



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB2829

Introduced 2/6/2025, by Rep. Charles Meier

SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.1030 new
235 ILCS 5/6-40 new
235 ILCS 5/6-45 new
235 ILCS 5/8-1

Amends the Liquor Control Act of 1934. Provides that, beginning January 1, 2026, \$0.25 of every \$1 of the remainder of the tax imposed by the Act on wine that was manufactured in this State shall be deposited into the Illinois Wine Promotion Fund. Creates the Illinois Wine Promotion Fund as a special fund in the State treasury to be used by the Department of Agriculture only for the purpose of distributing grants to wine manufacturers and grape growers located in a wine trail from appropriations made from the Illinois Wine Promotion Fund for that purpose and administering and maintaining the Illinois Winery Advisory Council. Establishes the Illinois Winery Advisory Council to oversee and provide advice to the Department of Agriculture regarding the distribution of grants from the Illinois Wine Promotion Fund. Sets forth provisions concerning the membership of the Advisory Council, quarterly meetings, reimbursement of expenses, and vacancies. Amends the State Finance Act to make a conforming change.

LRB104 08914 RPS 18969 b

1 AN ACT concerning liquor.

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

4 Section 5. The State Finance Act is amended by adding
5 Section 5.1030 as follows:

6 (30 ILCS 105/5.1030 new)

7 Sec. 5.1030. The Illinois Wine Promotion Fund.

8 Section 10. The Liquor Control Act of 1934 is amended by
9 changing Section 8-1 and by adding Section 6-40 and 6-45 as
10 follows:

11 (235 ILCS 5/6-40 new)

12 Sec. 6-40. Illinois Wine Promotion Fund.

13 (a) In this Section, "wine trail" means a geographic area
14 of the State designated by the Department of Agriculture in
15 which significant wine manufacturing occurs.

16 (b) The Illinois Wine Promotion Fund is created as a
17 special fund in the State treasury. Moneys in the Fund may be
18 used by the Department of Agriculture to distribute grants to
19 wine manufacturers and grape growers located in a wine trail
20 from appropriations made from the Fund for that purpose and to
21 administer and maintain the Illinois Winery Advisory Council.

1 (235 ILCS 5/6-45 new)

2 Sec. 6-45. Illinois Winery Advisory Council.

3 (a) The Illinois Winery Advisory Council is established to
4 oversee and provide advice to the Department of Agriculture
5 regarding the distribution of grants from the Illinois Wine
6 Promotion Fund.

7 (b) The Advisory Council shall consist of 7 members
8 appointed by the Director of Agriculture, after consultation
9 with Illinois wine manufacturers and stakeholders. Each member
10 appointed to the Advisory Council must represent a
11 geographically distinct area of the State.

12 (c) After all the members are appointed, they shall elect
13 a chairperson from among themselves. The Advisory Council
14 shall meet not less than quarterly.

15 (d) Advisory Council members shall serve without
16 compensation but may be reimbursed for their expenses incurred
17 in performing their duties.

18 (e) If a vacancy occurs in the Advisory Council, the
19 Director of Agriculture shall appoint a replacement.

20 (235 ILCS 5/8-1)

21 Sec. 8-1. A tax is imposed upon the privilege of engaging
22 in business as a manufacturer or as an importing distributor
23 of alcoholic liquor other than beer at the rate of \$0.185 per
24 gallon until September 1, 2009 and \$0.231 per gallon beginning

1 September 1, 2009 for cider containing not less than 0.5%
2 alcohol by volume nor more than 7% alcohol by volume, \$0.73 per
3 gallon until September 1, 2009 and \$1.39 per gallon beginning
4 September 1, 2009 for wine other than cider containing less
5 than 7% alcohol by volume, and \$4.50 per gallon until
6 September 1, 2009 and \$8.55 per gallon beginning September 1,
7 2009 on alcohol and spirits manufactured and sold or used by
8 such manufacturer, or as agent for any other person, or sold or
9 used by such importing distributor, or as agent for any other
10 person. A tax is imposed upon the privilege of engaging in
11 business as a manufacturer of beer or as an importing
12 distributor of beer at the rate of \$0.185 per gallon until
13 September 1, 2009 and \$0.231 per gallon beginning September 1,
14 2009 on all beer, regardless of alcohol by volume,
15 manufactured and sold or used by such manufacturer, or as
16 agent for any other person, or sold or used by such importing
17 distributor, or as agent for any other person. Any brewer
18 manufacturing beer in this State shall be entitled to and
19 given a credit or refund of 75% of the tax imposed on each
20 gallon of beer up to 4.9 million gallons per year in any given
21 calendar year for tax paid or payable on beer produced and sold
22 in the State of Illinois.

23 For purposes of this Section, "beer" means beer, ale,
24 porter, stout, and other similar fermented beverages of any
25 name or description containing one-half of one percent or more
26 of alcohol by volume, brewed or produced from malt, wholly or

1 in part, or from any substitute for malt.

2 For the purpose of this Section, "cider" means any
3 alcoholic beverage obtained by the alcohol fermentation of the
4 juice of apples or pears including, but not limited to,
5 flavored, sparkling, or carbonated cider.

6 The credit or refund created by this Act shall apply to all
7 beer taxes in the calendar years 1982 through 1986.

8 The increases made by this amendatory Act of the 91st
9 General Assembly in the rates of taxes imposed under this
10 Section shall apply beginning on July 1, 1999.

11 A tax at the rate of 1¢ per gallon on beer and 48¢ per
12 gallon on alcohol and spirits is also imposed upon the
13 privilege of engaging in business as a retailer or as a
14 distributor who is not also an importing distributor with
15 respect to all beer and all alcohol and spirits owned or
16 possessed by such retailer or distributor when this amendatory
17 Act of 1969 becomes effective, and with respect to which the
18 additional tax imposed by this amendatory Act upon
19 manufacturers and importing distributors does not apply.
20 Retailers and distributors who are subject to the additional
21 tax imposed by this paragraph of this Section shall be
22 required to inventory such alcoholic liquor and to pay this
23 additional tax in a manner prescribed by the Department.

24 The provisions of this Section shall be construed to apply
25 to any importing distributor engaging in business in this
26 State, whether licensed or not.

1 However, such tax is not imposed upon any such business as
2 to any alcoholic liquor shipped outside Illinois by an
3 Illinois licensed manufacturer or importing distributor, nor
4 as to any alcoholic liquor delivered in Illinois by an
5 Illinois licensed manufacturer or importing distributor to a
6 purchaser for immediate transportation by the purchaser to
7 another state into which the purchaser has a legal right,
8 under the laws of such state, to import such alcoholic liquor,
9 nor as to any alcoholic liquor other than beer sold by one
10 Illinois licensed manufacturer or importing distributor to
11 another Illinois licensed manufacturer or importing
12 distributor to the extent to which the sale of alcoholic
13 liquor other than beer by one Illinois licensed manufacturer
14 or importing distributor to another Illinois licensed
15 manufacturer or importing distributor is authorized by the
16 licensing provisions of this Act, nor to alcoholic liquor
17 whether manufactured in or imported into this State when sold
18 to a "non-beverage user" licensed by the State for use in the
19 manufacture of any of the following when they are unfit for
20 beverage purposes:

21 Patent and proprietary medicines and medicinal,
22 antiseptic, culinary and toilet preparations;

23 Flavoring extracts and syrups and food products;

24 Scientific, industrial and chemical products, excepting
25 denatured alcohol;

26 Or for scientific, chemical, experimental or mechanical

1 purposes;

2 Nor is the tax imposed upon the privilege of engaging in
3 any business in interstate commerce or otherwise, which
4 business may not, under the Constitution and Statutes of the
5 United States, be made the subject of taxation by this State.

6 The tax herein imposed shall be in addition to all other
7 occupation or privilege taxes imposed by the State of Illinois
8 or political subdivision thereof.

9 If any alcoholic liquor manufactured in or imported into
10 this State is sold to a licensed manufacturer or importing
11 distributor by a licensed manufacturer or importing
12 distributor to be used solely as an ingredient in the
13 manufacture of any beverage for human consumption, the tax
14 imposed upon such purchasing manufacturer or importing
15 distributor shall be reduced by the amount of the taxes which
16 have been paid by the selling manufacturer or importing
17 distributor under this Act as to such alcoholic liquor so used
18 to the Department of Revenue.

19 If any person received any alcoholic liquors from a
20 manufacturer or importing distributor, with respect to which
21 alcoholic liquors no tax is imposed under this Article, and
22 such alcoholic liquor shall thereafter be disposed of in such
23 manner or under such circumstances as may cause the same to
24 become the base for the tax imposed by this Article, such
25 person shall make the same reports and returns, pay the same
26 taxes and be subject to all other provisions of this Article

1 relating to manufacturers and importing distributors.

2 Nothing in this Article shall be construed to require the
3 payment to the Department of the taxes imposed by this Article
4 more than once with respect to any quantity of alcoholic
5 liquor sold or used within this State.

6 No tax is imposed by this Act on sales of alcoholic liquor
7 by Illinois licensed foreign importers to Illinois licensed
8 importing distributors.

9 All of the proceeds of the additional tax imposed by
10 Public Act 96-34 shall be deposited by the Department into the
11 Capital Projects Fund. The remainder of the tax imposed by
12 this Act shall be deposited by the Department into the General
13 Revenue Fund; except that, beginning January 1, 2026, \$0.25 of
14 every \$1 of the remainder of the tax imposed by this Act on
15 wine that was manufactured in this State shall be deposited
16 into the Illinois Wine Promotion Fund.

17 A manufacturer of beer that imports or transfers beer into
18 this State must comply with the provisions of this Section
19 with regard to the beer imported into this State.

20 The provisions of this Section 8-1 are severable under
21 Section 1.31 of the Statute on Statutes.

22 (Source: P.A. 100-885, eff. 8-14-18; 101-16, eff. 6-14-19.)