

**104TH GENERAL ASSEMBLY****State of Illinois****2025 and 2026****HB3172**

Introduced 2/18/2025, by Rep. Theresa Mah

**SYNOPSIS AS INTRODUCED:**

235 ILCS 5/1-3.12	from Ch. 43, par. 95.12
235 ILCS 5/1-3.40	
235 ILCS 5/3-12	
235 ILCS 5/5-1	from Ch. 43, par. 115
235 ILCS 5/5-3	from Ch. 43, par. 118

Amends the Liquor Control Act of 1934. Establishes a third-class wine-makers license. Provides that a third-class wine-makers license allows the manufacture of up to 250,000 gallons of wine per year and the storage and sale of such wine to distributors in this State and to persons without the State, as may be permitted by law. Provides that a person who has a third-class wine-maker's license and annually produces less than 250,000 gallons of wine may make application to the Illinois Liquor Control Commission for a self-distribution exemption to allow the sale of not more than 25,000 gallons of the exemption holder's wine to retail licensees per year and to sell cider, mead, or both cider and mead to brewers, class 1 brewers, class 2 brewers, and class 3 brewers that sell beer, cider, mead, or any combination thereof to non-licensees at their breweries. Provides that a wine-maker's premises license shall allow a licensee who concurrently holds a third-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license up to 250,000 gallons of the third-class wine-maker's wine that is made at the third-class wine-maker's licensed premises per year for use or consumption but not for resale in any form. 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 forth licensing fees for a third-class wine-maker and for a fourth location of a wine-maker's premises license.

LRB104 08306 RPS 18357 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 1-3.12, 1-3.40, 3-12, 5-1, and 5-3 as  
6           follows:

7           (235 ILCS 5/1-3.12) (from Ch. 43, par. 95.12)

8           Sec. 1-3.12. "Wine-maker" means a person engaged in the  
9           making of less than 50,000 gallons of wine annually other than  
10           a person issued a Second Class wine-maker's license or a  
11           third-class wine-maker's license.

12           (Source: P.A. 92-378, eff. 8-16-01.)

13           (235 ILCS 5/1-3.40)

14           Sec. 1-3.40. Manufacturer class license holder.  
15           "Manufacturer class license holder" means any holder of a  
16           Manufacturer's license as provided in Section 5-1 of this Act.  
17           The Manufacturer's licenses are: a Class 1. Distiller, a Class  
18           2. Rectifier, a Class 3. Brewer, a Class 4. First Class Wine  
19           Manufacturer, a Class 5. Second Class Wine Manufacturer, a  
20           Class 6. First Class Winemaker, a Class 7. Second Class  
21           Winemaker, a Class 8. Limited Wine Manufacturer, a Class 9.  
22           Craft Distiller, a Class 10. Class 1 Craft Distiller, a Class

1 11. Class 2 Craft Distiller, a Class 12. Class 1 Brewer, ~~and~~ a  
2 Class 13. Class 2 Brewer, a Class 14. Third-Class Wine-Maker,  
3 and any future Manufacturer's licenses established by law.

4 (Source: P.A. 101-482, eff. 8-23-19; 101-615, eff. 12-20-19.)

5 (235 ILCS 5/3-12)

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

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

9 (1) To receive applications and to issue licenses to  
10 manufacturers, foreign importers, importing distributors,  
11 distributors, non-resident dealers, on premise consumption  
12 retailers, off premise sale retailers, special event  
13 retailer licensees, special use permit licenses, auction  
14 liquor licenses, brew pubs, caterer retailers,  
15 non-beverage users, railroads, including owners and  
16 lessees of sleeping, dining and cafe cars, airplanes,  
17 boats, brokers, and wine maker's premises licensees in  
18 accordance with the provisions of this Act, and to suspend  
19 or revoke such licenses upon the State Commission's  
20 determination, upon notice after hearing, that a licensee  
21 has violated any provision of this Act or any rule or  
22 regulation issued pursuant thereto and in effect for 30  
23 days prior to such violation. Except in the case of an  
24 action taken pursuant to a violation of Section 6-3, 6-5,  
25 or 6-9, any action by the State Commission to suspend or

1       revoke a licensee's license may be limited to the license  
2       for the specific premises where the violation occurred. An  
3       action for a violation of this Act shall be commenced by  
4       the State Commission within 2 years after the date the  
5       State Commission becomes aware of the violation.

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

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

19      The fine imposed under this paragraph may not exceed  
20      \$500 for each violation. Each day that the activity, which  
21      gave rise to the original fine, continues is a separate  
22      violation. The maximum fine that may be levied against any  
23      licensee, for the period of the license, shall not exceed  
24      \$20,000. The maximum penalty that may be imposed on a  
25      licensee for selling a bottle of alcoholic liquor with a  
26      foreign object in it or serving from a bottle of alcoholic

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

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

18       (2) To adopt such rules and regulations consistent  
19 with the provisions of this Act which shall be necessary  
20 to carry on its functions and duties to the end that the  
21 health, safety and welfare of the People of the State of  
22 Illinois shall be protected and temperance in the  
23 consumption of alcoholic liquors shall be fostered and  
24 promoted and to distribute copies of such rules and  
25 regulations to all licensees affected thereby.

26       (3) To call upon other administrative departments of

1       the State, county and municipal governments, county and  
2       city police departments and upon prosecuting officers for  
3       such information and assistance as it deems necessary in  
4       the performance of its duties.

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

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

17               (5.1) Upon receipt of a complaint or upon having  
18      knowledge that any person is engaged in business as a  
19      manufacturer, importing distributor, distributor, or  
20      retailer without a license or valid license, to conduct an  
21      investigation. If, after conducting an investigation, the  
22      State Commission is satisfied that the alleged conduct  
23      occurred or is occurring, it may issue a cease and desist  
24      notice as provided in this Act, impose civil penalties as  
25      provided in this Act, notify the local liquor authority,  
26      or file a complaint with the State's Attorney's Office of

1       the county where the incident occurred or the Attorney  
2 General.

3           (5.2) Upon receipt of a complaint or upon having  
4 knowledge that any person is shipping alcoholic liquor  
5 into this State from a point outside of this State if the  
6 shipment is in violation of this Act, to conduct an  
7 investigation. If, after conducting an investigation, the  
8 State Commission is satisfied that the alleged conduct  
9 occurred or is occurring, it may issue a cease and desist  
10 notice as provided in this Act, impose civil penalties as  
11 provided in this Act, notify the foreign jurisdiction, or  
12 file a complaint with the State's Attorney's Office of the  
13 county where the incident occurred or the Attorney  
14 General.

15           (5.3) To receive complaints from licensees, local  
16 officials, law enforcement agencies, organizations, and  
17 persons stating that any licensee has been or is violating  
18 any provision of this Act or the rules and regulations  
19 issued pursuant to this Act. Such complaints shall be in  
20 writing, signed and sworn to by the person making the  
21 complaint, and shall state with specificity the facts in  
22 relation to the alleged violation. If the State Commission  
23 has reasonable grounds to believe that the complaint  
24 substantially alleges a violation of this Act or rules and  
25 regulations adopted pursuant to this Act, it shall conduct  
26 an investigation. If, after conducting an investigation,

1       the State Commission is satisfied that the alleged  
2 violation did occur, it shall proceed with disciplinary  
3 action against the licensee as provided in this Act.

4               (5.4) To make arrests and issue notices of civil  
5 violations where necessary for the enforcement of this  
6 Act.

7               (5.5) To investigate any and all unlicensed activity.

8               (5.6) To impose civil penalties or fines to any person  
9 who, without holding a valid license, engages in conduct  
10 that requires a license pursuant to this Act, in an amount  
11 not to exceed \$20,000 for each offense as determined by  
12 the State Commission. A civil penalty shall be assessed by  
13 the State Commission after a hearing is held in accordance  
14 with the provisions set forth in this Act regarding the  
15 provision of a hearing for the revocation or suspension of  
16 a license.

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

23               (7) The State Commission shall establish uniform  
24 systems of accounts to be kept by all retail licensees  
25 having more than 4 employees, and for this purpose the  
26 State Commission may classify all retail licensees having

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

22 (8) In the conduct of any hearing authorized to be  
23 held by the State Commission, to appoint, at the  
24 commission's discretion, hearing officers to conduct  
25 hearings involving complex issues or issues that will  
26 require a protracted period of time to resolve, to

1       examine, or cause to be examined, under oath, any  
2       licensee, and to examine or cause to be examined the books  
3       and records of such licensee; to hear testimony and take  
4       proof material for its information in the discharge of its  
5       duties hereunder; to administer or cause to be  
6       administered oaths; for any such purpose to issue subpoena  
7       or subpoenas to require the attendance of witnesses and  
8       the production of books, which shall be effective in any  
9       part of this State, and to adopt rules to implement its  
10      powers under this paragraph (8).

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

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

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

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

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

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

(13) (Blank) .

(14) On or before April 30, 2008 and every 2 years thereafter, the State Commission shall present a written report to the Governor and the General Assembly that shall be based on a study of the impact of Public Act 95-634 on the business of soliciting, selling, and shipping wine from inside and outside of this State directly to residents of this State. As part of its report, the State Commission shall provide all of the following information:

(A) The amount of State excise and sales tax

1                   revenues generated.

2                   (B) The amount of licensing fees received.

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

6                   (D) The number of alcohol compliance operations  
7                   conducted.

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

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

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

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

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

(B) In the application, which shall be sworn under penalty of perjury, such person shall state (1) the date it was established; (2) its volume of production and sales

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

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

18 (D) A self-distribution exemption holder shall  
19 annually certify to the State Commission its production of  
20 wine in the previous 12 months and its anticipated  
21 production and sales for the next 12 months. The State  
22 Commission may fine, suspend, or revoke a  
23 self-distribution exemption after a hearing if it finds  
24 that the exemption holder has made a material  
25 misrepresentation in its application, violated a revenue  
26 or liquor law of Illinois, exceeded production of 25,000

1       gallons of wine, 930,000 gallons of beer, or 50,000  
2       gallons of spirits in any calendar year, or become part of  
3       an affiliated group producing more than 25,000 gallons of  
4       wine, 930,000 gallons of beer, or 50,000 gallons of  
5       spirits.

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

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

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

20               (H) It is the intent of this paragraph (17) to promote  
21      and continue orderly markets. The General Assembly finds  
22      that, in order to preserve Illinois' regulatory  
23      distribution system, it is necessary to create an  
24      exception for smaller makers of wine as their wines are  
25      frequently adjusted in varietals, mixes, vintages, and  
26      taste to find and create market niches sometimes too small

1 for distributor or importing distributor business  
2 strategies. Limited self-distribution rights will afford  
3 and allow smaller makers of wine access to the marketplace  
4 in order to develop a customer base without impairing the  
5 integrity of the 3-tier system.

6 (17.5) (A) A person who has a third-class wine-maker's  
7 license and annually produces less than 250,000 gallons of  
8 wine may make application to the Commission for a  
9 self-distribution exemption to allow the sale of not more  
10 than 25,000 gallons of the exemption holder's wine to  
11 retail licensees per year and to sell cider, mead, or both  
12 cider and mead to brewers, class 1 brewers, class 2  
13 brewers, and class 3 brewers that, pursuant to subsection  
14 (e) of Section 6-4 of this Act, sell beer, cider, mead, or  
15 any combination thereof to non-licensees at their  
16 breweries.

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

26 (C) The State Commission shall approve the application

1       for a self-distribution exemption if such person: (1) is  
2       in compliance with State revenue and liquor laws; (2) is  
3       not a member of any affiliated group that produces  
4       directly or indirectly more than 250,000 gallons of wine  
5       per annum, 930,000 gallons of beer per annum, or 50,000  
6       gallons of spirits per annum; (3) will not annually  
7       produce for sale more than 250,000 gallons of wine,  
8       930,000 gallons of beer, or 50,000 gallons of spirits; and  
9       (4) will not annually sell more than 25,000 gallons of its  
10      wine to retail licensees.

11       (D) A self-distribution exemption holder shall  
12      annually certify to the State Commission its production of  
13      wine in the previous 12 months and its anticipated  
14      production and sales for the next 12 months. The State  
15      Commission may fine, suspend, or revoke a  
16      self-distribution exemption after a hearing if it finds  
17      that the exemption holder has made a material  
18      misrepresentation in its application, violated a revenue  
19      or liquor law of Illinois, exceeded production of 250,000  
20      gallons of wine, 930,000 gallons of beer, or 50,000  
21      gallons of spirits in any calendar year, or become part of  
22      an affiliated group producing more than 250,000 gallons of  
23      wine, 930,000 gallons of beer, or 50,000 gallons of  
24      spirits.

25       (E) Except in hearings for violations of this Act or  
26      Public Act 95-634 or a bona fide investigation by duly

1        sworn law enforcement officials, the State Commission, or  
2        its agents, the State Commission shall maintain the  
3        production and sales information of a self-distribution  
4        exemption holder as confidential and shall not release  
5        such information to any person.

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

9        (G) Nothing in this paragraph (17.5) shall prohibit a  
10        self-distribution exemption holder from entering into or  
11        simultaneously having a distribution agreement with a  
12        licensed Illinois distributor.

13        (H) It is the intent of this paragraph (17.5) to  
14        promote and continue orderly markets. The General Assembly  
15        finds that, in order to preserve Illinois' regulatory  
16        distribution system, it is necessary to create an  
17        exception for smaller makers of wine as their wines are  
18        frequently adjusted in varietals, mixes, vintages, and  
19        taste to find and create market niches sometimes too small  
20        for distributor or importing distributor business  
21        strategies. Limited self-distribution rights will afford  
22        and allow smaller makers of wine access to the marketplace  
23        in order to develop a customer base without impairing the  
24        integrity of the 3-tier system.

25        (18) (A) A class 1 brewer licensee, who must also be  
26        either a licensed brewer or licensed non-resident dealer

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

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

19 (C) Any application submitted shall be posted on the  
20 State Commission's website at least 45 days prior to  
21 action by the State Commission. The State Commission shall  
22 approve the application for a self-distribution exemption  
23 if the class 1 brewer licensee: (1) is in compliance with  
24 the State, revenue, and alcoholic beverage laws; (2) is  
25 not a member of any affiliated group that manufactures,  
26 directly or indirectly, more than 930,000 gallons of beer

1       per annum, 25,000 gallons of wine per annum, or 50,000  
2       gallons of spirits per annum; (3) shall not annually  
3       manufacture for sale more than 930,000 gallons of beer,  
4       25,000 gallons of wine, or 50,000 gallons of spirits; (4)  
5       shall not annually sell more than 232,500 gallons of its  
6       beer to retail licensees and class 3 brewers and to  
7       brewers, class 1 brewers, and class 2 brewers that,  
8       pursuant to subsection (e) of Section 6-4 of this Act,  
9       sell beer, cider, mead, or any combination thereof to  
10       non-licensees at their breweries; and (5) has relinquished  
11       any brew pub license held by the licensee, including any  
12       ownership interest it held in the licensed brew pub.

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

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

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

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

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

1                   exemption holder's spirits to retail licensees per year.

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

13                   (C) Any application submitted shall be posted on the  
14                   State Commission's website at least 45 days prior to  
15                   action by the State Commission. The State Commission shall  
16                   approve the application for a self-distribution exemption  
17                   if the applicant: (1) is in compliance with State revenue  
18                   and alcoholic beverage laws; (2) is not a member of any  
19                   affiliated group that produces more than 50,000 gallons of  
20                   spirits per annum, 930,000 gallons of beer per annum, or  
21                   25,000 gallons of wine per annum; (3) does not annually  
22                   manufacture for sale more than 50,000 gallons of spirits,  
23                   930,000 gallons of beer, or 25,000 gallons of wine; and  
24                   (4) does not annually sell more than 5,000 gallons of its  
25                   spirits to retail licensees.

26                   (D) A self-distribution exemption holder shall

1 annually certify to the State Commission its manufacture  
2 of spirits during the previous 12 months and its  
3 anticipated manufacture and sales of spirits for the next  
4 12 months. The State Commission may fine, suspend, or  
5 revoke a self-distribution exemption after a hearing if it  
6 finds that the exemption holder has made a material  
7 misrepresentation in its application, violated a revenue  
8 or alcoholic beverage law of Illinois, exceeded the  
9 manufacture of 50,000 gallons of spirits, 930,000 gallons  
10 of beer, or 25,000 gallons of wine in any calendar year, or  
11 has become part of an affiliated group manufacturing more  
12 than 50,000 gallons of spirits, 930,000 gallons of beer,  
13 or 25,000 gallons of wine.

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

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

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

1 impairing the integrity of the 3-tier system.

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

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

19 (1) the date it was established;

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

22 (3) its efforts to establish distributor  
23 relationships;

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

26 (5) that it will comply with the alcoholic

1                    beverage and revenue laws of the United States, this  
2                    State, and any 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 before action  
5                    by the State Commission. The State Commission shall  
6                    approve the application for a self-distribution exemption  
7                    if the class 3 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 manufacturers,  
10                    directly or indirectly, more than 465,000 gallons of beer  
11                    per annum; (3) shall not annually manufacture for sale  
12                    more than 465,000 gallons of beer or more than 155,000  
13                    gallons at any single brewery premises; and (4) shall not  
14                    annually sell more than 6,200 gallons of beer from each  
15                    in-state or out-of-state class 3 brewery premises, and  
16                    shall not exceed 18,600 gallons annually in the aggregate,  
17                    to retail licensees and class 3 brewers and to brewers,  
18                    class 1 brewers, and class 2 brewers that, pursuant to  
19                    subsection (e) of Section 6-4 of this Act, sell beer,  
20                    cider, or both beer and cider to non-licensees at their  
21                    breweries.

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

1       self-distribution exemption after a hearing if it finds  
2       that the exemption holder has made a material  
3       misrepresentation in its application, violated a revenue  
4       or alcoholic beverage law of Illinois, exceeded the  
5       manufacture of 465,000 gallons of beer in any calendar  
6       year or became part of an affiliated group manufacturing  
7       more than 465,000 gallons of beer, or exceeded the sale to  
8       retail licensees, brewers, class 1 brewers, class 2  
9       brewers, and class 3 brewers of 6,200 gallons per brewery  
10      location or 18,600 gallons in the aggregate.

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

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

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

1       manufacturers in order to afford and allow such smaller  
2       manufacturers of beer access to the marketplace in order  
3       to develop a customer base without impairing the integrity  
4       of the 3-tier system.

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

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

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

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

17               (iii) the number of reported violations, the number of  
18        cease and desist notices issued by the Commission, the  
19        number of notices of violations issued to the Department  
20        of Revenue, and the number of notices and complaints of  
21        violations to law enforcement officials.

22        (Source: P.A. 101-37, eff. 7-3-19; 101-81, eff. 7-12-19;  
23        101-482, eff. 8-23-19; 102-442, eff. 8-20-21; 102-558, eff.  
24        8-20-21; 102-813, eff. 5-13-22.)

25        (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

3           (a) Manufacturer's license - Class 1. Distiller, Class 2.  
4 Rectifier, Class 3. Brewer, Class 4. First Class Wine  
5 Manufacturer, Class 5. Second Class Wine Manufacturer, Class  
6 6. First Class Winemaker, Class 7. Second Class Winemaker,  
7 Class 8. Limited Wine Manufacturer, Class 9. Craft Distiller,  
8 Class 10. Class 1 Craft Distiller, Class 11. Class 2 Craft  
9 Distiller, Class 12. Class 1 Brewer, Class 13. Class 2 Brewer,  
10 Class 14. Class 3 Brewer, Class 15. Third-Class Wine-Maker,  
11           (b) Distributor's license,  
12           (c) Importing Distributor's license,  
13           (d) Retailer's license,  
14           (e) Special Event Retailer's license (not-for-profit),  
15           (f) Railroad license,  
16           (g) Boat license,  
17           (h) Non-Beverage User's license,  
18           (i) Wine-maker's premises license,  
19           (j) Airplane license,  
20           (k) Foreign importer's license,  
21           (l) Broker's license,  
22           (m) Non-resident dealer's license,  
23           (n) Brew Pub license,  
24           (o) Auction liquor license,  
25           (p) Caterer retailer license,  
26           (q) Special use permit license,

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

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

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

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

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

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

1       6-4 authorizes a brewer to sell in its original package only to  
2       a non-licensee for pick-up by a non-licensee either within the  
3       interior of the brewery premises or at outside of the brewery  
4       premises at a curb-side or parking lot adjacent to the brewery  
5       premises, subject to any local ordinance.

6           Class 4. A first class wine-manufacturer may make sales  
7       and deliveries of up to 50,000 gallons of wine to  
8       manufacturers, importing distributors and distributors, and to  
9       no other licensees. If a first-class wine-manufacturer  
10      manufactures beer, it shall also obtain and shall only be  
11      eligible for, in addition to any current license, a class 1  
12      brewer license, shall not manufacture more than 930,000  
13      gallons of beer per year, and shall not be a member of or  
14      affiliated with, directly or indirectly, a manufacturer that  
15      produces more than 930,000 gallons of beer per year. If the  
16      first-class wine-manufacturer manufactures spirits, it shall  
17      also obtain and shall only be eligible for, in addition to any  
18      current license, a class 1 craft distiller license, shall not  
19      manufacture more than 50,000 gallons of spirits per year, and  
20      shall not be a member of or affiliated with, directly or  
21      indirectly, a manufacturer that produces more than 50,000  
22      gallons of spirits per year. A first-class wine-manufacturer  
23      shall be permitted to sell wine manufactured at the  
24      first-class wine-manufacturer premises to non-licensees.

25           Class 5. A second class Wine manufacturer may make sales  
26       and deliveries of more than 50,000 gallons of wine to

1 manufacturers, importing distributors and distributors and to  
2 no other licensees.

3 Class 6. A first-class wine-maker's license shall allow  
4 the manufacture of up to 50,000 gallons of wine per year, and  
5 the storage and sale of such wine to distributors in the State  
6 and to persons without the State, as may be permitted by law. A  
7 person who, prior to June 1, 2008 (the effective date of Public  
8 Act 95-634), is a holder of a first-class wine-maker's license  
9 and annually produces more than 25,000 gallons of its own wine  
10 and who distributes its wine to licensed retailers shall cease  
11 this practice on or before July 1, 2008 in compliance with  
12 Public Act 95-634. If a first-class wine-maker manufactures  
13 beer, it shall also obtain and shall only be eligible for, in  
14 addition to any current license, a class 1 brewer license,  
15 shall not manufacture more than 930,000 gallons of beer per  
16 year, and shall not be a member of or affiliated with, directly  
17 or indirectly, a manufacturer that produces more than 930,000  
18 gallons of beer per year. If the first-class wine-maker  
19 manufactures spirits, it shall also obtain and shall only be  
20 eligible for, in addition to any current license, a class 1  
21 craft distiller license, shall not manufacture more than  
22 50,000 gallons of spirits per year, and shall not be a member  
23 of or affiliated with, directly or indirectly, a manufacturer  
24 that produces more than 50,000 gallons of spirits per year. A  
25 first-class wine-maker holding a class 1 brewer license or a  
26 class 1 craft distiller license shall not be eligible for a

1       wine-maker's premises license but shall be permitted to sell  
2       wine manufactured at the first-class wine-maker premises to  
3       non-licensees.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15       A class 2 brewer may transfer beer to a brew pub wholly  
16       owned and operated by the class 2 brewer subject to the  
17       following limitations and restrictions: (i) the transfer shall  
18       not annually exceed more than 31,000 gallons; (ii) the annual  
19       amount transferred shall reduce the brew pub's annual  
20       permitted production limit; (iii) all beer transferred shall  
21       be subject to Article VIII of this Act; (iv) a written record  
22       shall be maintained by the brewer and brew pub specifying the  
23       amount, date of delivery, and receipt of the product by the  
24       brew pub; and (v) the brew pub shall be located no farther than  
25       80 miles from the class 2 brewer's licensed location.

26       A class 2 brewer shall, prior to transferring beer to a

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

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

1       3 brewer shall manufacture beer at the brewer's class 3  
2 designated licensed premises, and may sell beer as otherwise  
3 provided in this Act.

4       Class 15. A third-class wine-maker's license shall allow  
5       the manufacture of up to 250,000 gallons of wine per year and  
6       the storage and sale of such wine to distributors in this State  
7       and to persons without the State, as may be permitted by law.

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

16       Registration of agents, representatives, or persons acting  
17 on behalf of a manufacturer is fulfilled by submitting a form  
18 to the Commission. The form shall be developed by the  
19 Commission and shall include the name and address of the  
20 applicant, the name and address of the manufacturer he or she  
21 represents, the territory or areas assigned to sell to or  
22 discuss pricing terms of alcoholic liquor, and any other  
23 questions deemed appropriate and necessary. All statements in  
24 the forms required to be made by law or by rule shall be deemed  
25 material, and any person who knowingly misstates any material  
26 fact under oath in an application is guilty of a Class B

1       misdemeanor. Fraud, misrepresentation, false statements,  
2       misleading statements, evasions, or suppression of material  
3       facts in the securing of a registration are grounds for  
4       suspension or revocation of the registration. The State  
5       Commission shall post a list of registered agents on the  
6       Commission's website.

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

22               (c) An importing distributor's license may be issued to  
23      and held by those only who are duly licensed distributors,  
24      upon the filing of an application by a duly licensed  
25      distributor, with the Commission and the Commission shall,  
26      without the payment of any fee, immediately issue such

1 importing distributor's license to the applicant, which shall  
2 allow the importation of alcoholic liquor by the licensee into  
3 this State from any point in the United States outside this  
4 State, and the purchase of alcoholic liquor in barrels, casks  
5 or other bulk containers and the bottling of such alcoholic  
6 liquors before resale thereof, but all bottles or containers  
7 so filled shall be sealed, labeled, stamped and otherwise made  
8 to comply with all provisions, rules and regulations governing  
9 manufacturers in the preparation and bottling of alcoholic  
10 liquors. The importing distributor's license shall permit such  
11 licensee to purchase alcoholic liquor from Illinois licensed  
12 non-resident dealers and foreign importers only. No person  
13 licensed as an importing distributor shall be granted a  
14 non-resident dealer's license.

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

1 remove, or restrict the ability of a holder of a retailer's  
2 license to deliver alcoholic liquor to the purchaser for use  
3 or consumption. The delivery shall be made only within 12  
4 hours from the time the alcoholic liquor leaves the licensed  
5 premises of the retailer for delivery. For the purposes of  
6 this Section, "delivery" means the movement of alcoholic  
7 liquor purchased from a licensed retailer to a consumer  
8 through the following methods:

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

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

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

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

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

26 Except for a municipality with a population of more than

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

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

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

1       Act, (B) a current, valid exemption identification number  
2       issued under Section 1g of the Retailers' Occupation Tax Act,  
3       and a certification to the Commission that the purchase of  
4       alcoholic liquors will be a tax-exempt purchase, or (C) a  
5       statement that the applicant is not registered under Section  
6       2a of the Retailers' Occupation Tax Act, does not hold a resale  
7       number under Section 2c of the Retailers' Occupation Tax Act,  
8       and does not hold an exemption number under Section 1g of the  
9       Retailers' Occupation Tax Act, in which event the Commission  
10      shall set forth on the special event retailer's license a  
11      statement to that effect; (ii) submit with the application  
12      proof satisfactory to the State Commission that the applicant  
13      will provide dram shop liability insurance in the maximum  
14      limits; and (iii) show proof satisfactory to the State  
15      Commission that the applicant has obtained local authority  
16      approval.

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

23           (f) A railroad license shall permit the licensee to import  
24      alcoholic liquors into this State from any point in the United  
25      States outside this State and to store such alcoholic liquors  
26      in this State; to make wholesale purchases of alcoholic

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

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

24               (h) A non-beverage user's license shall allow the licensee  
25       to purchase alcoholic liquor from a licensed manufacturer or  
26       importing distributor, without the imposition of any tax upon

1 the business of such licensed manufacturer or importing  
2 distributor as to such alcoholic liquor to be used by such  
3 licensee solely for the non-beverage purposes set forth in  
4 subsection (a) of Section 8-1 of this Act, and such licenses  
5 shall be divided and classified and shall permit the purchase,  
6 possession and use of limited and stated quantities of  
7 alcoholic liquor as follows:

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

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

1       a third-class wine-maker's license to sell and offer for sale  
2       at retail in the premises specified in such license up to  
3       250,000 gallons of the third-class wine-maker's wine that is  
4       made at the third-class wine-maker's licensed premises per  
5       year for use or consumption but not for resale in any form. A  
6       first class wine maker that concurrently holds a class 1  
7       brewer license or a class 1 craft distiller license shall not  
8       be eligible to hold a wine maker's premises license. A  
9       wine-maker's premises license shall allow a licensee that  
10       concurrently holds a first-class wine-maker's license, or a  
11       second-class wine-maker's license, or a third-class  
12       wine-maker's license to sell and offer for sale at retail at  
13       the premises specified in the wine-maker's premises license,  
14       for use or consumption but not for resale in any form, any  
15       beer, wine, and spirits purchased from a licensed distributor.  
16       Upon approval from the State Commission, a wine-maker's  
17       premises license shall allow the licensee to sell and offer  
18       for sale at (i) the wine-maker's licensed premises and (ii) at  
19       up to 3 ~~2~~ additional locations for use and consumption and not  
20       for resale. Each location shall require additional licensing  
21       per location as specified in Section 5-3 of this Act. A  
22       wine-maker's premises licensee shall secure liquor liability  
23       insurance coverage in an amount at least equal to the maximum  
24       liability amounts set forth in subsection (a) of Section 6-21  
25       of this Act.

26       (j) An airplane license shall permit the licensee to

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

21 (k) A foreign importer's license shall permit such  
22 licensee to purchase alcoholic liquor from Illinois licensed  
23 non-resident dealers only, and to import alcoholic liquor  
24 other than in bulk from any point outside the United States and  
25 to sell such alcoholic liquor to Illinois licensed importing  
26 distributors and to no one else in Illinois; provided that (i)

1 the foreign importer registers with the State Commission every  
2 brand of alcoholic liquor that it proposes to sell to Illinois  
3 licensees during the license period, (ii) the foreign importer  
4 complies with all of the provisions of Section 6-9 of this Act  
5 with respect to registration of such Illinois licensees as may  
6 be granted the right to sell such brands at wholesale, and  
7 (iii) the foreign importer complies with the provisions of  
8 Sections 6-5 and 6-6 of this Act to the same extent that these  
9 provisions apply to manufacturers.

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

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

25 The broker shall, upon the acceptance by a retailer of the  
26 broker's solicitation of an order or offer to sell or supply or

1 deliver or have delivered alcoholic liquors, promptly forward  
2 to the Illinois Liquor Control Commission a notification of  
3 said transaction in such form as the Commission may by  
4 regulations prescribe.

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

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

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

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

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

(n) A brew pub license shall allow the licensee to only (i) manufacture up to 155,000 gallons of beer per year only on the premises specified in the license, (ii) make sales of the beer manufactured on the premises or, with the approval of the Commission, beer manufactured on another brew pub licensed premises that is wholly owned and operated by the same licensee to importing distributors, distributors, and to

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

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

20 A person who holds a class 2 brewer license may  
21 simultaneously hold a brew pub license if the class 2 brewer  
22 (i) does not, under any circumstance, sell or offer for sale  
23 beer manufactured by the class 2 brewer to retail licensees;  
24 (ii) does not hold more than 3 brew pub licenses in this State;  
25 (iii) does not manufacture more than a combined 3,720,000  
26 gallons of beer per year, including the beer manufactured at

1 the brew pub; and (iv) is not a member of or affiliated with,  
2 directly or indirectly, a manufacturer that produces more than  
3 3,720,000 gallons of beer per year or any other alcoholic  
4 liquor.

5 Notwithstanding any other provision of this Act, a  
6 licensed brewer, class 2 brewer, or non-resident dealer who  
7 before July 1, 2015 manufactured less than 3,720,000 gallons  
8 of beer per year and held a brew pub license on or before July  
9 1, 2015 may (i) continue to qualify for and hold that brew pub  
10 license for the licensed premises and (ii) manufacture more  
11 than 3,720,000 gallons of beer per year and continue to  
12 qualify for and hold that brew pub license if that brewer,  
13 class 2 brewer, or non-resident dealer does not simultaneously  
14 hold a class 1 brewer license and is not a member of or  
15 affiliated with, directly or indirectly, a manufacturer that  
16 produces more than 3,720,000 gallons of beer per year or that  
17 produces any other alcoholic liquor.

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

24 (1) has a valid retail license on or before May 1,  
25 2021;

26 (2) has an ownership interest in at least two brew

1       pubs licenses on or before May 1, 2021;

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

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

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

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

24       Nothing in this Act prohibits a distributor or importing  
25      distributor from offering credit or a refund for unused,  
26      salable beer to a holder of a caterer retailer license or a

1 caterer retailer licensee from accepting a credit or refund  
2 for unused, salable beer, in the event an act of God is the  
3 sole reason an off-site event is cancelled and if: (i) the  
4 holder of a caterer retailer license has not transferred  
5 alcoholic liquor from its caterer retailer premises to an  
6 off-site location; (ii) the distributor or importing  
7 distributor offers the credit or refund for the unused,  
8 salable beer that it delivered to the off-site premises and  
9 not for any unused, salable beer that the distributor or  
10 importing distributor delivered to the caterer retailer's  
11 premises; and (iii) the unused, salable beer would likely  
12 spoil if transferred to the caterer retailer's premises. A  
13 caterer retailer license shall allow the holder to transfer  
14 any inventory from any off-site location to its caterer  
15 retailer premises at the conclusion of an off-site event or  
16 engage a distributor or importing distributor to transfer any  
17 inventory from any off-site location to its caterer retailer  
18 premises at the conclusion of an off-site event, provided that  
19 the distributor or importing distributor issues bona fide  
20 charges to the caterer retailer licensee for fuel, labor, and  
21 delivery and the distributor or importing distributor collects  
22 payment from the caterer retailer licensee prior to the  
23 distributor or importing distributor transferring inventory to  
24 the caterer retailer premises.

25 For purposes of this subsection (o), an "act of God" means  
26 an unforeseeable event, such as a rain or snow storm, hail, a

1       flood, or a similar event, that is the sole cause of the  
2 cancellation of an off-site, outdoor event.

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

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

1 and have local authority approval.

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

14       Nothing in this Act prohibits a distributor or importing  
15 distributor from offering credit or a refund for unused,  
16 salable beer to a special use permit licensee or a special use  
17 permit licensee from accepting a credit or refund for unused,  
18 salable beer at the conclusion of the event specified in the  
19 license if: (i) the holder of the special use permit license  
20 has not transferred alcoholic liquor from its retail licensed  
21 premises to the premises specified in the special use permit  
22 license; (ii) the distributor or importing distributor offers  
23 the credit or refund for the unused, salable beer that it  
24 delivered to the premises specified in the special use permit  
25 license and not for any unused, salable beer that the  
26 distributor or importing distributor delivered to the

1       retailer's premises; and (iii) the unused, salable beer would  
2       likely spoil if transferred to the retailer premises.

3               (r) A winery shipper's license shall allow a person with a  
4       first-class    wine-maker's license,   a    or    second-class  
5       wine-maker's license,   a    third-class    wine    manufacturer's  
6       license,   a    first-class   or    second-class    wine-maker's license,  
7       or    a    limited    wine    manufacturer's license   or    who    is    licensed    to  
8       make    wine    under    the    laws    of    another    state    to    ship    wine    made    by  
9       that    licensee    directly    to    a    resident    of    this    State    who    is    21  
10      years    of    age    or    older    for    that    resident's    personal    use    and    not  
11      for    resale.    Prior    to    receiving    a    winery    shipper's    license,    an  
12      applicant    for    the    license    must    provide    the    Commission    with    a  
13      true    copy    of    its    current    license    in    any    state    in    which    it    is  
14      licensed    as    a    manufacturer    of    wine.    An    applicant    for    a    winery  
15      shipper's    license    must    also    complete    an    application    form    that  
16      provides    any    other    information    the    Commission    deems    necessary.  
17      The    application    form    shall    include    all    addresses    from    which  
18      the    applicant    for    a    winery    shipper's    license    intends    to    ship  
19      wine,    including    the    name    and    address    of    any    third    party,  
20      except    for    a    common    carrier,    authorized    to    ship    wine    on    behalf  
21      of    the    manufacturer.    The    application    form    shall    include    an  
22      acknowledgement    consenting    to    the    jurisdiction    of    the  
23      Commission,    the    Illinois    Department    of    Revenue,    and    the    courts  
24      of    this    State    concerning    the    enforcement    of    this    Act    and    any  
25      related    laws,    rules,    and    regulations,    including    authorizing  
26      the    Department    of    Revenue    and    the    Commission    to    conduct    audits

1 for the purpose of ensuring compliance with Public Act 95-634,  
2 and an acknowledgement that the wine manufacturer is in  
3 compliance with Section 6-2 of this Act. Any third party,  
4 except for a common carrier, authorized to ship wine on behalf  
5 of a first-class or second-class wine manufacturer's licensee,  
6 a first-class wine-maker's licensee, a ~~or~~ second-class  
7 wine-maker's licensee, a third-class wine-maker's licensee, a  
8 limited wine manufacturer's licensee, or a person who is  
9 licensed to make wine under the laws of another state shall  
10 also be disclosed by the winery shipper's licensee, and a copy  
11 of the written appointment of the third-party wine provider,  
12 except for a common carrier, to the wine manufacturer shall be  
13 filed with the State Commission as a supplement to the winery  
14 shipper's license application or any renewal thereof. The  
15 winery shipper's license holder shall affirm under penalty of  
16 perjury, as part of the winery shipper's license application  
17 or renewal, that he or she only ships wine, either directly or  
18 indirectly through a third-party provider, from the licensee's  
19 own production.

20 Except for a common carrier, a third-party provider  
21 shipping wine on behalf of a winery shipper's license holder  
22 is the agent of the winery shipper's license holder and, as  
23 such, a winery shipper's license holder is responsible for the  
24 acts and omissions of the third-party provider acting on  
25 behalf of the license holder. A third-party provider, except  
26 for a common carrier, that engages in shipping wine into

1       Illinois on behalf of a winery shipper's license holder shall  
2       consent to the jurisdiction of the State Commission and the  
3       State. Any third-party, except for a common carrier, holding  
4       such an appointment shall, by February 1 of each calendar year  
5       and upon request by the State Commission or the Department of  
6       Revenue, file with the State Commission a statement detailing  
7       each shipment made to an Illinois resident. The statement  
8       shall include the name and address of the third-party provider  
9       filing the statement, the time period covered by the  
10      statement, and the following information:

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

15       If the Department of Revenue or the State Commission requests  
16       a statement under this paragraph, the third-party provider  
17       must provide that statement no later than 30 days after the  
18       request is made. Any books, records, supporting papers, and  
19       documents containing information and data relating to a  
20       statement under this paragraph shall be kept and preserved for  
21       a period of 3 years, unless their destruction sooner is  
22       authorized, in writing, by the Director of Revenue, and shall  
23       be open and available to inspection by the Director of Revenue  
24       or the State Commission or any duly authorized officer, agent,  
25       or employee of the State Commission or the Department of  
26       Revenue, at all times during business hours of the day. Any

1       person who violates any provision of this paragraph or any  
2       rule of the State Commission for the administration and  
3       enforcement of the provisions of this paragraph is guilty of a  
4       Class C misdemeanor. In case of a continuing violation, each  
5       day's continuance thereof shall be a separate and distinct  
6       offense.

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

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

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

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

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

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

22 (s) A craft distiller tasting permit license shall allow  
23 an Illinois licensed class 1 craft distiller or class 2 craft  
24 distiller to transfer a portion of its alcoholic liquor  
25 inventory from its class 1 craft distiller or class 2 craft  
26 distiller licensed premises to the premises specified in the

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

10 (t) A brewer warehouse permit may be issued to the holder  
11 of a class 1 brewer license or a class 2 brewer license. If the  
12 holder of the permit is a class 1 brewer licensee, the brewer  
13 warehouse permit shall allow the holder to store or warehouse  
14 up to 930,000 gallons of tax-determined beer manufactured by  
15 the holder of the permit at the premises specified on the  
16 permit. If the holder of the permit is a class 2 brewer  
17 licensee, the brewer warehouse permit shall allow the holder  
18 to store or warehouse up to 3,720,000 gallons of  
19 tax-determined beer manufactured by the holder of the permit  
20 at the premises specified on the permit. Sales to  
21 non-licensees are prohibited at the premises specified in the  
22 brewer warehouse permit.

23 (u) A distilling pub license shall allow the licensee to  
24 only (i) manufacture up to 5,000 gallons of spirits per year  
25 only on the premises specified in the license, (ii) make sales  
26 of the spirits manufactured on the premises or, with the

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

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

19 A person who holds a class 2 craft distiller license may  
20 simultaneously hold a distilling pub license if the class 2  
21 craft distiller (i) does not, under any circumstance, sell or  
22 offer for sale spirits manufactured by the class 2 craft  
23 distiller to retail licensees; (ii) does not hold more than 3  
24 distilling pub licenses in this State; (iii) does not  
25 manufacture more than a combined 100,000 gallons of spirits  
26 per year, including the spirits manufactured at the distilling

1       pub; and (iv) is not a member of or affiliated with, directly  
2       or indirectly, a manufacturer that produces more than 100,000  
3       gallons of spirits per year or any other alcoholic liquor.

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

12               (w) A beer showcase permit license shall allow an  
13      Illinois-licensed distributor to transfer a portion of its  
14      beer inventory from its licensed premises to the premises  
15      specified in the beer showcase permit license, and, in the  
16      case of a class 3 brewer, transfer only beer the class 3 brewer  
17      manufactures from its licensed premises to the premises  
18      specified in the beer showcase permit license; and to sell or  
19      offer for sale at retail, only in the premises specified in the  
20      beer showcase permit license, the transferred or delivered  
21      beer for on or off premise consumption, but not for resale in  
22      any form and to sell to non-licensees not more than 96 fluid  
23      ounces of beer per person. A beer showcase permit license may  
24      be granted for the following time periods: one day or less; or  
25      2 or more days to a maximum of 15 days per location in any  
26      12-month period. An applicant for a beer showcase permit

1 license must also submit with the application proof  
2 satisfactory to the State Commission that the applicant will  
3 provide dram shop liability insurance to the maximum limits  
4 and have local authority approval. The State Commission shall  
5 require the beer showcase applicant to comply with Section  
6 6-27.1.

7 (Source: P.A. 101-16, eff. 6-14-19; 101-31, eff. 6-28-19;  
8 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff.  
9 8-23-19; 101-615, eff. 12-20-19; 101-668, eff. 1-1-22;  
10 102-442, eff. 8-20-21; 102-1142, eff. 2-17-23.)

11 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

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

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

19	Online	Initial
20	renewal	license
21		or
22		non-online
23		renewal
24	For a manufacturer's license:	
25	Class 1. Distiller .....	\$4,000      \$5,000

1	Class 2. Rectifier .....	4,000	5,000
2	Class 3. Brewer .....	1,200	1,500
3	Class 4. First-class Wine		
4	Manufacturer .....	750	900
5	Class 5. Second-class		
6	Wine Manufacturer.....	1,500	1,750
7	Class 6. First-class wine-maker....	750	900
8	Class 7. Second-class wine-maker ..	1,500	1,750
9	Class 8. Limited Wine		
10	Manufacturer .....	250	350
11	Class 9. Craft Distiller .....	2,000	2,500
12	Class 10. Class 1 Craft Distiller ..	50	75
13	Class 11. Class 2 Craft Distiller ..	75	100
14	Class 12. Class 1 Brewer .....	50	75
15	Class 13. Class 2 Brewer .....	75	100
16	Class 14. Class 3 Brewer .....	25	50
17	<u>Class 15. Third-class wine-maker ..</u>	<u>1,500</u>	<u>1,750</u>
18	For a Brew Pub License .....	1,200	1,500
19	For a Distilling Pub License .....	1,200	1,500
20	For a caterer retailer's license ..	350	500
21	For a foreign importer's license ..	25	25
22	For an importing distributor's		
23	license.....	25	25
24	For a distributor's license		
25	(11,250,000 gallons		
26	or over) .....	1,450	2,200

1	For a distributor's license		
2	(over 4,500,000 gallons, but		
3	under 11,250,000 gallons) .....	950	1,450
4	For a distributor's license		
5	(4,500,000 gallons or under) ..	300	450
6	For a non-resident dealer's license		
7	(500,000 gallons or over)		
8	or with self-distribution		
9	privileges .....	1,200	1,500
10	For a non-resident dealer's license		
11	(under 500,000 gallons) .....	250	350
12	For a wine-maker's premises		
13	license.....	250	500
14	For a winery shipper's license		
15	(under 250,000 gallons) .....	200	350
16	For a winery shipper's license		
17	(250,000 or over, but		
18	under 500,000 gallons) .....	750	1,000
19	For a winery shipper's license		
20	(500,000 gallons or over) .....	1,200	1,500
21	For a wine-maker's premises		
22	license, second location .....	500	1,000
23	For a wine-maker's premises		
24	license, third location .....	500	1,000
25	<u>For a wine-maker's premises</u>		
26	<u>license, fourth location .....</u>	<u>500</u>	<u>1,000</u>

1	For a retailer's license .....	600	750
2	For a special event retailer's		
3	license, (not-for-profit) .....	25	25
4	For a beer showcase permit,		
5	one day only .....	100	150
6	2 days or more .....	150	250
7	For a special use permit license,		
8	one day only .....	100	150
9	2 days or more .....	150	250
10	For a railroad license .....	100	150
11	For a boat license .....	500	1,000
12	For an airplane license, times the		
13	licensee's maximum number of		
14	aircraft in flight, serving		
15	liquor over the State at any		
16	given time, which either		
17	originate, terminate, or make		
18	an intermediate stop in		
19	the State .....	100	150
20	For a non-beverage user's license:		
21	Class 1 .....	24	24
22	Class 2 .....	60	60
23	Class 3 .....	120	120
24	Class 4 .....	240	240
25	Class 5 .....	600	600
26	For a broker's license .....	750	1,000

1	For an auction liquor license .....	100	150
2	For a homebrewer special		
3	event permit .....	25	25
4	For a craft distiller		
5	tasting permit .....	25	25
6	For a BASSET trainer license .....	300	350
7	For a tasting representative		
8	license.....	200	300
9	For a brewer warehouse permit .....	25	25
10	For a craft distiller		
11	warehouse permit .....	25	25

12       Fees collected under this Section shall be paid into the  
13      Dram Shop Fund. The State Commission shall waive license  
14      renewal fees for those retailers' licenses that are designated  
15      as "1A" by the State Commission and expire on or after July 1,  
16      2022, and on or before June 30, 2023. One-half of the funds  
17      received for a retailer's license shall be paid into the Dram  
18      Shop Fund and one-half of the funds received for a retailer's  
19      license shall be paid into the General Revenue Fund.

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

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

25           (b) Universities, colleges of learning, or schools  
26           when their use of alcoholic liquor is exclusively

1       medicinal, mechanical, or scientific.

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

4       (Source: P.A. 102-442, eff. 8-20-21; 102-558, eff. 8-20-21;

5       102-699, eff. 4-19-22; 102-1142, eff. 2-17-23; 103-154, eff.

6       6-30-23; 103-605, eff. 7-1-24.)