1 AN ACT concerning regulation.

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

- 4 Section 5. The Liquor Control Act of 1934 is amended by
- 5 changing Sections 1-3.40, 5-1, 5-3, and 6-4 as follows:
- 6 (235 ILCS 5/1-3.40)
- 7 Sec. 1-3.40. Manufacturer class license holder.
- 8 "Manufacturer class license holder" means any holder of a
- 9 Manufacturer's license as provided in Section 5-1 of this Act.
- 10 The Manufacturer's licenses are: a Class 1. Distiller, a Class
- 11 2. Rectifier, a Class 3. Brewer, a Class 4. First Class Wine
- 12 Manufacturer, a Class 5. Second Class Wine Manufacturer, a
- 13 Class 6. First Class Winemaker, a Class 7. Second Class
- 14 Winemaker, a Class 8. Limited Wine Manufacturer, a Class 9.
- 15 <u>Craft Distiller</u>, a Class <u>10</u> 9. Class 1 Craft Distiller, a Class
- 16 $\underline{11}$ $\underline{10}$. Class 2 Craft Distiller, a Class $\underline{12}$ $\underline{11}$. Class 1 Brewer,
- 17 and a Class 13 $\frac{12}{12}$. Class 2 Brewer, and any future
- 18 Manufacturer's licenses established by law.
- 19 (Source: P.A. 101-482, eff. 8-23-19.)
- 20 (235 ILCS 5/5-1) (from Ch. 43, par. 115)
- 21 Sec. 5-1. Licenses issued by the Illinois Liquor Control
- 22 Commission shall be of the following classes:

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

- 1 (t) Brewer warehouse permit,
- 2 (u) Distilling pub license,
- 3 (v) Craft distiller warehouse permit.
- 4 No person, firm, partnership, corporation, or other legal
- 5 business entity that is engaged in the manufacturing of wine
- 6 may concurrently obtain and hold a wine-maker's license and a
- 7 wine manufacturer's license.
- 8 (a) A manufacturer's license shall allow the manufacture,
- 9 importation in bulk, storage, distribution and sale of
- 10 alcoholic liquor to persons without the State, as may be
- 11 permitted by law and to licensees in this State as follows:
- 12 Class 1. A Distiller may make sales and deliveries of
- 13 alcoholic liquor to distillers, rectifiers, importing
- 14 distributors, distributors and non-beverage users and to no
- 15 other licensees.
- 16 Class 2. A Rectifier, who is not a distiller, as defined
- 17 herein, may make sales and deliveries of alcoholic liquor to
- 18 rectifiers, importing distributors, distributors, retailers
- 19 and non-beverage users and to no other licensees.
- 20 Class 3. A Brewer may make sales and deliveries of beer to
- 21 importing distributors and distributors and may make sales as
- 22 authorized under subsection (e) of Section 6-4 of this Act.
- Class 4. A first class wine-manufacturer may make sales and
- deliveries of up to 50,000 gallons of wine to manufacturers,
- 25 importing distributors and distributors, and to no other
- licensees.

1 Class 5. A second class Wine manufacturer may make sales 2 and deliveries of more than 50,000 gallons of wine to 3 manufacturers, importing distributors and distributors and to 4 no other licensees.

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

Class 7. A second-class wine-maker's license shall allow the manufacture of between 50,000 and 150,000 gallons of wine per year, and the storage and sale of such wine to distributors in this State and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public Act 95-634), is a holder of a second-class wine-maker's license and annually produces more than 25,000 gallons of its own wine and who distributes its wine to licensed retailers shall cease this practice on or before July 1, 2008 in compliance with Public Act 95-634.

Class 8. A limited wine-manufacturer may make sales and deliveries not to exceed 40,000 gallons of wine per year to

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distributors, and to non-licensees in accordance with the provisions of this Act.

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

Class 10 9. A class 1 craft distiller license, which may only be issued to a licensed craft distiller licensed distiller or licensed non-resident dealer, shall allow the manufacture of up to 50,000 gallons of spirits per year provided that the class 1 craft distiller licensee does not manufacture more than a combined 50,000 gallons of spirits per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year or any other alcoholic liquor. A class 1 craft distiller licensee may make sales and deliveries to importing distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (19) of subsection (a) of Section 3-12 of this Act. However, the aggregate amount of spirits sold to non-licensees and sold or delivered to retail licensees may not exceed 5,000 gallons per year.

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

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

Class <u>11</u> 10. A class 2 craft distiller license, which may only be issued to a <u>licensed craft distiller</u> licensed distiller or licensed non-resident dealer, shall allow the manufacture of up to 100,000 gallons of spirits per year provided that the class 2 craft distiller licensee does not manufacture more than a combined 100,000 gallons of spirits per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 100,000 gallons of spirits per year or any other alcoholic liquor. A class 2 craft

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

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

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spirits transferred to the distilling pub wholly owned by the class 2 craft distiller.

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

Class 12 11. A class 1 brewer license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 930,000 gallons of beer per year provided that the class 1 brewer licensee does not manufacture more than a combined 930,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year or any other alcoholic liquor. A class 1 brewer licensee may make sales and deliveries to importing distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (18) of subsection (a) of Section 3-12 of this Act. If the State Commission provides prior approval, a class 1 brewer may annually transfer up to 930,000 gallons of beer manufactured by that class 1 brewer to the premises of a licensed class 1 brewer wholly owned and operated by the same licensee.

Class $\underline{13}$ $\underline{42}$. A class 2 brewer license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 3,720,000 gallons of beer

manufacture more than a combined 3,720,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year or any other alcoholic liquor. A class 2 brewer licensee may make sales and deliveries to importing distributors and distributors, but shall not make sales or

per year provided that the class 2 brewer licensee does not

9 provides prior approval, a class 2 brewer licensee may annually

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deliveries to any other licensee. If the State Commission

transfer up to 3,720,000 gallons of beer manufactured by that

class 2 brewer licensee to the premises of a licensed class 2

brewer wholly owned and operated by the same licensee.

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

A class 2 brewer shall, prior to transferring beer to a brew pub wholly owned by the class 2 brewer, furnish a written notice to the State Commission of intent to transfer beer

1 setting forth the name and address of the brew pub and shall

2 annually submit to the State Commission a verified report

identifying the total gallons of beer transferred to the brew

pub wholly owned by the class 2 brewer.

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

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

1 Commission shall post a list of registered agents on the 2 Commission's website.

- (b) A distributor's license shall allow (i) the wholesale purchase and storage of alcoholic liquors and sale of alcoholic liquors to licensees in this State and to persons without the State, as may be permitted by law; (ii) the sale of beer, cider, or both beer and cider to brewers, class 1 brewers, and class 2 brewers that, pursuant to subsection (e) of Section 6-4 of this Act, sell beer, cider, or both beer and cider to non-licensees at their breweries; and (iii) the sale of vermouth to class 1 craft distillers and class 2 craft distillers that, pursuant to subsection (e) of Section 6-4 of this Act, sell spirits, vermouth, or both spirits and vermouth to non-licensees at their distilleries. No person licensed as a distributor shall be granted a non-resident dealer's license.
- (c) An importing distributor's license may be issued to and held by those only who are duly licensed distributors, upon the filing of an application by a duly licensed distributor, with the Commission and the Commission shall, without the payment of any fee, immediately issue such importing distributor's license to the applicant, which shall allow the importation of alcoholic liquor by the licensee into this State from any point in the United States outside this State, and the purchase of alcoholic liquor in barrels, casks or other bulk containers and the bottling of such alcoholic liquors before resale thereof, but all bottles or containers so filled shall be sealed,

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

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

Notwithstanding any other provision of this subsection (d), a retail licensee may sell alcoholic liquors to a special

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event retailer licensee for resale to the extent permitted under subsection (e).

(e) A special event retailer's license (not-for-profit) shall permit the licensee to purchase alcoholic liquors from an Illinois licensed distributor (unless the licensee purchases less than \$500 of alcoholic liquors for the special event, in which case the licensee may purchase the alcoholic liquors from a licensed retailer) and shall allow the licensee to sell and offer for sale, at retail, alcoholic liquors for use or consumption, but not for resale in any form and only at the location and on the specific dates designated for the special event in the license. An applicant for a special event retailer license must (i) furnish with the application: (A) a resale number issued under Section 2c of the Retailers' Occupation Tax Act or evidence that the applicant is registered under Section 2a of the Retailers' Occupation Tax Act, (B) a current, valid exemption identification number issued under Section 1q of the Retailers' Occupation Tax Act, and a certification to the Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a statement that the applicant is not registered under Section 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers' Occupation Tax Act, and does not hold an exemption number under Section 1g of the Retailers' Occupation Tax Act, in which event the Commission shall set forth on the special event retailer's license a statement to that effect; (ii)

submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance in the maximum limits; and (iii) show proof satisfactory to the State Commission that the applicant has obtained local authority approval.

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

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

- 1 alcoholic liquors on any club, buffet, lounge or dining car
- 2 operated on an electric, gas or steam railway regularly
- 3 operated by a common carrier in this State, but shall not
- 4 permit the sale for resale of any alcoholic liquors to any
- 5 licensee within this State. A license shall be obtained for
- 6 each car in which such sales are made.
- 7 (g) A boat license shall allow the sale of alcoholic liquor
- 8 in individual drinks, on any passenger boat regularly operated
- 9 as a common carrier on navigable waters in this State or on any
- 10 riverboat operated under the Illinois Gambling Act, which boat
- 11 or riverboat maintains a public dining room or restaurant
- 12 thereon.
- 13 (h) A non-beverage user's license shall allow the licensee
- 14 to purchase alcoholic liquor from a licensed manufacturer or
- importing distributor, without the imposition of any tax upon
- 16 the business of such licensed manufacturer or importing
- 17 distributor as to such alcoholic liquor to be used by such
- 18 licensee solely for the non-beverage purposes set forth in
- 19 subsection (a) of Section 8-1 of this Act, and such licenses
- 20 shall be divided and classified and shall permit the purchase,
- 21 possession and use of limited and stated quantities of
- 22 alcoholic liquor as follows:
- 23 Class 1, not to exceed 500 gallons
- 24 Class 2, not to exceed 1,000 gallons
- 25 Class 3, not to exceed 5,000 gallons
- 26 Class 4, not to exceed 10,000 gallons

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Class 5, not to exceed 50,000 gallons

(i) A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license not more than 50,000 gallons of the first-class wine-maker's wine that is made at the first-class wine-maker's licensed premises per year for use or consumption, but not for resale in any form. A wine-maker's premises license shall allow a licensee who concurrently holds a second-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license up to 100,000 gallons of the second-class wine-maker's wine that is made at the second-class wine-maker's licensed premises per year for use or consumption but not for resale in any form. A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license or a second-class wine-maker's license to sell and offer for sale at retail at the premises specified in the wine-maker's premises license, for use or consumption but not for resale in any form, any beer, wine, and spirits purchased from a licensed distributor. Upon approval from the State Commission, a wine-maker's premises license shall allow the licensee to sell and offer for sale at (i) the wine-maker's licensed premises and (ii) at up to 2 additional locations for use and consumption and not for resale. Each location shall require additional licensing per location as specified in Section 5-3 of this Act. A wine-maker's premises licensee shall

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secure liquor liability insurance coverage in an amount at least equal to the maximum liability amounts set forth in subsection (a) of Section 6-21 of this Act.

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

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

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

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

1 holder of a valid broker's license.

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

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

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

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

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

- (m) A non-resident dealer's license shall permit such licensee to ship into and warehouse alcoholic liquor into this State from any point outside of this State, and to sell such alcoholic liquor to Illinois licensed foreign importers and importing distributors and to no one else in this State; provided that (i) said non-resident dealer shall register with the Illinois Liquor Control Commission each and every brand of alcoholic liquor which it proposes to sell to Illinois licensees during the license period, (ii) it shall comply with all of the provisions of Section 6-9 hereof with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale by duly filing such registration statement, thereby authorizing the non-resident dealer to proceed to sell such brands at wholesale, and (iii) the non-resident dealer shall comply with the provisions of Sections 6-5 and 6-6 of this Act to the same extent that these provisions apply to manufacturers. No person licensed as a non-resident dealer shall be granted a distributor's or importing distributor's license.
- (n) A brew pub license shall allow the licensee to only (i) manufacture up to 155,000 gallons of beer per year only on the premises specified in the license, (ii) make sales of the beer manufactured on the premises or, with the approval of the

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

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

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

1 (ii) does not hold more than 3 brew pub licenses in this State;

(iii) does not manufacture more than a combined 3,720,000

gallons of beer per year, including the beer manufactured at

the brew pub; and (iv) is not a member of or affiliated with,

directly or indirectly, a manufacturer that produces more than

3,720,000 gallons of beer per year or any other alcoholic

7 liquor.

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

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

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inventory to and from the holder's retail premises and shall allow the holder to purchase alcoholic liquor from a distributor or importing distributor to be delivered directly to an off-site event.

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

delivery and the distributor or importing distributor collects

2 payment from the caterer retailer licensee prior to the

distributor or importing distributor transferring inventory to

the caterer retailer premises.

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

- (p) An auction liquor license shall allow the licensee to sell and offer for sale at auction wine and spirits for use or consumption, or for resale by an Illinois liquor licensee in accordance with provisions of this Act. An auction liquor license will be issued to a person and it will permit the auction liquor licensee to hold the auction anywhere in the State. An auction liquor licensee must be obtained for each auction at least 14 days in advance of the auction date.
- (q) A special use permit license shall allow an Illinois licensed retailer to transfer a portion of its alcoholic liquor inventory from its retail licensed premises to the premises specified in the license hereby created; to purchase alcoholic liquor from a distributor or importing distributor to be delivered directly to the location specified in the license hereby created; and to sell or offer for sale at retail, only in the premises specified in the license hereby created, the transferred or delivered alcoholic liquor for use or consumption, but not for resale in any form. A special use

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permit license may be granted for the following time periods:

one day or less; 2 or more days to a maximum of 15 days per

location in any 12-month period. An applicant for the special

use permit license must also submit with the application proof

satisfactory to the State Commission that the applicant will

provide dram shop liability insurance to the maximum limits and

have local authority approval.

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

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

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1 premises to the premises specified in the special use permit

2 license; (ii) the distributor or importing distributor offers

the credit or refund for the unused, salable beer that it

delivered to the premises specified in the special use permit

license and not for any unused, salable beer that the

6 distributor or importing distributor delivered to the

retailer's premises; and (iii) the unused, salable beer would

likely spoil if transferred to the retailer premises.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- of a class 1 brewer license or a class 2 brewer license. If the holder of the permit is a class 1 brewer licensee, the brewer warehouse permit shall allow the holder to store or warehouse up to 930,000 gallons of tax-determined beer manufactured by the holder of the permit at the premises specified on the permit. If the holder of the permit is a class 2 brewer licensee, the brewer warehouse permit shall allow the holder to store or warehouse up to 3,720,000 gallons of tax-determined beer manufactured by the holder of the permit at the premises specified on the permit. Sales to non-licensees are prohibited at the premises specified in the brewer warehouse permit.
- (u) A distilling pub license shall allow the licensee to only (i) manufacture up to 5,000 gallons of spirits per year only on the premises specified in the license, (ii) make sales

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

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

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

- 1 year, including the spirits manufactured at the distilling pub;
- 2 and (iv) is not a member of or affiliated with, directly or
- 3 indirectly, a manufacturer that produces more than 100,000
- 4 gallons of spirits per year or any other alcoholic liquor.
- 5 (v) A craft distiller warehouse permit may be issued to the
- 6 holder of a class 1 craft distiller or class 2 craft distiller
- 7 license. The craft distiller warehouse permit shall allow the
- 8 holder to store or warehouse up to 500,000 gallons of spirits
- 9 manufactured by the holder of the permit at the premises
- 10 specified on the permit. Sales to non-licensees are prohibited
- 11 at the premises specified in the craft distiller warehouse
- 12 permit.
- 13 (Source: P.A. 100-17, eff. 6-30-17; 100-201, eff. 8-18-17;
- 14 100-816, eff. 8-13-18; 100-885, eff. 8-14-18; 100-1050, eff.
- 15 8-23-18; 101-16, eff. 6-14-19; 101-31, eff. 6-28-19; 101-81,
- 16 eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff. 8-23-19;
- 17 revised 9-19-19.)
- 18 (235 ILCS 5/5-3) (from Ch. 43, par. 118)
- 19 Sec. 5-3. License fees. Except as otherwise provided
- 20 herein, at the time application is made to the State Commission
- 21 for a license of any class, the applicant shall pay to the
- 22 State Commission the fee hereinafter provided for the kind of
- 23 license applied for.
- The fee for licenses issued by the State Commission shall
- 25 be as follows:

1		Online	Initial
2		renewal	license
3			or
4			non-online
5			renewal
6	For a manufacturer's license:		
7	Class 1. Distiller	\$4,000	\$5 , 000
8	Class 2. Rectifier	4,000	5,000
9	Class 3. Brewer	1,200	1,500
10	Class 4. First-class Wine		
11	Manufacturer	750	900
12	Class 5. Second-class		
13	Wine Manufacturer	1,500	1,750
14	Class 6. First-class wine-maker	750	900
15	Class 7. Second-class wine-maker	1,500	1,750
16	Class 8. Limited Wine		
17	Manufacturer	250	350
18	Class 9. Craft Distiller	\$2 , 000	\$2 , 500
19	Class <u>10</u> 9 . Class 1 Craft Distiller	50	75
20	Class <u>11</u> 10 . Class 2 Craft Distiller	75	100
21	Class <u>12</u> 11 . Class 1 Brewer	50	75
22	Class <u>13</u> 12 . Class 2 Brewer	75	100
23	For a Brew Pub License	1,200	1,500
24	For a Distilling Pub License	1,200	1,500
25	For a caterer retailer's license	350	500
26	For a foreign importer's license	25	25

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

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

1	event permit	25	25
2	For a craft distiller		
3	tasting permit	25	25
4	For a BASSET trainer license	300	350
5	For a tasting representative		
6	license	200	300
7	For a brewer warehouse permit	25	25
8	For a craft distiller		
9	warehouse permit	25	25

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Fees collected under this Section shall be paid into the Dram Shop Fund. On and after July 1, 2003 and until June 30, 2016, of the funds received for a retailer's license, in addition to the first \$175, an additional \$75 shall be paid into the Dram Shop Fund, and \$250 shall be paid into the General Revenue Fund. On and after June 30, 2016, one-half of the funds received for a retailer's license shall be paid into the Dram Shop Fund and one-half of the funds received for a retailer's license shall be paid into the General Revenue Fund. Beginning June 30, 1990 and on June 30 of each subsequent year through June 29, 2003, any balance over \$5,000,000 remaining in the Dram Shop Fund shall be credited to State liquor licensees and applied against their fees for State liquor licenses for the following year. The amount credited to each licensee shall be a proportion of the balance in the Dram Fund that is the same as the proportion of the license fee paid by the licensee under this Section for the period in which the balance was

- 1 accumulated to the aggregate fees paid by all licensees during
- 2 that period.
- 3 No fee shall be paid for licenses issued by the State
- 4 Commission to the following non-beverage users:
- 5 (a) Hospitals, sanitariums, or clinics when their use
- of alcoholic liquor is exclusively medicinal, mechanical
- 7 or scientific.
- 8 (b) Universities, colleges of learning or schools when
- 9 their use of alcoholic liquor is exclusively medicinal,
- 10 mechanical or scientific.
- 11 (c) Laboratories when their use is exclusively for the
- 12 purpose of scientific research.
- 13 (Source: P.A. 100-201, eff. 8-18-17; 100-816, eff. 8-13-18;
- 14 101-482, eff. 8-23-19.)
- 15 (235 ILCS 5/6-4) (from Ch. 43, par. 121)
- Sec. 6-4. (a) No person licensed by any licensing authority
- 17 as a distiller, or a wine manufacturer, or any subsidiary or
- 18 affiliate thereof, or any officer, associate, member, partner,
- 19 representative, employee, agent or shareholder owning more
- 20 than 5% of the outstanding shares of such person shall be
- 21 issued an importing distributor's or distributor's license,
- 22 nor shall any person licensed by any licensing authority as an
- 23 importing distributor, distributor or retailer, or any
- 24 subsidiary or affiliate thereof, or any officer or associate,
- 25 member, partner, representative, employee, agent or

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1 shareholder owning more than 5% of the outstanding shares of

2 such person be issued a distiller's license, a craft

distiller's license, or a wine manufacturer's license; and no

person or persons licensed as a distiller, craft distiller,

5 class 1 craft distiller, or class 2 craft distiller by any

6 licensing authority shall have any interest, directly or

7 indirectly, with such distributor or importing distributor.

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

- (b) The foregoing provisions shall not apply to any person licensed by any licensing authority as a distiller or wine manufacturer, or to any subsidiary or affiliate of any distiller or wine manufacturer who shall have been heretofore licensed by the State Commission as either an importing distributor or distributor during the annual licensing period expiring June 30, 1947, and shall actually have made sales regularly to retailers.
- 25 (c) Provided, however, that in such instances where a 26 distributor's or importing distributor's license has been

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

It shall be unlawful for any distiller licensed anywhere to have any stock ownership or interest in any distributor's or importing distributor's license wherein any other person has an interest therein who is not a distiller and does not own more than 5% of any stock in any distillery. Nothing herein contained shall apply to such distillers or their subsidiaries or affiliates, who had a distributor's or

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importing distributor's license during the licensing period ending June 30, 1947, which license was owned in whole by such distiller, or subsidiaries or affiliates of such distiller.

(e) Any person licensed as a brewer, class 1 brewer, or class 2 brewer shall be permitted to sell on the licensed premises to non-licensees for on or off-premises consumption for the premises in which he or she actually conducts such business: (i) beer manufactured by the brewer, class 1 brewer, or class 2 brewer; (ii) beer manufactured by any other brewer, class 1 brewer, or class 2 brewer; and (iii) cider. Such sales shall be limited to on-premises, in-person sales only, for lawful consumption on or off premises. Such authorization shall be considered a privilege granted by the brewer license and, other than a manufacturer of beer as stated above, no manufacturer or distributor or importing distributor. excluding airplane licensees exercising powers provided in paragraph (i) of Section 5-1 of this Act, or any subsidiary or affiliate thereof, or any officer, associate, member, partner, representative, employee or agent, or shareholder shall be issued a retailer's license, nor shall any person having a retailer's license, excluding airplane licensees exercising powers provided in paragraph (i) of Section 5-1 of this Act, or any subsidiary or affiliate thereof, or any officer, associate, member, partner, representative or agent, or shareholder be issued a manufacturer's license or importing distributor's license.

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

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

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

1 maximum liability amounts set forth in subsection (a) of 2 Section 6-21 of this Act.

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

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

- (f) (Blank).
- 25 (g) Notwithstanding any of the foregoing prohibitions, a 26 limited wine manufacturer may sell at retail at its

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

(h) The changes made to this Section by Public Act 99-47 shall not diminish or impair the rights of any person, whether a distiller, wine manufacturer, agent, or affiliate thereof, who requested in writing and submitted documentation to the State Commission on or before February 18, 2015 to be approved for a retail license pursuant to what has heretofore been subsection (f); provided that, on or before that date, the State Commission considered the intent of that person to apply for the retail license under that subsection and, by recorded vote, the State Commission approved a resolution indicating that such a license application could be lawfully approved upon that person duly filing a formal application for a retail license and if that person, within 90 days of the State Commission appearance and recorded vote, first filed an application with the appropriate local commission, which application was subsequently approved by the appropriate local commission prior to consideration by the State Commission of that person's application for a retail license. It is further provided that the State Commission may approve the person's application for a retail license or renewals of such license if such person continues to diligently adhere all

- 1 representations made in writing to the State Commission on or
- 2 before February 18, 2015, or thereafter, or in the affidavit
- 3 filed by that person with the State Commission to support the
- 4 issuance of a retail license and to abide by all applicable
- 5 laws and duly adopted rules.
- 6 (Source: P.A. 100-201, eff. 8-18-17; 100-816, eff. 8-13-18;
- 7 100-885, eff. 8-14-18; 101-81, eff. 7-12-19; 101-482, eff.
- 8 8-23-19.)
- 9 Section 99. Effective date. This Act takes effect upon
- 10 becoming law.