale at retail at the premises specified in the wine-maker's premises license, for use or consumption but not for resale in any form, any beer, wine, and spirits purchased from a licensed distributor. Upon approval from the State Commission, a wine-maker's premises license shall allow the licensee to sell and offer for sale at (i) the wine-maker's licensed premises and (ii) ~~at~~ up to 2 additional locations for use and consumption and not for resale. Each location shall require additional licensing per location as specified in Section 5-3 of this Act. A wine-maker's premises licensee shall secure liquor liability insurance coverage in an amount at least equal to the maximum

liability amounts set forth in subsection (a) of Section 6-21 of this Act.

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

(k) A foreign importer's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers only, and to import alcoholic liquor

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

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

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

holder of a valid broker's license.

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

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

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

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

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

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

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

State Commission, beer manufactured on another brew pub licensed premises that is wholly owned and operated by the same licensee to importing distributors, distributors, and ~~to~~ non-licensees for use and consumption, (iii) store the beer upon the premises, (iv) sell and offer for sale at retail from the licensed premises for off-premises consumption no more than 155,000 gallons per year so long as such sales are only made in-person, (v) sell and offer for sale at retail for use and consumption on the premises specified in the license any form of alcoholic liquor purchased from a licensed distributor or importing distributor, (vi) with the prior approval of the State Commission, annually transfer no more than 155,000 gallons of beer manufactured on the premises to a licensed brew pub wholly owned and operated by the same licensee, and (vii) notwithstanding item (i) of this subsection, brew pubs wholly owned and operated by the same licensee may combine each location's production limit of 155,000 gallons of beer per year and allocate the aggregate total between the wholly owned, operated, and licensed locations.

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

A person who holds a class 2 brewer license may simultaneously hold a brew pub license if the class 2 brewer (i) does not, under any circumstance, sell or offer for sale beer manufactured by the class 2 brewer to retail licensees;

(ii) does not hold more than 3 brew pub licenses in this State; (iii) does not manufacture more than a combined 3,720,000 gallons of beer per year, including the beer manufactured at the brew pub; and (iv) is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year or any other alcoholic liquor.

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

A brew pub licensee may apply for a class 3 brewer license and, upon meeting all applicable qualifications of this Act and relinquishing all commonly owned brew pub or retail licenses, shall be issued a class 3 brewer license. Nothing in this Act shall prohibit the issuance of a class 3 brewer license if the applicant:

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

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

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

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

If a brew pub licensee is issued a class 3 brewer license, the class 3 brewer license shall expire on the same date as the existing brew pub license and the State Commission shall not require a class 3 brewer licensee to obtain a brewer license~~7~~ or 1 in the alternative~~1~~ to pay a fee for a brewer license, until the date the brew pub license of the applicant would have expired.

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

Nothing in this Act prohibits a distributor or importing distributor from offering credit or a refund for unused, salable beer to a holder of a caterer retailer license or a caterer retailer licensee from accepting a credit or refund for unused, salable beer, in the event an act of God is the sole reason an off-site event is canceled ~~cancelled~~ and if: (i) the holder of a caterer retailer license has not transferred alcoholic liquor from its caterer retailer premises to an off-site location; (ii) the distributor or importing distributor offers the credit or refund for the unused, salable beer that it delivered to the off-site premises and not for any unused, salable beer that the distributor or importing distributor delivered to the caterer retailer's premises; and (iii) the unused, salable beer would likely spoil if transferred to the caterer retailer's premises. A caterer retailer license shall allow the holder to transfer any inventory from any off-site location to its caterer retailer premises at the conclusion of an off-site event or engage a distributor or importing distributor to transfer any inventory from any off-site location to its caterer retailer premises at the conclusion of an off-site event, provided that the distributor or importing distributor issues bona fide charges to the caterer retailer licensee for fuel, labor, and delivery and the distributor or importing distributor collects payment from the caterer retailer licensee prior to the distributor or importing distributor

transferring inventory to the caterer retailer premises.

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

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

(q) A special use permit license shall allow an Illinois licensed retailer to transfer a portion of its alcoholic liquor inventory from its retail licensed premises to the premises specified in the license hereby created; to purchase alcoholic liquor from a distributor or importing distributor to be delivered directly to the location specified in the license hereby created; and to sell or offer for sale at retail, only in the premises specified in the license hereby created, the transferred or delivered alcoholic liquor for use or consumption, but not for resale in any form. A special use permit license may be granted for the following time periods: one day or less; 2 or more days to a maximum of 15 days per location in any 12-month period. An applicant for the special

use permit license must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval.

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

Nothing in this Act prohibits a distributor or importing distributor from offering credit or a refund for unused, salable beer to a special use permit licensee or a special use permit licensee from accepting a credit or refund for unused, salable beer at the conclusion of the event specified in the license if: (i) the holder of the special use permit license has not transferred alcoholic liquor from its retail licensed premises to the premises specified in the special use permit license; (ii) the distributor or importing distributor offers the credit or refund for the unused, salable beer that it

delivered to the premises specified in the special use permit license and not for any unused, salable beer that the distributor or importing distributor delivered to the retailer's premises; and (iii) the unused, salable beer would likely spoil if transferred to the retailer premises.

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

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

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

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

- (1) the name, address, and license number of the winery shipper on whose behalf the shipment was made;
- (2) the quantity of the products delivered; and
- (3) the date and address of the shipment.

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

or employee of the State Commission or the Department of Revenue, at all times during business hours of the day. Any person who violates any provision of this paragraph or any rule of the State Commission for the administration and enforcement of the provisions of this paragraph is guilty of a Class C misdemeanor. In case of a continuing violation, each day's continuance thereof shall be a separate and distinct offense.

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

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

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

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

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

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

(s) A craft distiller tasting permit license shall allow an Illinois licensed class 1 craft distiller or class 2 craft distiller to transfer a portion of its alcoholic liquor

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

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

(u) A distilling pub license shall allow the licensee to only (i) manufacture up to 5,000 gallons of spirits per year

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

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

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

manufacture more than a combined 100,000 gallons of spirits per year, including the spirits manufactured at the distilling pub; and (iv) is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 100,000 gallons of spirits per year or any other alcoholic liquor.

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

(w) A beer showcase permit license shall allow an Illinois-licensed distributor to transfer a portion of its beer inventory from its licensed premises to the premises specified in the beer showcase permit license, and, in the case of a class 3 brewer, transfer only beer the class 3 brewer manufactures from its licensed premises to the premises specified in the beer showcase permit license; and to sell or offer for sale at retail, only in the premises specified in the beer showcase permit license, the transferred or delivered beer for on or off premise consumption, but not for resale in any form and to sell to non-licensees not more than 96 fluid ounces of beer per person. A beer showcase permit license may be granted for the following time periods: one day or less; or

2 or more days to a maximum of 15 days per location in any 12-month period. An applicant for a beer showcase permit license must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval. The State Commission shall require the beer showcase applicant to comply with Section 6-27.1.

(Source: P.A. 101-16, eff. 6-14-19; 101-31, eff. 6-28-19; 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff. 8-23-19; 101-615, eff. 12-20-19; 101-668, eff. 1-1-22; 102-442, eff. 8-20-21; 102-1142, eff. 2-17-23; revised 7-2-25.)

(235 ILCS 5/6-28.8)

(Section scheduled to be repealed on August 1, 2028)

Sec. 6-28.8. Delivery and carry out of mixed drinks permitted.

(a) In this Section:

"Cocktail" or "mixed drink" means any beverage obtained by combining ingredients alcoholic in nature, whether brewed, fermented, or distilled, with ingredients non-alcoholic in nature, such as fruit juice, lemonade, cream, or a carbonated beverage. "Cocktail" or "mixed drink" does not include an original or sealed container that is filled, sealed, or labeled by the manufacturer.

"Original container" means, for the purposes of this Section only, a container that is ~~(i)~~ filled, sealed, and secured by a retail licensee's employee at the retail licensee's location with a tamper-evident lid or cap ~~or (ii) filled and labeled by the manufacturer and secured by the manufacturer's original unbroken seal.~~

"Sealed container" means a rigid container that contains a mixed drink or a single serving of wine, is new, has never been used, has a secured lid or cap designed to prevent consumption without removal of the lid or cap, and is tamper-evident. ~~"Sealed container" includes a manufacturer's original container as defined in this subsection.~~ "Sealed container" does not include a container with a lid with sipping holes or openings for straws or a container made of plastic, paper, or polystyrene foam.

"Tamper-evident" means a lid or cap that has been sealed with tamper-evident covers, including, but not limited to, wax dip or heat shrink wrap.

(b) A cocktail, mixed drink, or single serving of wine placed in a sealed container by a retail licensee at the retail licensee's location ~~or a manufacturer's original container~~ may be transferred and sold for off-premises consumption if the following requirements are met:

- (1) the cocktail, mixed drink, or single serving of wine is transferred within the licensed premises, by a curbside pickup, or by delivery by an employee of the

retail licensee who:

(A) has been trained in accordance with Section 6-27.1 at the time of the sale;

(B) is at least 21 years of age; and

(C) upon delivery, verifies the age of the person to whom the cocktail, mixed drink, or single serving of wine is being delivered by obtaining a signature from a recipient aged 21 or over;

(2) if the employee delivering the cocktail, mixed drink, or single serving of wine is not able to safely verify a person's age or level of intoxication upon delivery or is otherwise not able to complete the delivery, the employee shall cancel the sale of alcohol and return the product to the retail license holder;

(3) the sealed container is placed in the trunk of the vehicle or if there is no trunk, in the vehicle's rear compartment that is not readily accessible to the passenger area;

(4) ~~except for a manufacturer's original container,~~ a container filled and sealed at a retail licensee's location shall be affixed with a label or tag that contains the following information:

(A) the cocktail or mixed drink ingredients, type, and name of the alcohol;

(B) the name, license number, and address of the retail licensee that filled the original container and

sold the product;

(C) the volume of the cocktail, mixed drink, or single serving of wine in the sealed container; and

(D) the sealed container was filled less than 7 days before the date of sale. ~~and~~

~~(5) a manufacturer's original container shall be affixed with a label or tag that contains the name, license number, and address of the retail licensee that sold the product.~~

(c) Third-party delivery services are not permitted to deliver cocktails and mixed drinks under this Section.

(d) If there is an executive order of the Governor in effect during a disaster, the employee delivering the mixed drink, cocktail, or single serving of wine must comply with any requirements of that executive order, including, but not limited to, wearing gloves and a mask and maintaining distancing requirements when interacting with the public.

(e) Delivery or carry out of a cocktail, mixed drink, or single serving of wine is prohibited if:

(1) a third party delivers the cocktail or mixed drink;

(2) a container of a mixed drink, cocktail, or single serving of wine is not tamper-evident and sealed;

(3) a container of a mixed drink, cocktail, or single serving of wine is transported in the passenger area of a vehicle;

(4) a mixed drink, cocktail, or single serving of wine is delivered by a person or to a person who is under the age of 21; or

(5) the person delivering a mixed drink, cocktail, or single serving of wine fails to verify the age of the person to whom the mixed drink or cocktail is being delivered.

(f) Violations of this Section shall be subject to any applicable penalties, including, but not limited to, the penalties specified under Section 11-502 of the Illinois Vehicle Code.

~~(f-5) This Section is not intended to prohibit or preempt the ability of a brew pub, tap room, or distilling pub to continue to temporarily deliver alcoholic liquor pursuant to guidance issued by the State Commission on March 19, 2020 entitled "Illinois Liquor Control Commission, COVID-19 Related Actions, Guidance on Temporary Delivery of Alcoholic Liquor".~~ This Section shall only grant authorization to holders of State of Illinois retail liquor licenses but not to licensees that simultaneously hold any licensure or privilege to manufacture alcoholic liquors within or outside of the State of Illinois.

(g) This Section is not a denial or limitation of home rule powers and functions under Section 6 of Article VII of the Illinois Constitution.

~~(h) This Section is repealed on August 1, 2028.~~

(h) Except as provided in subsection (f-5), nothing in this Section shall be construed to prohibit an on-premises consumption retailer or a combined on-premises consumption retailer and off-premises sale retailer from delivering mixed drinks, cocktails, or single servings of wine pursuant to this Section.

(Source: P.A. 102-8, eff. 6-2-21; 103-4, eff. 5-31-23.)

Section 90. Applicability. This Act applies to pending actions as well as actions commenced on or after the effective date of this Act.

Section 99. Effective date. This Act takes effect July 1, 2026, except that this Section and Section 10 take effect upon becoming law.