



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3107

Introduced 2/18/2025, by Rep. Fred Crespo

SYNOPSIS AS INTRODUCED:

235 ILCS 5/3-12

235 ILCS 5/5-1

235 ILCS 5/5-3

from Ch. 43, par. 115

from Ch. 43, par. 118

Amends the Liquor Control Act of 1934. With regard to certain wine-makers, wine manufacturers, and winery shippers, removes restrictions on the amount of wine that may be produced to be eligible for a self-distribution exemption and removes restrictions on the amount of wine a self-distribution exemption holder may self-distribute. Provides that a wine-maker's premises license shall allow the licensee to sell and offer for sale at up to 3 (instead of 2) additional locations for use and consumption and not for resale. Sets a fee for the additional wine-maker's premises location. Makes other and conforming changes.

LRB104 10613 RPS 20689 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 Liquor Control Act of 1934 is amended by
5 changing Sections 3-12, 5-1, and 5-3 as follows:

6 (235 ILCS 5/3-12)

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

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

10 (1) To receive applications and to issue licenses to
11 manufacturers, foreign importers, importing distributors,
12 distributors, non-resident dealers, on premise consumption
13 retailers, off premise sale retailers, special event
14 retailer licensees, special use permit licenses, auction
15 liquor licenses, brew pubs, caterer retailers,
16 non-beverage users, railroads, including owners and
17 lessees of sleeping, dining and cafe cars, airplanes,
18 boats, brokers, and wine maker's premises licensees in
19 accordance with the provisions of this Act, and to suspend
20 or revoke such licenses upon the State Commission's
21 determination, upon notice after hearing, that a licensee
22 has violated any provision of this Act or any rule or
23 regulation issued pursuant thereto and in effect for 30

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

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

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

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

1 \$20,000. The maximum penalty that may be imposed on a
2 licensee for selling a bottle of alcoholic liquor with a
3 foreign object in it or serving from a bottle of alcoholic
4 liquor with a foreign object in it shall be the
5 destruction of that bottle of alcoholic liquor for the
6 first 10 bottles so sold or served from by the licensee.
7 For the eleventh bottle of alcoholic liquor and for each
8 third bottle thereafter sold or served from by the
9 licensee with a foreign object in it, the maximum penalty
10 that may be imposed on the licensee is the destruction of
11 the bottle of alcoholic liquor and a fine of up to \$50.

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

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

1 promoted and to distribute copies of such rules and
2 regulations to all licensees affected thereby.

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

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

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

20 (5.1) Upon receipt of a complaint or upon having
21 knowledge that any person is engaged in business as a
22 manufacturer, importing distributor, distributor, or
23 retailer without a license or valid license, to conduct an
24 investigation. If, after conducting an investigation, the
25 State Commission is satisfied that the alleged conduct
26 occurred or is occurring, it may issue a cease and desist

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

6 (5.2) Upon receipt of a complaint or upon having
7 knowledge that any person is shipping alcoholic liquor
8 into this State from a point outside of this State if the
9 shipment is in violation of this Act, to conduct an
10 investigation. If, after conducting an investigation, the
11 State Commission is satisfied that the alleged conduct
12 occurred or is occurring, it may issue a cease and desist
13 notice as provided in this Act, impose civil penalties as
14 provided in this Act, notify the foreign jurisdiction, or
15 file a complaint with the State's Attorney's Office of the
16 county where the incident occurred or the Attorney
17 General.

18 (5.3) To receive complaints from licensees, local
19 officials, law enforcement agencies, organizations, and
20 persons stating that any licensee has been or is violating
21 any provision of this Act or the rules and regulations
22 issued pursuant to this Act. Such complaints shall be in
23 writing, signed and sworn to by the person making the
24 complaint, and shall state with specificity the facts in
25 relation to the alleged violation. If the State Commission
26 has reasonable grounds to believe that the complaint

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

7 (5.4) To make arrests and issue notices of civil
8 violations where necessary for the enforcement of this
9 Act.

10 (5.5) To investigate any and all unlicensed activity.

11 (5.6) To impose civil penalties or fines to any person
12 who, without holding a valid license, engages in conduct
13 that requires a license pursuant to this Act, in an amount
14 not to exceed \$20,000 for each offense as determined by
15 the State Commission. A civil penalty shall be assessed by
16 the State Commission after a hearing is held in accordance
17 with the provisions set forth in this Act regarding the
18 provision of a hearing for the revocation or suspension of
19 a license.

20 (6) To hear and determine appeals from orders of a
21 local commission in accordance with the provisions of this
22 Act, as hereinafter set forth. Hearings under this
23 subsection shall be held in Springfield or Chicago, at
24 whichever location is the more convenient for the majority
25 of persons who are parties to the hearing.

26 (7) The State Commission shall establish uniform

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

25 (8) In the conduct of any hearing authorized to be
26 held by the State Commission, to appoint, at the

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

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

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

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

1 for the control, sale, or disposition of alcoholic liquor
2 damaged as a result of an accident, wreck, flood, fire, or
3 other similar occurrence.

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

8 (11.1) To license persons providing education and
9 training to alcohol beverage sellers and servers for
10 mandatory and non-mandatory training under the Beverage
11 Alcohol Sellers and Servers Education and Training
12 (BASSET) programs and to develop and administer a public
13 awareness program in Illinois to reduce or eliminate the
14 illegal purchase and consumption of alcoholic beverage
15 products by persons under the age of 21. Application for a
16 license shall be made on forms provided by the State
17 Commission.

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

20 (13) (Blank).

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

1 residents of this State. As part of its report, the State
2 Commission shall provide all of the following information:

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

5 (B) The amount of licensing fees received.

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

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

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

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

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

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

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

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

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

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

21 (D) A self-distribution exemption holder shall
22 annually certify to the State Commission its production of
23 wine in the previous 12 months and its anticipated
24 production and sales for the next 12 months. The State
25 Commission may fine, suspend, or revoke a
26 self-distribution exemption after a hearing if it finds

1 that the exemption holder has made a material
2 misrepresentation in its application or violated a
3 revenue or liquor law of Illinois, ~~exceeded production of~~
4 ~~25,000 gallons of wine, 930,000 gallons of beer, or 50,000~~
5 ~~gallons of spirits in any calendar year, or become part of~~
6 ~~an affiliated group producing more than 25,000 gallons of~~
7 ~~wine, 930,000 gallons of beer, or 50,000 gallons of~~
8 ~~spirits.~~

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

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

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

23 (H) It is the intent of this paragraph (17) to promote
24 and continue orderly markets. The General Assembly finds
25 that, in order to preserve Illinois' regulatory
26 distribution system, it is necessary to create an

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

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

19 (B) In the application, which shall be sworn under
20 penalty of perjury, the class 1 brewer licensee shall
21 state (1) the date it was established; (2) its volume of
22 beer manufactured and sold for each year since its
23 establishment; (3) its efforts to establish distributor
24 relationships; (4) that a self-distribution exemption is
25 necessary to facilitate the marketing of its beer; and (5)
26 that it will comply with the alcoholic beverage and

1 revenue laws of the United States, this State, and any
2 other state where it is licensed.

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

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

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

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

14 (F) Nothing in this paragraph (18) shall prohibit a
15 self-distribution exemption holder from entering into or
16 simultaneously having a distribution agreement with a
17 licensed Illinois importing distributor or a distributor.
18 If a self-distribution exemption holder enters into a
19 distribution agreement and has assigned distribution
20 rights to an importing distributor or distributor, then
21 the self-distribution exemption holder's distribution
22 rights in the assigned territories shall cease in a
23 reasonable time not to exceed 60 days.

24 (G) It is the intent of this paragraph (18) to promote
25 and continue orderly markets. The General Assembly finds
26 that in order to preserve Illinois' regulatory

1 distribution system, it is necessary to create an
2 exception for smaller manufacturers in order to afford and
3 allow such smaller manufacturers of beer access to the
4 marketplace in order to develop a customer base without
5 impairing the integrity of the 3-tier system.

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

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

23 (C) Any application submitted shall be posted on the
24 State Commission's website at least 45 days prior to
25 action by the State Commission. The State Commission shall
26 approve the application for a self-distribution exemption

1 if the applicant: (1) is in compliance with State revenue
2 and alcoholic beverage laws; (2) is not a member of any
3 affiliated group that produces more than 50,000 gallons of
4 spirits per annum, 930,000 gallons of beer per annum, or
5 25,000 gallons of wine per annum; (3) does not annually
6 manufacture for sale more than 50,000 gallons of spirits,
7 930,000 gallons of beer, or 25,000 gallons of wine; and
8 (4) does not annually sell more than 5,000 gallons of its
9 spirits to retail licensees.

10 (D) A self-distribution exemption holder shall
11 annually certify to the State Commission its manufacture
12 of spirits during the previous 12 months and its
13 anticipated manufacture and sales of spirits for the next
14 12 months. The State Commission may fine, suspend, or
15 revoke a self-distribution exemption after a hearing if it
16 finds that the exemption holder has made a material
17 misrepresentation in its application, violated a revenue
18 or alcoholic beverage law of Illinois, exceeded the
19 manufacture of 50,000 gallons of spirits, 930,000 gallons
20 of beer, or 25,000 gallons of wine in any calendar year, or
21 has become part of an affiliated group manufacturing more
22 than 50,000 gallons of spirits, 930,000 gallons of beer,
23 or 25,000 gallons of wine.

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

26 (F) Nothing in this paragraph (19) shall prohibit a

1 self-distribution exemption holder from entering into or
2 simultaneously having a distribution agreement with a
3 licensed Illinois importing distributor or a distributor.

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

12 (20) (A) A class 3 brewer licensee who must manufacture
13 less than 465,000 gallons of beer in the aggregate and not
14 more than 155,000 gallons at any single brewery premises
15 may make application to the State Commission for a
16 self-distribution exemption to allow the sale of not more
17 than 6,200 gallons of beer from each in-state or
18 out-of-state class 3 brewery premises, which shall not
19 exceed 18,600 gallons annually in the aggregate, that is
20 manufactured at a wholly owned class 3 brewer's in-state
21 or out-of-state licensed premises to retail licensees and
22 class 3 brewers and to brewers, class 1 brewers, class 2
23 brewers that, pursuant to subsection (e) of Section 6-4,
24 sell beer, cider, or both beer and cider to non-licensees
25 at their licensed breweries.

26 (B) In the application, which shall be sworn under

1 penalty of perjury, the class 3 brewer licensee shall
2 state:

3 (1) the date it was established;

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

6 (3) its efforts to establish distributor
7 relationships;

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

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

13 (C) Any application submitted shall be posted on the
14 State Commission's website at least 45 days before action
15 by the State Commission. The State Commission shall
16 approve the application for a self-distribution exemption
17 if the class 3 brewer licensee: (1) is in compliance with
18 the State, revenue, and alcoholic beverage laws; (2) is
19 not a member of any affiliated group that manufacturers,
20 directly or indirectly, more than 465,000 gallons of beer
21 per annum; (3) shall not annually manufacture for sale
22 more than 465,000 gallons of beer or more than 155,000
23 gallons at any single brewery premises; and (4) shall not
24 annually sell more than 6,200 gallons of beer from each
25 in-state or out-of-state class 3 brewery premises, and
26 shall not exceed 18,600 gallons annually in the aggregate,

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

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

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

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

1 If a self-distribution exemption holder enters into a
2 distribution agreement and has assigned distribution
3 rights to an importing distributor or distributor, then
4 the self-distribution exemption holder's distribution
5 rights in the assigned territories shall cease in a
6 reasonable time not to exceed 60 days.

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

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

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

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

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

1 (iii) the number of reported violations, the number of
2 cease and desist notices issued by the Commission, the
3 number of notices of violations issued to the Department
4 of Revenue, and the number of notices and complaints of
5 violations to law enforcement officials.

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

9 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

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

20 (b) Distributor's license,

21 (c) Importing Distributor's license,

22 (d) Retailer's license,

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

24 (f) Railroad license,

25 (g) Boat license,

- 1 (h) Non-Beverage User's license,
- 2 (i) Wine-maker's premises license,
- 3 (j) Airplane license,
- 4 (k) Foreign importer's license,
- 5 (l) Broker's license,
- 6 (m) Non-resident dealer's license,
- 7 (n) Brew Pub license,
- 8 (o) Auction liquor license,
- 9 (p) Caterer retailer license,
- 10 (q) Special use permit license,
- 11 (r) Winery shipper's license,
- 12 (s) Craft distiller tasting permit,
- 13 (t) Brewer warehouse permit,
- 14 (u) Distilling pub license,
- 15 (v) Craft distiller warehouse permit,
- 16 (w) Beer showcase permit.

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

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

25 Class 1. A Distiller may make sales and deliveries of
26 alcoholic liquor to distillers, rectifiers, importing

1 distributors, distributors and non-beverage users and to no
2 other licensees.

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

7 Class 3. A Brewer may make sales and deliveries of beer to
8 importing distributors and distributors and may make sales as
9 authorized under subsection (e) of Section 6-4 of this Act,
10 including any alcoholic liquor that subsection (e) of Section
11 6-4 authorizes a brewer to sell in its original package only to
12 a non-licensee for pick-up by a non-licensee either within the
13 interior of the brewery premises or at outside of the brewery
14 premises at a curb-side or parking lot adjacent to the brewery
15 premises, subject to any local ordinance.

16 Class 4. A first class wine-manufacturer may make sales
17 and deliveries of up to 50,000 gallons of wine to
18 manufacturers, importing distributors and distributors, and to
19 no other licensees; except that a first class
20 wine-manufacturer license shall allow the holder to
21 self-distribute its wines to retailers in accordance with a
22 self-distribution exemption under paragraph (17) of subsection
23 (a) of Section 3-12. If a first-class wine-manufacturer
24 manufactures beer, it shall also obtain and shall only be
25 eligible for, in addition to any current license, a class 1
26 brewer license, shall not manufacture more than 930,000

1 gallons of beer per year, and shall not be a member of or
2 affiliated with, directly or indirectly, a manufacturer that
3 produces more than 930,000 gallons of beer per year. If the
4 first-class wine-manufacturer manufactures spirits, it shall
5 also obtain and shall only be eligible for, in addition to any
6 current license, a class 1 craft distiller license, shall not
7 manufacture more than 50,000 gallons of spirits per year, and
8 shall not be a member of or affiliated with, directly or
9 indirectly, a manufacturer that produces more than 50,000
10 gallons of spirits per year. A first-class wine-manufacturer
11 shall be permitted to sell wine manufactured at the
12 first-class wine-manufacturer premises to non-licensees.

13 Class 5. A second class Wine manufacturer may make sales
14 and deliveries of more than 50,000 gallons of wine to
15 manufacturers, importing distributors and distributors and to
16 no other licensees; except that a second class wine
17 manufacturer license shall allow the holder to self-distribute
18 its wines to retailers in accordance with a self-distribution
19 exemption under paragraph (17) of subsection (a) of Section
20 3-12.

21 Class 6. A first-class wine-maker's license shall allow
22 the manufacture of up to 50,000 gallons of wine per year, and
23 the storage and sale of such wine to distributors in the State
24 and to persons without the State, as may be permitted by law. A
25 first-class wine-maker's license shall allow the holder to
26 self-distribute its wines to retailers in accordance with a

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

26 Class 7. A second-class wine-maker's license shall allow

1 the manufacture of up to 150,000 gallons of wine per year, and
2 the storage and sale of such wine to distributors in this State
3 and to persons without the State, as may be permitted by law. A
4 second-class wine-maker's license shall allow the holder to
5 self-distribute its wines to retailers in accordance with a
6 self-distribution exemption under paragraph (17) of subsection
7 (a) of Section 3-12. ~~A person who, prior to June 1, 2008 (the~~
8 ~~effective date of Public Act 95-634), is a holder of a~~
9 ~~second class wine maker's license and annually produces more~~
10 ~~than 25,000 gallons of its own wine and who distributes its~~
11 ~~wine to licensed retailers shall cease this practice on or~~
12 ~~before July 1, 2008 in compliance with Public Act 95-634.~~ If a
13 second-class wine-maker manufactures beer, it shall also
14 obtain and shall only be eligible for, in addition to any
15 current license, a class 2 brewer license, shall not
16 manufacture more than 3,720,000 gallons of beer per year, and
17 shall not be a member of or affiliated with, directly or
18 indirectly, a manufacturer that produces more than 3,720,000
19 gallons of beer per year. If a second-class wine-maker
20 manufactures spirits, it shall also obtain and shall only be
21 eligible for, in addition to any current license, a class 2
22 craft distiller license, shall not manufacture more than
23 100,000 gallons of spirits per year, and shall not be a member
24 of or affiliated with, directly or indirectly, a manufacturer
25 that produces more than 100,000 gallons of spirits per year.

26 Class 8. A limited wine-manufacturer may make sales and

1 deliveries not to exceed 40,000 gallons of wine per year to
2 distributors, and to non-licensees in accordance with the
3 provisions of this Act.

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

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

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

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

24 A class 1 craft distiller licensee may hold more than one
25 class 1 craft distiller's license. However, a class 1 craft
26 distiller that holds more than one class 1 craft distiller

1 license shall not manufacture, in the aggregate, more than
2 50,000 gallons of spirits by distillation per year and shall
3 not sell, in the aggregate, more than 5,000 gallons of such
4 spirits to non-licensees in accordance with an exemption
5 approved by the State Commission pursuant to Section 6-4 of
6 this Act.

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

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

22 A class 2 craft distiller shall, prior to transferring
23 spirits to a distilling pub wholly owned by the class 2 craft
24 distiller, furnish a written notice to the State Commission of
25 intent to transfer spirits setting forth the name and address
26 of the distilling pub and shall annually submit to the State

1 Commission a verified report identifying the total gallons of
2 spirits transferred to the distilling pub wholly owned by the
3 class 2 craft distiller.

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

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

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

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

1 shall only be eligible for, in addition to any current
2 license, a second-class wine-maker's license, shall not
3 manufacture more than 150,000 gallons of wine per year, and
4 shall not be a member of or affiliated with, directly or
5 indirectly, a manufacturer that produces more than 150,000
6 gallons of wine a year. A class 2 brewer licensee may make
7 sales and deliveries to importing distributors and
8 distributors, but shall not make sales or deliveries to any
9 other licensee. If the State Commission provides prior
10 approval, a class 2 brewer licensee may annually transfer up
11 to 3,720,000 gallons of beer manufactured by that class 2
12 brewer licensee to the premises of a licensed class 2 brewer
13 wholly owned and operated by the same licensee.

14 A class 2 brewer may transfer beer to a brew pub wholly
15 owned and operated by the class 2 brewer subject to the
16 following limitations and restrictions: (i) the transfer shall
17 not annually exceed more than 31,000 gallons; (ii) the annual
18 amount transferred shall reduce the brew pub's annual
19 permitted production limit; (iii) all beer transferred shall
20 be subject to Article VIII of this Act; (iv) a written record
21 shall be maintained by the brewer and brew pub specifying the
22 amount, date of delivery, and receipt of the product by the
23 brew pub; and (v) the brew pub shall be located no farther than
24 80 miles from the class 2 brewer's licensed location.

25 A class 2 brewer shall, prior to transferring beer to a
26 brew pub wholly owned by the class 2 brewer, furnish a written

1 notice to the State Commission of intent to transfer beer
2 setting forth the name and address of the brew pub and shall
3 annually submit to the State Commission a verified report
4 identifying the total gallons of beer transferred to the brew
5 pub wholly owned by the class 2 brewer.

6 Class 14. A class 3 brewer license, which may be issued to
7 a brewer or a non-resident dealer, shall allow the manufacture
8 of no more than 465,000 gallons of beer per year and no more
9 than 155,000 gallons at a single brewery premises, and shall
10 allow the sale of no more than 6,200 gallons of beer from each
11 in-state or out-of-state class 3 brewery premises, or 18,600
12 gallons in the aggregate, to retail licensees, class 1
13 brewers, class 2 brewers, and class 3 brewers as long as the
14 class 3 brewer licensee does not manufacture more than a
15 combined 465,000 gallons of beer per year and is not a member
16 of or affiliated with, directly or indirectly, a manufacturer
17 that produces more than 465,000 gallons of beer per year to
18 make sales to importing distributors, distributors, retail
19 licensees, brewers, class 1 brewers, class 2 brewers, and
20 class 3 brewers in accordance with the conditions set forth in
21 paragraph (20) of subsection (a) of Section 3-12. If the State
22 Commission provides prior approval, a class 3 brewer may
23 annually transfer up to 155,000 gallons of beer manufactured
24 by that class 3 brewer to the premises of a licensed class 3
25 brewer wholly owned and operated by the same licensee. A class
26 3 brewer shall manufacture beer at the brewer's class 3

1 designated licensed premises, and may sell beer as otherwise
2 provided in this Act.

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

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

1 Commission's website.

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

17 (c) An importing distributor's license may be issued to
18 and held by those only who are duly licensed distributors,
19 upon the filing of an application by a duly licensed
20 distributor, with the Commission and the Commission shall,
21 without the payment of any fee, immediately issue such
22 importing distributor's license to the applicant, which shall
23 allow the importation of alcoholic liquor by the licensee into
24 this State from any point in the United States outside this
25 State, and the purchase of alcoholic liquor in barrels, casks
26 or other bulk containers and the bottling of such alcoholic

1 liquors before resale thereof, but all bottles or containers
2 so filled shall be sealed, labeled, stamped and otherwise made
3 to comply with all provisions, rules and regulations governing
4 manufacturers in the preparation and bottling of alcoholic
5 liquors. The importing distributor's license shall permit such
6 licensee to purchase alcoholic liquor from Illinois licensed
7 non-resident dealers and foreign importers only. No person
8 licensed as an importing distributor shall be granted a
9 non-resident dealer's license.

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

1 this Section, "delivery" means the movement of alcoholic
2 liquor purchased from a licensed retailer to a consumer
3 through the following methods:

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

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

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

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

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

21 Except for a municipality with a population of more than
22 1,000,000 inhabitants, a home rule unit may not regulate the
23 delivery of alcoholic liquor inconsistent with this
24 subsection. This paragraph is a limitation under subsection
25 (i) of Section 6 of Article VII of the Illinois Constitution on
26 the concurrent exercise by home rule units of powers and

1 functions exercised by the State. A non-home rule municipality
2 may not regulate the delivery of alcoholic liquor inconsistent
3 with this subsection.

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

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

1 2a of the Retailers' Occupation Tax Act, does not hold a resale
2 number under Section 2c of the Retailers' Occupation Tax Act,
3 and does not hold an exemption number under Section 1g of the
4 Retailers' Occupation Tax Act, in which event the Commission
5 shall set forth on the special event retailer's license a
6 statement to that effect; (ii) submit with the application
7 proof satisfactory to the State Commission that the applicant
8 will provide dram shop liability insurance in the maximum
9 limits; and (iii) show proof satisfactory to the State
10 Commission that the applicant has obtained local authority
11 approval.

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

18 (f) A railroad license shall permit the licensee to import
19 alcoholic liquors into this State from any point in the United
20 States outside this State and to store such alcoholic liquors
21 in this State; to make wholesale purchases of alcoholic
22 liquors directly from manufacturers, foreign importers,
23 distributors and importing distributors from within or outside
24 this State; and to store such alcoholic liquors in this State;
25 provided that the above powers may be exercised only in
26 connection with the importation, purchase or storage of

1 alcoholic liquors to be sold or dispensed on a club, buffet,
2 lounge or dining car operated on an electric, gas or steam
3 railway in this State; and provided further, that railroad
4 licensees exercising the above powers shall be subject to all
5 provisions of Article VIII of this Act as applied to importing
6 distributors. A railroad license shall also permit the
7 licensee to sell or dispense alcoholic liquors on any club,
8 buffet, lounge or dining car operated on an electric, gas or
9 steam railway regularly operated by a common carrier in this
10 State, but shall not permit the sale for resale of any
11 alcoholic liquors to any licensee within this State. A license
12 shall be obtained for each car in which such sales are made.

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

19 (h) A non-beverage user's license shall allow the licensee
20 to purchase alcoholic liquor from a licensed manufacturer or
21 importing distributor, without the imposition of any tax upon
22 the business of such licensed manufacturer or importing
23 distributor as to such alcoholic liquor to be used by such
24 licensee solely for the non-beverage purposes set forth in
25 subsection (a) of Section 8-1 of this Act, and such licenses
26 shall be divided and classified and shall permit the purchase,

1 possession and use of limited and stated quantities of
2 alcoholic liquor as follows:

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

8 (i) A wine-maker's premises license shall allow a licensee
 9 that concurrently holds a first-class wine-maker's license to
 10 sell and offer for sale at retail in the premises specified in
 11 such license not more than 50,000 gallons of the first-class
 12 wine-maker's wine that is made at the first-class wine-maker's
 13 licensed premises per year for use or consumption, but not for
 14 resale in any form. A wine-maker's premises license shall
 15 allow a licensee who concurrently holds a second-class
 16 wine-maker's license to sell and offer for sale at retail in
 17 the premises specified in such license up to 100,000 gallons
 18 of the second-class wine-maker's wine that is made at the
 19 second-class wine-maker's licensed premises per year for use
 20 or consumption but not for resale in any form. A first-class
 21 wine-maker that concurrently holds a class 1 brewer license or
 22 a class 1 craft distiller license shall not be eligible to hold
 23 a wine-maker's premises license. A wine-maker's premises
 24 license shall allow a licensee that concurrently holds a
 25 first-class wine-maker's license or a second-class
 26 wine-maker's license to sell and offer for sale at retail at

1 the premises specified in the wine-maker's premises license,
2 for use or consumption but not for resale in any form, any
3 beer, wine, and spirits purchased from a licensed distributor.
4 Upon approval from the State Commission, a wine-maker's
5 premises license shall allow the licensee to sell and offer
6 for sale at (i) the wine-maker's licensed premises and (ii) at
7 up to 3 ~~2~~ additional locations for use and consumption and not
8 for resale. Each location shall require additional licensing
9 per location as specified in Section 5-3 of this Act. A
10 wine-maker's premises licensee shall secure liquor liability
11 insurance coverage in an amount at least equal to the maximum
12 liability amounts set forth in subsection (a) of Section 6-21
13 of this Act.

14 (j) An airplane license shall permit the licensee to
15 import alcoholic liquors into this State from any point in the
16 United States outside this State and to store such alcoholic
17 liquors in this State; to make wholesale purchases of
18 alcoholic liquors directly from manufacturers, foreign
19 importers, distributors and importing distributors from within
20 or outside this State; and to store such alcoholic liquors in
21 this State; provided that the above powers may be exercised
22 only in connection with the importation, purchase or storage
23 of alcoholic liquors to be sold or dispensed on an airplane;
24 and provided further, that airplane licensees exercising the
25 above powers shall be subject to all provisions of Article
26 VIII of this Act as applied to importing distributors. An

1 airplane licensee shall also permit the sale or dispensing of
2 alcoholic liquors on any passenger airplane regularly operated
3 by a common carrier in this State, but shall not permit the
4 sale for resale of any alcoholic liquors to any licensee
5 within this State. A single airplane license shall be required
6 of an airline company if liquor service is provided on board
7 aircraft in this State. The annual fee for such license shall
8 be as determined in Section 5-3.

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

24 (l) (i) A broker's license shall be required of all
25 persons who solicit orders for, offer to sell or offer to
26 supply alcoholic liquor to retailers in the State of Illinois,

1 or who offer to retailers to ship or cause to be shipped or to
2 make contact with distillers, craft distillers, rectifiers,
3 brewers or manufacturers or any other party within or without
4 the State of Illinois in order that alcoholic liquors be
5 shipped to a distributor, importing distributor or foreign
6 importer, whether such solicitation or offer is consummated
7 within or without the State of Illinois.

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

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

19 (ii) A broker's license shall be required of a person
20 within this State, other than a retail licensee, who, for a fee
21 or commission, promotes, solicits, or accepts orders for
22 alcoholic liquor, for use or consumption and not for resale,
23 to be shipped from this State and delivered to residents
24 outside of this State by an express company, common carrier,
25 or contract carrier. This Section does not apply to any person
26 who promotes, solicits, or accepts orders for wine as

1 specifically authorized in Section 6-29 of this Act.

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

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

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

15 (m) A non-resident dealer's license shall permit such
16 licensee to ship into and warehouse alcoholic liquor into this
17 State from any point outside of this State, and to sell such
18 alcoholic liquor to Illinois licensed foreign importers and
19 importing distributors and to no one else in this State;
20 provided that (i) said non-resident dealer shall register with
21 the Illinois Liquor Control Commission each and every brand of
22 alcoholic liquor which it proposes to sell to Illinois
23 licensees during the license period, (ii) it shall comply with
24 all of the provisions of Section 6-9 hereof with respect to
25 registration of such Illinois licensees as may be granted the
26 right to sell such brands at wholesale by duly filing such

1 registration statement, thereby authorizing the non-resident
2 dealer to proceed to sell such brands at wholesale, and (iii)
3 the non-resident dealer shall comply with the provisions of
4 Sections 6-5 and 6-6 of this Act to the same extent that these
5 provisions apply to manufacturers. No person licensed as a
6 non-resident dealer shall be granted a distributor's or
7 importing distributor's license.

8 (n) A brew pub license shall allow the licensee to only (i)
9 manufacture up to 155,000 gallons of beer per year only on the
10 premises specified in the license, (ii) make sales of the beer
11 manufactured on the premises or, with the approval of the
12 Commission, beer manufactured on another brew pub licensed
13 premises that is wholly owned and operated by the same
14 licensee to importing distributors, distributors, and to
15 non-licensees for use and consumption, (iii) store the beer
16 upon the premises, (iv) sell and offer for sale at retail from
17 the licensed premises for off-premises consumption no more
18 than 155,000 gallons per year so long as such sales are only
19 made in-person, (v) sell and offer for sale at retail for use
20 and consumption on the premises specified in the license any
21 form of alcoholic liquor purchased from a licensed distributor
22 or importing distributor, (vi) with the prior approval of the
23 Commission, annually transfer no more than 155,000 gallons of
24 beer manufactured on the premises to a licensed brew pub
25 wholly owned and operated by the same licensee, and (vii)
26 notwithstanding item (i) of this subsection, brew pubs wholly

1 owned and operated by the same licensee may combine each
2 location's production limit of 155,000 gallons of beer per
3 year and allocate the aggregate total between the wholly
4 owned, operated, and licensed locations.

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

8 A person who holds a class 2 brewer license may
9 simultaneously hold a brew pub license if the class 2 brewer
10 (i) does not, under any circumstance, sell or offer for sale
11 beer manufactured by the class 2 brewer to retail licensees;
12 (ii) does not hold more than 3 brew pub licenses in this State;
13 (iii) does not manufacture more than a combined 3,720,000
14 gallons of beer per year, including the beer manufactured at
15 the brew pub; and (iv) is not a member of or affiliated with,
16 directly or indirectly, a manufacturer that produces more than
17 3,720,000 gallons of beer per year or any other alcoholic
18 liquor.

19 Notwithstanding any other provision of this Act, a
20 licensed brewer, class 2 brewer, or non-resident dealer who
21 before July 1, 2015 manufactured less than 3,720,000 gallons
22 of beer per year and held a brew pub license on or before July
23 1, 2015 may (i) continue to qualify for and hold that brew pub
24 license for the licensed premises and (ii) manufacture more
25 than 3,720,000 gallons of beer per year and continue to
26 qualify for and hold that brew pub license if that brewer,

1 class 2 brewer, or non-resident dealer does not simultaneously
2 hold a class 1 brewer license and is not a member of or
3 affiliated with, directly or indirectly, a manufacturer that
4 produces more than 3,720,000 gallons of beer per year or that
5 produces any other alcoholic liquor.

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

12 (1) has a valid retail license on or before May 1,
13 2021;

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

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

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

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

1 expired.

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

12 Nothing in this Act prohibits a distributor or importing
13 distributor from offering credit or a refund for unused,
14 salable beer to a holder of a caterer retailer license or a
15 caterer retailer licensee from accepting a credit or refund
16 for unused, salable beer, in the event an act of God is the
17 sole reason an off-site event is cancelled and if: (i) the
18 holder of a caterer retailer license has not transferred
19 alcoholic liquor from its caterer retailer premises to an
20 off-site location; (ii) the distributor or importing
21 distributor offers the credit or refund for the unused,
22 salable beer that it delivered to the off-site premises and
23 not for any unused, salable beer that the distributor or
24 importing distributor delivered to the caterer retailer's
25 premises; and (iii) the unused, salable beer would likely
26 spoil if transferred to the caterer retailer's premises. A

1 caterer retailer license shall allow the holder to transfer
2 any inventory from any off-site location to its caterer
3 retailer premises at the conclusion of an off-site event or
4 engage a distributor or importing distributor to transfer any
5 inventory from any off-site location to its caterer retailer
6 premises at the conclusion of an off-site event, provided that
7 the distributor or importing distributor issues bona fide
8 charges to the caterer retailer licensee for fuel, labor, and
9 delivery and the distributor or importing distributor collects
10 payment from the caterer retailer licensee prior to the
11 distributor or importing distributor transferring inventory to
12 the caterer retailer premises.

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

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

25 (q) A special use permit license shall allow an Illinois
26 licensed retailer to transfer a portion of its alcoholic

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

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

1 inventory to the retail premises.

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

17 (r) A winery shipper's license shall allow a person with a
18 first-class or second-class wine manufacturer's license, a
19 first-class or second-class wine-maker's license, or a limited
20 wine manufacturer's license or who is licensed to make wine
21 under the laws of another state to ship wine made by that
22 licensee directly to a resident of this State who is 21 years
23 of age or older for that resident's personal use and not for
24 resale. Prior to receiving a winery shipper's license, an
25 applicant for the license must provide the Commission with a
26 true copy of its current license in any state in which it is

1 licensed as a manufacturer of wine. An applicant for a winery
2 shipper's license must also complete an application form that
3 provides any other information the Commission deems necessary.
4 The application form shall include all addresses from which
5 the applicant for a winery shipper's license intends to ship
6 wine, including the name and address of any third party,
7 except for a common carrier, authorized to ship wine on behalf
8 of the manufacturer. The application form shall include an
9 acknowledgement consenting to the jurisdiction of the
10 Commission, the Illinois Department of Revenue, and the courts
11 of this State concerning the enforcement of this Act and any
12 related laws, rules, and regulations, including authorizing
13 the Department of Revenue and the Commission to conduct audits
14 for the purpose of ensuring compliance with Public Act 95-634,
15 and an acknowledgement that the wine manufacturer is in
16 compliance with Section 6-2 of this Act. Any third party,
17 except for a common carrier, authorized to ship wine on behalf
18 of a first-class or second-class wine manufacturer's licensee,
19 a first-class or second-class wine-maker's licensee, a limited
20 wine manufacturer's licensee, or a person who is licensed to
21 make wine under the laws of another state shall also be
22 disclosed by the winery shipper's licensee, and a copy of the
23 written appointment of the third-party wine provider, except
24 for a common carrier, to the wine manufacturer shall be filed
25 with the State Commission as a supplement to the winery
26 shipper's license application or any renewal thereof. The

1 winery shipper's license holder shall affirm under penalty of
2 perjury, as part of the winery shipper's license application
3 or renewal, that he or she only ships wine, either directly or
4 indirectly through a third-party provider, from the licensee's
5 own production.

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

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

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

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

26 A winery shipper licensee must pay to the Department of

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

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

25 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of
26 Section 3-12, the State Commission may receive, respond to,

1 and investigate any complaint and impose any of the remedies
2 specified in paragraph (1) of subsection (a) of Section 3-12.

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

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

22 (t) A brewer warehouse permit may be issued to the holder
23 of a class 1 brewer license or a class 2 brewer license. If the
24 holder of the permit is a class 1 brewer licensee, the brewer
25 warehouse permit shall allow the holder to store or warehouse
26 up to 930,000 gallons of tax-determined beer manufactured by

1 the holder of the permit at the premises specified on the
2 permit. If the holder of the permit is a class 2 brewer
3 licensee, the brewer warehouse permit shall allow the holder
4 to store or warehouse up to 3,720,000 gallons of
5 tax-determined beer manufactured by the holder of the permit
6 at the premises specified on the permit. Sales to
7 non-licensees are prohibited at the premises specified in the
8 brewer warehouse permit.

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

1 operated by the same licensee.

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

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

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

24 (w) A beer showcase permit license shall allow an
25 Illinois-licensed distributor to transfer a portion of its
26 beer inventory from its licensed premises to the premises

1 specified in the beer showcase permit license, and, in the
2 case of a class 3 brewer, transfer only beer the class 3 brewer
3 manufactures from its licensed premises to the premises
4 specified in the beer showcase permit license; and to sell or
5 offer for sale at retail, only in the premises specified in the
6 beer showcase permit license, the transferred or delivered
7 beer for on or off premise consumption, but not for resale in
8 any form and to sell to non-licensees not more than 96 fluid
9 ounces of beer per person. A beer showcase permit license may
10 be granted for the following time periods: one day or less; or
11 2 or more days to a maximum of 15 days per location in any
12 12-month period. An applicant for a beer showcase permit
13 license must also submit with the application proof
14 satisfactory to the State Commission that the applicant will
15 provide dram shop liability insurance to the maximum limits
16 and have local authority approval. The State Commission shall
17 require the beer showcase applicant to comply with Section
18 6-27.1.

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

23 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

24 Sec. 5-3. License fees. Except as otherwise provided
25 herein, at the time application is made to the State

1 Commission for a license of any class, the applicant shall pay
 2 to the State Commission the fee hereinafter provided for the
 3 kind of license applied for.

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

Online	Initial
renewal	license
	or
	non-online
	renewal

11 For a manufacturer's license:

12	Class 1. Distiller	\$4,000	\$5,000
13	Class 2. Rectifier	4,000	5,000
14	Class 3. Brewer	1,200	1,500
15	Class 4. First-class Wine		
16	Manufacturer	750	900
17	Class 5. Second-class		
18	Wine Manufacturer.....	1,500	1,750
19	Class 6. First-class wine-maker	750	900
20	Class 7. Second-class wine-maker ..	1,500	1,750
21	Class 8. Limited Wine		
22	Manufacturer	250	350
23	Class 9. Craft Distiller	2,000	2,500
24	Class 10. Class 1 Craft Distiller ..	50	75
25	Class 11. Class 2 Craft Distiller ..	75	100
26	Class 12. Class 1 Brewer	50	75

1	Class 13. Class 2 Brewer	75	100
2	Class 14. Class 3 Brewer	25	50
3	For a Brew Pub License	1,200	1,500
4	For a Distilling Pub License	1,200	1,500
5	For a caterer retailer's license ..	350	500
6	For a foreign importer's license ..	25	25
7	For an importing distributor's		
8	license.....	25	25
9	For a distributor's license		
10	(11,250,000 gallons		
11	or over)	1,450	2,200
12	For a distributor's license		
13	(over 4,500,000 gallons, but		
14	under 11,250,000 gallons)	950	1,450
15	For a distributor's license		
16	(4,500,000 gallons or under) ..	300	450
17	For a non-resident dealer's license		
18	(500,000 gallons or over)		
19	or with self-distribution		
20	privileges	1,200	1,500
21	For a non-resident dealer's license		
22	(under 500,000 gallons)	250	350
23	For a wine-maker's premises		
24	license.....	250	500
25	For a winery shipper's license		
26	(under 250,000 gallons)	200	350

1	For a winery shipper's license		
2	(250,000 or over, but		
3	under 500,000 gallons)	750	1,000
4	For a winery shipper's license		
5	(500,000 gallons or over)	1,200	1,500
6	For a wine-maker's premises		
7	license, second location	500	1,000
8	For a wine-maker's premises		
9	license, third location.....	500	1,000
10	<u>For a wine-maker's premises</u>		
11	<u>license, fourth location</u>	<u>500</u>	<u>1,000</u>
12	For a retailer's license	600	750
13	For a special event retailer's		
14	license, (not-for-profit).....	25	25
15	For a beer showcase permit,		
16	one day only	100	150
17	2 days or more	150	250
18	For a special use permit license,		
19	one day only	100	150
20	2 days or more	150	250
21	For a railroad license	100	150
22	For a boat license	500	1,000
23	For an airplane license, times the		
24	licensee's maximum number of		
25	aircraft in flight, serving		
26	liquor over the State at any		

1	given time, which either		
2	originate, terminate, or make		
3	an intermediate stop in		
4	the State.....	100	150
5	For a non-beverage user's license:		
6	Class 1.....	24	24
7	Class 2.....	60	60
8	Class 3.....	120	120
9	Class 4.....	240	240
10	Class 5.....	600	600
11	For a broker's license	750	1,000
12	For an auction liquor license	100	150
13	For a homebrewer special		
14	event permit	25	25
15	For a craft distiller		
16	tasting permit	25	25
17	For a BASSET trainer license	300	350
18	For a tasting representative		
19	license.....	200	300
20	For a brewer warehouse permit	25	25
21	For a craft distiller		
22	warehouse permit	25	25

23 Fees collected under this Section shall be paid into the
 24 Dram Shop Fund. The State Commission shall waive license
 25 renewal fees for those retailers' licenses that are designated
 26 as "1A" by the State Commission and expire on or after July 1,

1 2022, and on or before June 30, 2023. One-half of the funds
2 received for a retailer's license shall be paid into the Dram
3 Shop Fund and one-half of the funds received for a retailer's
4 license shall be paid into the General Revenue Fund.

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

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

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

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

15 (Source: P.A. 102-442, eff. 8-20-21; 102-558, eff. 8-20-21;
16 102-699, eff. 4-19-22; 102-1142, eff. 2-17-23; 103-154, eff.
17 6-30-23; 103-605, eff. 7-1-24.)