



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB3019

Introduced 2/15/2018, by Sen. Antonio Muñoz

SYNOPSIS AS INTRODUCED:

235 ILCS 5/5-1	from Ch. 43, par. 115
235 ILCS 5/6-4	from Ch. 43, par. 121
235 ILCS 5/6-6	from Ch. 43, par. 123
235 ILCS 5/6-8	from Ch. 43, par. 125
235 ILCS 5/8-1	

Amends the Liquor Control Act of 1934. Provides that a manufacturer of beer that imports beer into this State must obtain a non-resident dealer's license and comply with certain provisions concerning recordkeeping and taxation. Provides that nothing in the Act prohibits an Illinois licensed distributor from offering credit or a refund for unused, salable alcoholic liquors to a holder of a special event retailer's license or special use permit license or from the special event retailer's licensee or special use permit licensee accepting the credit or refund of alcoholic liquors at the conclusion of the event specified in the license. Makes changes to provisions concerning signage, including raising the limit on the cost of signs that may be provided to a retailer and removing the cost adjustment factor for the limit on the cost of signs that may be provided to a retailer. Provides that all permanent inside signs, except alcohol lists and menus, are the property of the manufacturer, distributor, or the importing distributor and shall be returned to the manufacturer, distributor, or the importing distributor upon request. Makes other changes. Effective immediately.

LRB100 18963 RPS 34213 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 5-1, 6-4, 6-6, 6-8, and 8-1 as follows:

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

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

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

15 (b) Distributor's license,

16 (c) Importing Distributor's license,

17 (d) Retailer's license,

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

19 (f) Railroad license,

20 (g) Boat license,

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

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

23 (j) Airplane license,

- 1 (k) Foreign importer's license,
- 2 (l) Broker's license,
- 3 (m) Non-resident dealer's license,
- 4 (n) Brew Pub license,
- 5 (o) Auction liquor license,
- 6 (p) Caterer retailer license,
- 7 (q) Special use permit license,
- 8 (r) Winery shipper's license,
- 9 (s) Craft distiller tasting permit.

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

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

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

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

26 Class 3. A Brewer may make sales and deliveries of beer to

1 importing distributors and distributors and may make sales as
2 authorized under subsection (e) of Section 6-4 of this Act.

3 Class 4. A first class wine-manufacturer may make sales and
4 deliveries of up to 50,000 gallons of wine to manufacturers,
5 importing distributors and distributors, and to no other
6 licensees.

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

11 Class 6. A first-class wine-maker's license shall allow the
12 manufacture of up to 50,000 gallons of wine per year, and the
13 storage and sale of such wine to distributors in the State and
14 to persons without the State, as may be permitted by law. A
15 person who, prior to June 1, 2008 (the effective date of Public
16 Act 95-634), is a holder of a first-class wine-maker's license
17 and annually produces more than 25,000 gallons of its own wine
18 and who distributes its wine to licensed retailers shall cease
19 this practice on or before July 1, 2008 in compliance with
20 Public Act 95-634.

21 Class 7. A second-class wine-maker's license shall allow
22 the manufacture of between 50,000 and 150,000 gallons of wine
23 per year, and the storage and sale of such wine to distributors
24 in this State and to persons without the State, as may be
25 permitted by law. A person who, prior to June 1, 2008 (the
26 effective date of Public Act 95-634), is a holder of a

1 second-class wine-maker's license and annually produces more
2 than 25,000 gallons of its own wine and who distributes its
3 wine to licensed retailers shall cease this practice on or
4 before July 1, 2008 in compliance with Public Act 95-634.

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

9 Class 9. A craft distiller license shall allow the
10 manufacture of up to 100,000 gallons of spirits by distillation
11 per year and the storage of such spirits. If a craft distiller
12 licensee, including a craft distiller licensee who holds more
13 than one craft distiller license, is not affiliated with any
14 other manufacturer of spirits, then the craft distiller
15 licensee may sell such spirits to distributors in this State
16 and up to 2,500 gallons of such spirits to non-licensees to the
17 extent permitted by any exemption approved by the Commission
18 pursuant to Section 6-4 of this Act. A craft distiller license
19 holder may store such spirits at a non-contiguous licensed
20 location, but at no time shall a craft distiller license holder
21 directly or indirectly produce in the aggregate more than
22 100,000 gallons of spirits per year.

23 A craft distiller licensee may hold more than one craft
24 distiller's license. However, a craft distiller that holds more
25 than one craft distiller license shall not manufacture, in the
26 aggregate, more than 100,000 gallons of spirits by distillation

1 per year and shall not sell, in the aggregate, more than 2,500
2 gallons of such spirits to non-licensees in accordance with an
3 exemption approved by the State Commission pursuant to Section
4 6-4 of this Act.

5 Any craft distiller licensed under this Act who on July 28,
6 2010 (the effective date of Public Act 96-1367) was licensed as
7 a distiller and manufactured no more spirits than permitted by
8 this Section shall not be required to pay the initial licensing
9 fee.

10 Class 10. 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 or any other alcoholic liquor. A class
18 1 brewer licensee may make sales and deliveries to importing
19 distributors and distributors and to retail licensees in
20 accordance with the conditions set forth in paragraph (18) of
21 subsection (a) of Section 3-12 of this Act.

22 Class 11. A class 2 brewer license, which may only be
23 issued to a licensed brewer or licensed non-resident dealer,
24 shall allow the manufacture of up to 3,720,000 gallons of beer
25 per year provided that the class 2 brewer licensee does not
26 manufacture more than a combined 3,720,000 gallons of beer per

1 year and is not a member of or affiliated with, directly or
2 indirectly, a manufacturer that produces more than 3,720,000
3 gallons of beer per year or any other alcoholic liquor. A class
4 2 brewer licensee may make sales and deliveries to importing
5 distributors and distributors, but shall not make sales or
6 deliveries to any other licensee. If the State Commission
7 provides prior approval, a class 2 brewer licensee may annually
8 transfer up to 3,720,000 gallons of beer manufactured by that
9 class 2 brewer licensee to the premises of a licensed class 2
10 brewer wholly owned and operated by the same licensee.

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

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

1 material, and any person who knowingly misstates any material
2 fact under oath in an application is guilty of a Class B
3 misdemeanor. Fraud, misrepresentation, false statements,
4 misleading statements, evasions, or suppression of material
5 facts in the securing of a registration are grounds for
6 suspension or revocation of the registration. The State
7 Commission shall post a list of registered agents on the
8 Commission's website.

9 (b) A distributor's license shall allow the wholesale
10 purchase and storage of alcoholic liquors and sale of alcoholic
11 liquors to licensees in this State and to persons without the
12 State, as may be permitted by law. No person licensed as a
13 distributor shall be granted a non-resident dealer's license.

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

1 the preparation and bottling of alcoholic liquors. The
2 importing distributor's license shall permit such licensee to
3 purchase alcoholic liquor from Illinois licensed non-resident
4 dealers and foreign importers only. No person licensed as an
5 importing distributor shall be granted a non-resident dealer's
6 license.

7 (d) A retailer's license shall allow the licensee to sell
8 and offer for sale at retail, only in the premises specified in
9 the license, alcoholic liquor for use or consumption, but not
10 for resale in any form. Nothing in Public Act 95-634 shall
11 deny, limit, remove, or restrict the ability of a holder of a
12 retailer's license to transfer, deliver, or ship alcoholic
13 liquor to the purchaser for use or consumption subject to any
14 applicable local law or ordinance. Any retail license issued to
15 a manufacturer shall only permit the manufacturer to sell beer
16 at retail on the premises actually occupied by the
17 manufacturer. For the purpose of further describing the type of
18 business conducted at a retail licensed premises, a retailer's
19 licensee may be designated by the State Commission as (i) an on
20 premise consumption retailer, (ii) an off premise sale
21 retailer, or (iii) a combined on premise consumption and off
22 premise sale retailer.

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

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

1 insurance in the maximum limits; and (iii) show proof
2 satisfactory to the State Commission that the applicant has
3 obtained local authority approval.

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

10 (f) A railroad license shall permit the licensee to import
11 alcoholic liquors into this State from any point in the United
12 States outside this State and to store such alcoholic liquors
13 in this State; to make wholesale purchases of alcoholic liquors
14 directly from manufacturers, foreign importers, distributors
15 and importing distributors from within or outside this State;
16 and to store such alcoholic liquors in this State; provided
17 that the above powers may be exercised only in connection with
18 the importation, purchase or storage of alcoholic liquors to be
19 sold or dispensed on a club, buffet, lounge or dining car
20 operated on an electric, gas or steam railway in this State;
21 and provided further, that railroad licensees exercising the
22 above powers shall be subject to all provisions of Article VIII
23 of this Act as applied to importing distributors. A railroad
24 license shall also permit the licensee to sell or dispense
25 alcoholic liquors on any club, buffet, lounge or dining car
26 operated on an electric, gas or steam railway regularly

1 operated by a common carrier in this State, but shall not
 2 permit the sale for resale of any alcoholic liquors to any
 3 licensee within this State. A license shall be obtained for
 4 each car in which such sales are made.

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

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

- 21 Class 1, not to exceed 500 gallons
- 22 Class 2, not to exceed 1,000 gallons
- 23 Class 3, not to exceed 5,000 gallons
- 24 Class 4, not to exceed 10,000 gallons
- 25 Class 5, not to exceed 50,000 gallons

26 (i) A wine-maker's premises license shall allow a licensee

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

1 subsection (a) of Section 6-21 of this Act.

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

22 (k) A foreign importer's license shall permit such licensee
23 to purchase alcoholic liquor from Illinois licensed
24 non-resident dealers only, and to import alcoholic liquor other
25 than in bulk from any point outside the United States and to
26 sell such alcoholic liquor to Illinois licensed importing

1 distributors and to no one else in Illinois; provided that (i)
2 the foreign importer registers with the State Commission every
3 brand of alcoholic liquor that it proposes to sell to Illinois
4 licensees during the license period, (ii) the foreign importer
5 complies with all of the provisions of Section 6-9 of this Act
6 with respect to registration of such Illinois licensees as may
7 be granted the right to sell such brands at wholesale, and
8 (iii) the foreign importer complies with the provisions of
9 Sections 6-5 and 6-6 of this Act to the same extent that these
10 provisions apply to manufacturers.

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

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

26 The broker shall, upon the acceptance by a retailer of the

1 broker's solicitation of an order or offer to sell or supply or
2 deliver or have delivered alcoholic liquors, promptly forward
3 to the Illinois Liquor Control Commission a notification of
4 said transaction in such form as the Commission may by
5 regulations prescribe.

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

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

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

25 Any agent, representative, or person subject to
26 registration pursuant to subsection (a-1) of this Section shall

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

2 (m) A non-resident dealer's license shall permit such
3 licensee to ship into and warehouse alcoholic liquor into this
4 State from any point outside of this State, and to sell such
5 alcoholic liquor to Illinois licensed foreign importers and
6 importing distributors and to no one else in this State;
7 provided that (i) said non-resident dealer shall register with
8 the Illinois Liquor Control Commission each and every brand of
9 alcoholic liquor which it proposes to sell to Illinois
10 licensees during the license period, (ii) it shall comply with
11 all of the provisions of Section 6-9 hereof with respect to
12 registration of such Illinois licensees as may be granted the
13 right to sell such brands at wholesale, and (iii) the
14 non-resident dealer shall comply with the provisions of
15 Sections 6-5 and 6-6 of this Act to the same extent that these
16 provisions apply to manufacturers. No person licensed as a
17 non-resident dealer shall be granted a distributor's or
18 importing distributor's license. A manufacturer of beer that
19 imports beer into this State must obtain a non-resident
20 dealer's license and comply with the provisions of this
21 subsection.

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

1 premises that is wholly owned and operated by the same licensee
2 to importing distributors, distributors, and to non-licensees
3 for use and consumption, (iii) store the beer upon the
4 premises, (iv) sell and offer for sale at retail from the
5 licensed premises for off-premises consumption no more than
6 155,000 gallons per year so long as such sales are only made
7 in-person, (v) sell and offer for sale at retail for use and
8 consumption on the premises specified in the license any form
9 of alcoholic liquor purchased from a licensed distributor or
10 importing distributor, and (vi) with the prior approval of the
11 Commission, annually transfer no more than 155,000 gallons of
12 beer manufactured on the premises to a licensed brew pub wholly
13 owned and operated by the same licensee.

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

17 A person who holds a class 2 brewer license may
18 simultaneously hold a brew pub license if the class 2 brewer
19 (i) does not, under any circumstance, sell or offer for sale
20 beer manufactured by the class 2 brewer to retail licensees;
21 (ii) does not hold more than 3 brew pub licenses in this State;
22 (iii) does not manufacture more than a combined 3,720,000
23 gallons of beer per year, including the beer manufactured at
24 the brew pub; and (iv) is not a member of or affiliated with,
25 directly or indirectly, a manufacturer that produces more than
26 3,720,000 gallons of beer per year or any other alcoholic

1 liquor.

2 Notwithstanding any other provision of this Act, a licensed
3 brewer, class 2 brewer, or non-resident dealer who before July
4 1, 2015 manufactured less than 3,720,000 gallons of beer per
5 year and held a brew pub license on or before July 1, 2015 may
6 (i) continue to qualify for and hold that brew pub license for
7 the licensed premises and (ii) manufacture more than 3,720,000
8 gallons of beer per year and continue to qualify for and hold
9 that brew pub license if that brewer, class 2 brewer, or
10 non-resident dealer does not simultaneously hold a class 1
11 brewer license and is not a member of or affiliated with,
12 directly or indirectly, a manufacturer that produces more than
13 3,720,000 gallons of beer per year or that produces any other
14 alcoholic liquor.

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

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

1 auction at least 14 days in advance of the auction date.

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

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

22 (r) A winery shipper's license shall allow a person with a
23 first-class or second-class wine manufacturer's license, a
24 first-class or second-class wine-maker's license, or a limited
25 wine manufacturer's license or who is licensed to make wine
26 under the laws of another state to ship wine made by that

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

1 disclosed by the winery shipper's licensee, and a copy of the
2 written appointment of the third-party wine provider, except
3 for a common carrier, to the wine manufacturer shall be filed
4 with the State Commission as a supplement to the winery
5 shipper's license application or any renewal thereof. The
6 winery shipper's license holder shall affirm under penalty of
7 perjury, as part of the winery shipper's license application or
8 renewal, that he or she only ships wine, either directly or
9 indirectly through a third-party provider, from the licensee's
10 own production.

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

1 the following information:

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

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

23 The State Commission shall adopt rules as soon as
24 practicable to implement the requirements of Public Act 99-904
25 and shall adopt rules prohibiting any such third-party
26 appointment of a third-party provider, except for a common

1 carrier, that has been deemed by the State Commission to have
2 violated the provisions of this Act with regard to any winery
3 shipper licensee.

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

23 A winery shipper licensee must collect, maintain, and
24 submit to the Commission on a semi-annual basis the total
25 number of cases per resident of wine shipped to residents of
26 this State. A winery shipper licensed under this subsection (r)

1 must comply with the requirements of Section 6-29 of this Act.

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

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

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

24 (Source: P.A. 99-448, eff. 8-24-15; 99-642, eff. 7-28-16;
25 99-800, eff. 8-12-16; 99-902, eff. 8-26-16; 99-904, eff.
26 1-1-17; 100-17, eff. 6-30-17; 100-201, eff. 8-18-17.)

1 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

2 Sec. 6-4. (a) No person licensed by any licensing authority
3 as a distiller, or a wine manufacturer, or any subsidiary or
4 affiliate thereof, or any officer, associate, member, partner,
5 representative, employee, agent or shareholder owning more
6 than 5% of the outstanding shares of such person shall be
7 issued an importing distributor's or distributor's license,
8 nor shall any person licensed by any licensing authority as an
9 importing distributor, distributor or retailer, or any
10 subsidiary or affiliate thereof, or any officer or associate,
11 member, partner, representative, employee, agent or
12 shareholder owning more than 5% of the outstanding shares of
13 such person be issued a distiller's license, a craft
14 distiller's license, or a wine manufacturer's license; and no
15 person or persons licensed as a distiller or craft distiller by
16 any licensing authority shall have any interest, directly or
17 indirectly, with such distributor or importing distributor.

18 However, an importing distributor or distributor, which on
19 January 1, 1985 is owned by a brewer, or any subsidiary or
20 affiliate thereof or any officer, associate, member, partner,
21 representative, employee, agent or shareholder owning more
22 than 5% of the outstanding shares of the importing distributor
23 or distributor referred to in this paragraph, may own or
24 acquire an ownership interest of more than 5% of the
25 outstanding shares of a wine manufacturer and be issued a wine

1 manufacturer's license by any licensing authority.

2 (b) The foregoing provisions shall not apply to any person
3 licensed by any licensing authority as a distiller or wine
4 manufacturer, or to any subsidiary or affiliate of any
5 distiller or wine manufacturer who shall have been heretofore
6 licensed by the State Commission as either an importing
7 distributor or distributor during the annual licensing period
8 expiring June 30, 1947, and shall actually have made sales
9 regularly to retailers.

10 (c) Provided, however, that in such instances where a
11 distributor's or importing distributor's license has been
12 issued to any distiller or wine manufacturer or to any
13 subsidiary or affiliate of any distiller or wine manufacturer
14 who has, during the licensing period ending June 30, 1947, sold
15 or distributed as such licensed distributor or importing
16 distributor alcoholic liquors and wines to retailers, such
17 distiller or wine manufacturer or any subsidiary or affiliate
18 of any distiller or wine manufacturer holding such
19 distributor's or importing distributor's license may continue
20 to sell or distribute to retailers such alcoholic liquors and
21 wines which are manufactured, distilled, processed or marketed
22 by distillers and wine manufacturers whose products it sold or
23 distributed to retailers during the whole or any part of its
24 licensing periods; and such additional brands and additional
25 products may be added to the line of such distributor or
26 importing distributor, provided, that such brands and such

1 products were not sold or distributed by any distributor or
2 importing distributor licensed by the State Commission during
3 the licensing period ending June 30, 1947, but can not sell or
4 distribute to retailers any other alcoholic liquors or wines.

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

15 (e) Any person licensed as a brewer, class 1 brewer, or
16 class 2 brewer shall be permitted to sell on the licensed
17 premises to non-licensees for on or off-premises consumption
18 for the premises in which he or she actually conducts such
19 business beer manufactured by the brewer, class 1 brewer, or
20 class 2 brewer. Such sales shall be limited to on-premises,
21 in-person sales only, for lawful consumption on or off
22 premises. Such authorization shall be considered a privilege
23 granted by the brewer license and, other than a manufacturer of
24 beer as stated above, no manufacturer or distributor or
25 importing distributor, excluding airplane licensees exercising
26 powers provided in paragraph (i) of Section 5-1 of this Act, or

1 any subsidiary or affiliate thereof, or any officer, associate,
2 member, partner, representative, employee or agent, or
3 shareholder shall be issued a retailer's license, nor shall any
4 person having a retailer's license, excluding airplane
5 licensees exercising powers provided in paragraph (i) of
6 Section 5-1 of this Act, or any subsidiary or affiliate
7 thereof, or any officer, associate, member, partner,
8 representative or agent, or shareholder be issued a
9 manufacturer's license or importing distributor's license.

10 Any manufacturer of beer that imports beer into this State
11 must comply with Sections 6-8 and 8-1 of this Act.

12 A person who holds a class 1 or class 2 brewer license and
13 is authorized by this Section to sell beer to non-licensees
14 shall not sell beer to non-licensees from more than 3 total
15 brewer or commonly owned brew pub licensed locations in this
16 State. The class 1 or class 2 brewer shall designate to the
17 State Commission the brewer or brew pub locations from which it
18 will sell beer to non-licensees.

19 A person licensed as a craft distiller, including a person
20 who holds more than one craft distiller license, not affiliated
21 with any other person manufacturing spirits may be authorized
22 by the Commission to sell up to 2,500 gallons of spirits
23 produced by the person to non-licensees for on or off-premises
24 consumption for the premises in which he or she actually
25 conducts business permitting only the retail sale of spirits
26 manufactured at such premises. Such sales shall be limited to

1 on-premises, in-person sales only, for lawful consumption on or
2 off premises, and such authorization shall be considered a
3 privilege granted by the craft distiller license. A craft
4 distiller licensed for retail sale shall secure liquor
5 liability insurance coverage in an amount at least equal to the
6 maximum liability amounts set forth in subsection (a) of
7 Section 6-21 of this Act.

8 A craft distiller license holder shall not deliver any
9 alcoholic liquor to any non-licensee off the licensed premises.
10 A craft distiller shall affirm in its annual craft distiller's
11 license application that it does not produce more than 100,000
12 gallons of distilled spirits annually and that the craft
13 distiller does not sell more than 2,500 gallons of spirits to
14 non-licensees for on or off-premises consumption. In the
15 application, which shall be sworn under penalty of perjury, the
16 craft distiller shall state the volume of production and sales
17 for each year since the craft distiller's establishment.

18 (f) (Blank).

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

26 (h) The changes made to this Section by Public Act 99-47

1 shall not diminish or impair the rights of any person, whether
2 a distiller, wine manufacturer, agent, or affiliate thereof,
3 who requested in writing and submitted documentation to the
4 State Commission on or before February 18, 2015 to be approved
5 for a retail license pursuant to what has heretofore been
6 subsection (f); provided that, on or before that date, the
7 State Commission considered the intent of that person to apply
8 for the retail license under that subsection and, by recorded
9 vote, the State Commission approved a resolution indicating
10 that such a license application could be lawfully approved upon
11 that person duly filing a formal application for a retail
12 license and if that person, within 90 days of the State
13 Commission appearance and recorded vote, first filed an
14 application with the appropriate local commission, which
15 application was subsequently approved by the appropriate local
16 commission prior to consideration by the State Commission of
17 that person's application for a retail license. It is further
18 provided that the State Commission may approve the person's
19 application for a retail license or renewals of such license if
20 such person continues to diligently adhere to all
21 representations made in writing to the State Commission on or
22 before February 18, 2015, or thereafter, or in the affidavit
23 filed by that person with the State Commission to support the
24 issuance of a retail license and to abide by all applicable
25 laws and duly adopted rules.

26 (Source: P.A. 99-47, eff. 7-15-15; 99-448, eff. 8-24-15;

1 99-642, eff. 7-28-16; 99-902, eff. 8-26-16; 100-201, eff.
2 8-18-17.)

3 (235 ILCS 5/6-6) (from Ch. 43, par. 123)

4 Sec. 6-6. Except as otherwise provided in this Act no
5 manufacturer or distributor or importing distributor shall,
6 directly or indirectly, sell, supply, furnish, give or pay for,
7 or loan or lease, any furnishing, fixture or equipment on the
8 premises of a place of business of another licensee authorized
9 under this Act to sell alcoholic liquor at retail, either for
10 consumption on or off the premises, nor shall he or she,
11 directly or indirectly, pay for any such license, or advance,
12 furnish, lend or give money for payment of such license, or
13 purchase or become the owner of any note, mortgage, or other
14 evidence of indebtedness of such licensee or any form of
15 security therefor, nor shall such manufacturer, or
16 distributor, or importing distributor, directly or indirectly,
17 be interested in the ownership, conduct or operation of the
18 business of any licensee authorized to sell alcoholic liquor at
19 retail, nor shall any manufacturer, or distributor, or
20 importing distributor be interested directly or indirectly or
21 as owner or part owner of said premises or as lessee or lessor
22 thereof, in any premises upon which alcoholic liquor is sold at
23 retail.

24 No manufacturer or distributor or importing distributor
25 shall, directly or indirectly or through a subsidiary or

1 affiliate, or by any officer, director or firm of such
2 manufacturer, distributor or importing distributor, furnish,
3 give, lend or rent, install, repair or maintain, to or for any
4 retail licensee in this State, any signs or inside advertising
5 materials except as provided in this Section and Section 6-5.
6 With respect to retail licensees, other than any government
7 owned or operated auditorium, exhibition hall, recreation
8 facility or other similar facility holding a retailer's license
9 as described in Section 6-5, a manufacturer, distributor, or
10 importing distributor may furnish, give, lend or rent and
11 erect, install, repair and maintain to or for any retail
12 licensee, for use at any one time in or about or in connection
13 with a retail establishment on which the products of the
14 manufacturer, distributor or importing distributor are sold,
15 the following signs and inside advertising materials as
16 authorized in subparts (i), (ii), (iii), and (iv):

17 (i) Permanent outside signs shall cost ~~be limited to~~
18 ~~one outside sign, per brand, in place and in use at any one~~
19 ~~time, costing~~ not more than \$3,000 per manufacturer ~~\$893,~~
20 exclusive of erection, installation, repair and
21 maintenance costs, and permit fees and shall bear only the
22 manufacturer's name, brand name, trade name, slogans,
23 markings, trademark, or other symbols commonly associated
24 with and generally used in identifying the product
25 including, but not limited to, "cold beer", "on tap",
26 "carry out", and "packaged liquor".

1 (ii) Temporary outside signs shall include, but not be
2 limited to, ~~be limited to one temporary outside sign per~~
3 ~~brand. Examples of temporary outside signs are~~ banners,
4 flags, pennants, streamers, and other items of a temporary
5 and non-permanent nature, and shall cost not more than
6 \$1,000 per manufacturer. Each temporary outside sign must
7 include the manufacturer's name, brand name, trade name,
8 slogans, markings, trademark, or other symbol commonly
9 associated with and generally used in identifying the
10 product. Temporary outside signs may also include, for
11 example, the product, price, packaging, date or dates of a
12 promotion and an announcement of a retail licensee's
13 specific sponsored event, if the temporary outside sign is
14 intended to promote a product, and provided that the
15 announcement of the retail licensee's event and the product
16 promotion are held simultaneously. However, temporary
17 outside signs may not include names, slogans, markings, or
18 logos that relate to the retailer. Nothing in this subpart
19 (ii) shall prohibit a distributor or importing distributor
20 from bearing the cost of creating or printing a temporary
21 outside sign for the retail licensee's specific sponsored
22 event or from bearing the cost of creating or printing a
23 temporary sign for a retail licensee containing, for
24 example, community goodwill expressions, regional sporting
25 event announcements, or seasonal messages, provided that
26 the primary purpose of the temporary outside sign is to

1 highlight, promote, or advertise the product. In addition,
2 temporary outside signs provided by the manufacturer to the
3 distributor or importing distributor may also include, for
4 example, subject to the limitations of this Section,
5 preprinted community goodwill expressions, sporting event
6 announcements, seasonal messages, and manufacturer
7 promotional announcements. However, a distributor or
8 importing distributor shall not bear the cost of such
9 manufacturer preprinted signs.

10 (iii) Permanent inside signs, whether visible from the
11 outside or the inside of the premises, include, but are not
12 limited to: alcohol lists and menus that may include names,
13 slogans, markings, or logos that relate to the retailer;
14 neons; illuminated signs; clocks; table lamps; mirrors;
15 tap handles; decalcomanias; window painting; and window
16 trim. All permanent inside signs, except alcohol lists and
17 menus, are the property of the manufacturer, distributor,
18 or importing distributor and shall be returned to the
19 manufacturer, distributor, or importing distributor upon
20 request. All permanent inside signs in place and in use at
21 any one time shall cost in the aggregate not more than
22 \$6,000 ~~\$2000~~ per manufacturer. A permanent inside sign must
23 include the manufacturer's name, brand name, trade name,
24 slogans, markings, trademark, or other symbol commonly
25 associated with and generally used in identifying the
26 product. However, permanent inside signs may not include

1 names, slogans, markings, or logos that relate to the
2 retailer. For the purpose of this subpart (iii), all
3 permanent inside signs may be displayed in an adjacent
4 courtyard or patio commonly referred to as a "beer garden"
5 that is a part of the retailer's licensed premises.

6 (iv) Temporary inside signs shall include, but are not
7 limited to, lighted chalk boards, acrylic table tent
8 beverage or hors d'oeuvre list holders, banners, flags,
9 pennants, streamers, and inside advertising materials such
10 as posters, placards, bowling sheets, table tents, inserts
11 for acrylic table tent beverage or hors d'oeuvre list
12 holders, sports schedules, or similar printed or
13 illustrated materials; however, such items, for example,
14 as coasters, trays, napkins, glassware, coolers, buckets,
15 and cups shall not be deemed to be inside signs or
16 advertising materials and may only be sold to retailers at
17 fair market value, which shall be no less than the cost of
18 the item to the manufacturer, distributor, or importing
19 distributor. All temporary inside signs and inside
20 advertising materials in place and in use at any one time
21 shall cost in the aggregate not more than \$1,000 ~~\$325~~ per
22 manufacturer. Nothing in this subpart (iv) prohibits a
23 distributor or importing distributor from paying the cost
24 of printing or creating any temporary inside banner or
25 inserts for acrylic table tent beverage or hors d'oeuvre
26 list holders for a retail licensee, provided that the

1 primary purpose for the banner or insert is to highlight,
2 promote, or advertise the product. For the purpose of this
3 subpart (iv), all temporary inside signs and inside
4 advertising materials may be displayed in an adjacent
5 courtyard or patio commonly referred to as a "beer garden"
6 that is a part of the retailer's licensed premises.

7 ~~A "cost adjustment factor" shall be used to periodically~~
8 ~~update the dollar limitations prescribed in subparts (i),~~
9 ~~(iii), and (iv). The Commission shall establish the adjusted~~
10 ~~dollar limitation on an annual basis beginning in January,~~
11 ~~1997. The term "cost adjustment factor" means a percentage~~
12 ~~equal to the change in the Bureau of Labor Statistics Consumer~~
13 ~~Price Index or 5%, whichever is greater. The restrictions~~
14 contained in this Section 6-6 do not apply to signs, or
15 promotional or advertising materials furnished by
16 manufacturers, distributors or importing distributors to a
17 government owned or operated facility holding a retailer's
18 license as described in Section 6-5.

19 No distributor or importing distributor shall directly or
20 indirectly or through a subsidiary or affiliate, or by any
21 officer, director or firm of such manufacturer, distributor or
22 importing distributor, furnish, give, lend or rent, install,
23 repair or maintain, to or for any retail licensee in this
24 State, any signs or inside advertising materials described in
25 subparts (i), (ii), (iii), or (iv) of this Section except as
26 the agent for or on behalf of a manufacturer, provided that the

1 total cost of any signs and inside advertising materials
2 including but not limited to labor, erection, installation and
3 permit fees shall be paid by the manufacturer whose product or
4 products said signs and inside advertising materials advertise
5 and except as follows:

6 A distributor or importing distributor may purchase from or
7 enter into a written agreement with a manufacturer or a
8 manufacturer's designated supplier and such manufacturer or
9 the manufacturer's designated supplier may sell or enter into
10 an agreement to sell to a distributor or importing distributor
11 permitted signs and advertising materials described in
12 subparts (ii), (iii), or (iv) of this Section for the purpose
13 of furnishing, giving, lending, renting, installing,
14 repairing, or maintaining such signs or advertising materials
15 to or for any retail licensee in this State. Any purchase by a
16 distributor or importing distributor from a manufacturer or a
17 manufacturer's designated supplier shall be voluntary and the
18 manufacturer may not require the distributor or the importing
19 distributor to purchase signs or advertising materials from the
20 manufacturer or the manufacturer's designated supplier.

21 A distributor or importing distributor shall be deemed the
22 owner of such signs or advertising materials purchased from a
23 manufacturer or a manufacturer's designated supplier.

24 The provisions of Public Act 90-373 concerning signs or
25 advertising materials delivered by a manufacturer to a
26 distributor or importing distributor shall apply only to signs

1 or advertising materials delivered on or after August 14, 1997.

2 A manufacturer, distributor, or importing distributor may
3 furnish free social media advertising to a retail licensee if
4 the social media advertisement does not contain the retail
5 price of any alcoholic liquor and the social media
6 advertisement complies with any applicable rules or
7 regulations issued by the Alcohol and Tobacco Tax and Trade
8 Bureau of the United States Department of the Treasury. A
9 manufacturer, distributor, or importing distributor may list
10 the names of one or more unaffiliated retailers in the
11 advertisement of alcoholic liquor through social media.
12 Nothing in this Section shall prohibit a retailer from
13 communicating with a manufacturer, distributor, or importing
14 distributor on social media or sharing media on the social
15 media of a manufacturer, distributor, or importing
16 distributor. A retailer may request free social media
17 advertising from a manufacturer, distributor, or importing
18 distributor. Nothing in this Section shall prohibit a
19 manufacturer, distributor, or importing distributor from
20 sharing, reposting, or otherwise forwarding a social media post
21 by a retail licensee, so long as the sharing, reposting, or
22 forwarding of the social media post does not contain the retail
23 price of any alcoholic liquor. No manufacturer, distributor, or
24 importing distributor shall pay or reimburse a retailer,
25 directly or indirectly, for any social media advertising
26 services, except as specifically permitted in this Act. No

1 retailer shall accept any payment or reimbursement, directly or
2 indirectly, for any social media advertising services offered
3 by a manufacturer, distributor, or importing distributor,
4 except as specifically permitted in this Act. For the purposes
5 of this Section, "social media" means a service, platform, or
6 site where users communicate with one another and share media,
7 such as pictures, videos, music, and blogs, with other users
8 free of charge.

9 No person engaged in the business of manufacturing,
10 importing or distributing alcoholic liquors shall, directly or
11 indirectly, pay for, or advance, furnish, or lend money for the
12 payment of any license for another. Any licensee who shall
13 permit or assent, or be a party in any way to any violation or
14 infringement of the provisions of this Section shall be deemed
15 guilty of a violation of this Act, and any money loaned
16 contrary to a provision of this Act shall not be recovered
17 back, or any note, mortgage or other evidence of indebtedness,
18 or security, or any lease or contract obtained or made contrary
19 to this Act shall be unenforceable and void.

20 This Section shall not apply to airplane licensees
21 exercising powers provided in paragraph (i) of Section 5-1 of
22 this Act.

23 (Source: P.A. 98-756, eff. 7-16-14; 99-448, eff. 8-24-15.)

24 (235 ILCS 5/6-8) (from Ch. 43, par. 125)

25 Sec. 6-8. Each manufacturer or importing distributor or

1 foreign importer shall keep an accurate record of all alcoholic
2 liquors manufactured, distributed, sold, used, or delivered by
3 him in this State during each month, showing therein to whom
4 sold, and shall furnish a copy thereof or a report thereon to
5 the State Commission, as the State Commission may, request.

6 Each importing distributor or manufacturer to whom
7 alcoholic liquors imported into this State have been consigned
8 shall effect possession and physical control thereof by storing
9 such alcoholic liquors in the premises wherein such importing
10 distributor or manufacturer is licensed to engage in such
11 business as an importing distributor or manufacturer and to
12 make such alcoholic liquors together with accompanying
13 invoices, bills of lading and receiving tickets available for
14 inspection by an agent or representative of the Department of
15 Revenue and of the State Commission.

16 All alcoholic liquor imported into this State must be
17 off-loaded from the common carrier, vehicle, or mode of
18 transportation by which the alcoholic liquor was delivered into
19 this State. The alcoholic liquor shall be stored at the
20 licensed premises of the importing distributor before sale and
21 delivery to licensees in this State. A distributor or importing
22 distributor, upon application to the Commission, may secure a
23 waiver of the provisions of this Section for purposes of
24 delivering beer directly to a licensee holding or otherwise
25 participating in a special event sponsored by a unit of
26 government or a not-for-profit organization.

1 A manufacturer of beer that imports beer into this State
2 must comply with the provisions of this Section.

3 (Source: P.A. 88-535.)

4 (235 ILCS 5/8-1)

5 Sec. 8-1. A tax is imposed upon the privilege of engaging
6 in business as a manufacturer or as an importing distributor of
7 alcoholic liquor other than beer at the rate of \$0.185 per
8 gallon until September 1, 2009 and \$0.231 per gallon beginning
9 September 1, 2009 for cider containing not less than 0.5%
10 alcohol by volume nor more than 7% alcohol by volume, \$0.73 per
11 gallon until September 1, 2009 and \$1.39 per gallon beginning
12 September 1, 2009 for wine other than cider containing less
13 than 7% alcohol by volume, and \$4.50 per gallon until September
14 1, 2009 and \$8.55 per gallon beginning September 1, 2009 on
15 alcohol and spirits manufactured and sold or used by such
16 manufacturer, or as agent for any other person, or sold or used
17 by such importing distributor, or as agent for any other
18 person. A tax is imposed upon the privilege of engaging in
19 business as a manufacturer of beer or as an importing
20 distributor of beer at the rate of \$0.185 per gallon until
21 September 1, 2009 and \$0.231 per gallon beginning September 1,
22 2009 on all beer manufactured and sold or used by such
23 manufacturer, or as agent for any other person, or sold or used
24 by such importing distributor, or as agent for any other
25 person. Any brewer manufacturing beer in this State shall be

1 entitled to and given a credit or refund of 75% of the tax
2 imposed on each gallon of beer up to 4.9 million gallons per
3 year in any given calendar year for tax paid or payable on beer
4 produced and sold in the State of Illinois.

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

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

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

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

1 The provisions of this Section shall be construed to apply
2 to any importing distributor engaging in business in this
3 State, whether licensed or not.

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

23 Patent and proprietary medicines and medicinal,
24 antiseptic, culinary and toilet preparations;

25 Flavoring extracts and syrups and food products;

26 Scientific, industrial and chemical products, excepting

1 denatured alcohol;

2 Or for scientific, chemical, experimental or mechanical
3 purposes;

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

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

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

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

1 person shall make the same reports and returns, pay the same
2 taxes and be subject to all other provisions of this Article
3 relating to manufacturers and importing distributors.

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

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

11 All of the proceeds of the additional tax imposed by Public
12 Act 96-34 shall be deposited by the Department into the Capital
13 Projects Fund. The remainder of the tax imposed by this Act
14 shall be deposited by the Department into the General Revenue
15 Fund.

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

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

21 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
22 eff. 7-13-09; 96-1000, eff. 7-2-10.)

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.