



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5504

Introduced 2/9/2024, by Rep. Kevin John Olickal

SYNOPSIS AS INTRODUCED:

235 ILCS 5/1-3.45 new	
235 ILCS 5/1-3.46 new	
235 ILCS 5/3-12	
235 ILCS 5/5-1	from Ch. 43, par. 115
235 ILCS 5/5-3	from Ch. 43, par. 118
235 ILCS 5/6-4	from Ch. 43, par. 121

Amends the Liquor Control Act of 1934. Creates a distiller showcase permit and a class 3 craft distiller license. Provides that a class 3 craft distiller license, which may be issued to a distiller or a non-resident dealer, shall allow the manufacture of no more than 100,000 gallons of spirits per year and shall allow the sale of no more than 5,000 gallons of spirits in the aggregate from the class 3 craft distiller's in-state or out-of-state class 3 craft distillery premises to retail licensees, class 3 brewers, and class 3 craft distillers as long as the class 3 craft distiller licensee meets certain requirements. Authorizes a class 3 craft distiller to self-distribute subject to certain requirements and limitations. Provides that a spirits showcase permit shall allow an Illinois-licensed distributor to transfer a portion of its spirits inventory from its licensed premises to the premises specified in the spirits showcase permit license, and, in the case of a class 3 craft distiller, transfer only spirits the class 3 craft distiller manufactures from its licensed premises to the premises specified in the spirits showcase permit license; and to sell or offer for sale at retail, only in the premises specified in the spirits showcase permit license, the transferred or delivered spirits for on or off premises consumption, but not for resale in any form and to sell to non-licensees not more than 156 fluid ounces of spirits per person. Provides that a distilling pub license shall allow the licensee to manufacture up to 10,000 gallons (instead of 5,000 gallons) of spirits per year on the premises specified in the license.

LRB103 38154 RPS 68287 b

1 AN ACT concerning liquor.

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

4 Section 5. The Liquor Control Act of 1934 is amended by
5 changing Sections 3-12, 5-1, 5-3, and 6-4 and by adding
6 Sections 1-3.45 and 1-3.46 as follows:

7 (235 ILCS 5/1-3.45 new)

8 Sec. 1-3.45. Spirits showcase permit. "Spirits showcase
9 permit" means a license for use by a class 1 craft distiller,
10 class 2 craft distiller, class 3 craft distiller, or
11 distributor to allow for the transfer of spirits only from an
12 existing licensed premises of a class 1 craft distiller, class
13 2 craft distiller, class 3 craft distiller, or distributor to
14 a designated site for a specific event.

15 (235 ILCS 5/1-3.46new)

16 Sec. 1-3.46. Class 3 craft distiller. "Class 3 craft
17 distiller" means a person who is a holder of a distiller
18 license, class 1 craft distiller license, class 2 craft
19 distiller license, or a non-resident dealer license who
20 manufactures no more than 100,000 gallons of spirits per year
21 in the aggregate and who may make sales to importing
22 distributors, distributors, and retail licensees in accordance

1 with the conditions set forth in paragraph (21) of subsection
2 (a) of Section 3-12.

3 (235 ILCS 5/3-12)

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

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

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

1 action for a violation of this Act shall be commenced by
2 the State Commission within 2 years after the date the
3 State Commission becomes aware of the violation.

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

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

17 The fine imposed under this paragraph may not exceed
18 \$500 for each violation. Each day that the activity, which
19 gave rise to the original fine, continues is a separate
20 violation. The maximum fine that may be levied against any
21 licensee, for the period of the license, shall not exceed
22 \$20,000. The maximum penalty that may be imposed on a
23 licensee for selling a bottle of alcoholic liquor with a
24 foreign object in it or serving from a bottle of alcoholic
25 liquor with a foreign object in it shall be the
26 destruction of that bottle of alcoholic liquor for the

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

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

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

24 (3) To call upon other administrative departments of
25 the State, county and municipal governments, county and
26 city police departments and upon prosecuting officers for

1 such information and assistance as it deems necessary in
2 the performance of its duties.

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

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

15 (5.1) Upon receipt of a complaint or upon having
16 knowledge that any person is engaged in business as a
17 manufacturer, importing distributor, distributor, or
18 retailer without a license or valid license, to conduct an
19 investigation. If, after conducting an investigation, the
20 State Commission is satisfied that the alleged conduct
21 occurred or is occurring, it may issue a cease and desist
22 notice as provided in this Act, impose civil penalties as
23 provided in this Act, notify the local liquor authority,
24 or file a complaint with the State's Attorney's Office of
25 the county where the incident occurred or the Attorney
26 General.

1 (5.2) Upon receipt of a complaint or upon having
2 knowledge that any person is shipping alcoholic liquor
3 into this State from a point outside of this State if the
4 shipment is in violation of this Act, to conduct an
5 investigation. If, after conducting an investigation, the
6 State Commission is satisfied that the alleged conduct
7 occurred or is occurring, it may issue a cease and desist
8 notice as provided in this Act, impose civil penalties as
9 provided in this Act, notify the foreign jurisdiction, or
10 file a complaint with the State's Attorney's Office of the
11 county where the incident occurred or the Attorney
12 General.

13 (5.3) To receive complaints from licensees, local
14 officials, law enforcement agencies, organizations, and
15 persons stating that any licensee has been or is violating
16 any provision of this Act or the rules and regulations
17 issued pursuant to this Act. Such complaints shall be in
18 writing, signed and sworn to by the person making the
19 complaint, and shall state with specificity the facts in
20 relation to the alleged violation. If the State Commission
21 has reasonable grounds to believe that the complaint
22 substantially alleges a violation of this Act or rules and
23 regulations adopted pursuant to this Act, it shall conduct
24 an investigation. If, after conducting an investigation,
25 the State Commission is satisfied that the alleged
26 violation did occur, it shall proceed with disciplinary

1 action against the licensee as provided in this Act.

2 (5.4) To make arrests and issue notices of civil
3 violations where necessary for the enforcement of this
4 Act.

5 (5.5) To investigate any and all unlicensed activity.

6 (5.6) To impose civil penalties or fines to any person
7 who, without holding a valid license, engages in conduct
8 that requires a license pursuant to this Act, in an amount
9 not to exceed \$20,000 for each offense as determined by
10 the State Commission. A civil penalty shall be assessed by
11 the State Commission after a hearing is held in accordance
12 with the provisions set forth in this Act regarding the
13 provision of a hearing for the revocation or suspension of
14 a license.

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

21 (7) The State Commission shall establish uniform
22 systems of accounts to be kept by all retail licensees
23 having more than 4 employees, and for this purpose the
24 State Commission may classify all retail licensees having
25 more than 4 employees and establish a uniform system of
26 accounts for each class and prescribe the manner in which

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

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

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

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

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

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

25 (11) To develop industry educational programs related
26 to responsible serving and selling, particularly in the

1 areas of overserving consumers and illegal underage
2 purchasing and consumption of alcoholic beverages.

3 (11.1) To license persons providing education and
4 training to alcohol beverage sellers and servers for
5 mandatory and non-mandatory training under the Beverage
6 Alcohol Sellers and Servers Education and Training
7 (BASSET) programs and to develop and administer a public
8 awareness program in Illinois to reduce or eliminate the
9 illegal purchase and consumption of alcoholic beverage
10 products by persons under the age of 21. Application for a
11 license shall be made on forms provided by the State
12 Commission.

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

15 (13) (Blank).

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

24 (A) The amount of State excise and sales tax
25 revenues generated.

26 (B) The amount of licensing fees received.

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

4 (D) The number of alcohol compliance operations
5 conducted.

6 (E) The number of winery shipper's licenses
7 issued.

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

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

25 (16) The State Commission shall, in addition to
26 notifying any appropriate law enforcement agency, submit

1 notices of complaints or violations of Sections 6-29 and
2 6-29.1 by persons who do not hold a winery shipper's
3 license under this Act to the Illinois Attorney General
4 and to the U.S. Department of Treasury's Alcohol and
5 Tobacco Tax and Trade Bureau.

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

23 (B) In the application, which shall be sworn under
24 penalty of perjury, such person shall state (1) the date
25 it was established; (2) its volume of production and sales
26 for each year since its establishment; (3) its efforts to

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

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

17 (D) A self-distribution exemption holder shall
18 annually certify to the State Commission its production of
19 wine in the previous 12 months and its anticipated
20 production and sales for the next 12 months. The State
21 Commission may fine, suspend, or revoke a
22 self-distribution exemption after a hearing if it finds
23 that the exemption holder has made a material
24 misrepresentation in its application, violated a revenue
25 or liquor law of Illinois, exceeded production of 25,000
26 gallons of wine, 930,000 gallons of beer, or 50,000

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

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

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

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

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

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

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

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

25 (C) Any application submitted shall be posted on the
26 State Commission's website at least 45 days prior to

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

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

1 or alcoholic beverage law of Illinois, exceeded the
2 manufacture of 930,000 gallons of beer, 25,000 gallons of
3 wine, or 50,000 gallons of spirits in any calendar year or
4 became part of an affiliated group manufacturing more than
5 930,000 gallons of beer, 25,000 gallons of wine, or 50,000
6 gallons of spirits.

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

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

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

1 impairing the integrity of the 3-tier system.

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

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

19 (C) Any application submitted shall be posted on the
20 State Commission's website at least 45 days prior to
21 action by the State Commission. The State Commission shall
22 approve the application for a self-distribution exemption
23 if the applicant: (1) is in compliance with State revenue
24 and alcoholic beverage laws; (2) is not a member of any
25 affiliated group that produces more than 50,000 gallons of
26 spirits per annum, 930,000 gallons of beer per annum, or

1 25,000 gallons of wine per annum; (3) does not annually
2 manufacture for sale more than 50,000 gallons of spirits,
3 930,000 gallons of beer, or 25,000 gallons of wine; and
4 (4) does not annually sell more than 5,000 gallons of its
5 spirits to retail licensees.

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

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

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

26 (G) It is the intent of this paragraph (19) to promote

1 and continue orderly markets. The General Assembly finds
2 that in order to preserve Illinois' regulatory
3 distribution system, it is necessary to create an
4 exception for smaller manufacturers in order to afford and
5 allow such smaller manufacturers of spirits access to the
6 marketplace in order to develop a customer base without
7 impairing the integrity of the 3-tier system.

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

22 (B) In the application, which shall be sworn under
23 penalty of perjury, the class 3 brewer licensee shall
24 state:

25 (1) the date it was established;

26 (2) its volume of beer manufactured and sold for

1 each year since its establishment;

2 (3) its efforts to establish distributor
3 relationships;

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

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

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

1 breweries.

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

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

19 (F) Nothing in this paragraph shall prohibit a
20 self-distribution exemption holder from entering into or
21 simultaneously having a distribution agreement with a
22 licensed Illinois importing distributor or a distributor.
23 If a self-distribution exemption holder enters into a
24 distribution agreement and has assigned distribution
25 rights to an importing distributor or distributor, then
26 the self-distribution exemption holder's distribution

1 rights in the assigned territories shall cease in a
2 reasonable time not to exceed 60 days.

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

11 (21) (A) A class 3 craft distiller licensee who
12 manufactures less than 100,000 gallons of spirits in the
13 aggregate may make application to the State Commission for
14 a self-distribution exemption to allow the sale of not
15 more than 5,000 gallons of spirits that are manufactured
16 at a wholly owned class 3 craft distiller's in-state or
17 out-of-state licensed premises to retail licensees and
18 class 3 brewers and to class 3 craft distillers that,
19 pursuant to subsection (e) of Section 6-4, sell beer,
20 cider, spirits, or any combination thereof to
21 non-licensees at their licensed distilleries.

22 (B) In the application, which shall be sworn under
23 penalty of perjury, the class 3 craft distiller licensee
24 shall state: (1) the date it was established; (2) its
25 volume of spirits manufactured and sold for each year
26 since its establishment; (3) its efforts to establish

1 distributor relationships; (4) that a self-distribution
2 exemption is necessary to facilitate the marketing of its
3 spirits; and (5) that it will comply with the alcoholic
4 beverage and revenue laws of the United States, this
5 State, and any other state where it is licensed.

6 (C) Any application submitted shall be posted on the
7 State Commission's website at least 45 days before action
8 by the State Commission. The State Commission shall
9 approve the application for a self-distribution exemption
10 if the class 3 craft distiller licensee: (1) is in
11 compliance with the State, revenue, and alcoholic beverage
12 laws; (2) is not a member of any affiliated group that
13 manufacturers, directly or indirectly, more than 100,000
14 gallons of spirits per annum; (3) shall not annually
15 manufacture for sale more than 100,000 gallons of spirits;
16 and (4) shall not annually sell more than 5,000 gallons of
17 spirits in the aggregate from the class 3 craft
18 distiller's in-state or out-of-state class 3 craft
19 distillery premises to retail licensees and class 3
20 brewers and to brewers, class 1 brewers, class 2 brewers,
21 distillers, class 1 craft distillers, and class 2 craft
22 distillers that, pursuant to subsection (e) of Section 6-4
23 of this Act, sell beer, cider, spirits, or any combination
24 thereof to non-licensees at their distilleries.

25 (D) A self-distribution exemption holder shall
26 annually certify to the State Commission its manufacture

1 of spirits during the previous 12 months and its
2 anticipated manufacture and sales of spirits for the next
3 12 months. The State Commission may fine, suspend, or
4 revoke a self-distribution exemption after a hearing if it
5 finds that the exemption holder has made a material
6 misrepresentation in its application, violated a revenue
7 or alcoholic beverage law of Illinois, exceeded the
8 manufacture of 100,000 gallons of spirits in any calendar
9 year or became part of an affiliated group manufacturing
10 more than 100,000 gallons of spirits, or exceeded the sale
11 to retail licensees, brewers, class 1 brewers, class 2
12 brewers, class 3 brewers, distillers, class 1 craft
13 distillers, and class 2 craft distillers of 5,000 gallons
14 in the aggregate.

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

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

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

1 order to develop a customer base without impairing the
2 integrity of the 3-tier system.

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

9 As part of its report, the Commission shall provide the
10 following information:

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

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

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

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

23 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

24 Sec. 5-1. Licenses issued by the Illinois Liquor Control
25 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
4 6. First Class Winemaker, Class 7. Second Class Winemaker,
5 Class 8. Limited Wine Manufacturer, Class 9. Craft Distiller,
6 Class 10. Class 1 Craft Distiller, Class 11. Class 2 Craft
7 Distiller, Class 12. Class 1 Brewer, Class 13. Class 2 Brewer,
8 Class 14. Class 3 Brewer, Class 15. Class 3 Craft Distiller,

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 (g) 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 (l) 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 (w) Beer showcase permit,
5 (x) Spirits showcase permit.

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

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

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

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

22 Class 3. A Brewer may make sales and deliveries of beer to
23 importing distributors and distributors and may make sales as
24 authorized under subsection (e) of Section 6-4 of this Act,
25 including any alcoholic liquor that subsection (e) of Section
26 6-4 authorizes a brewer to sell in its original package only to

1 a non-licensee for pick-up by a non-licensee either within the
2 interior of the brewery premises or at outside of the brewery
3 premises at a curb-side or parking lot adjacent to the brewery
4 premises, subject to any local ordinance.

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

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

1 no other licensees.

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

1 wine manufactured at the first-class wine-maker premises to
2 non-licensees.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 Class 15. A class 3 craft distiller license, which may be
4 issued to a distiller or a non-resident dealer, shall allow
5 the manufacture of no more than 100,000 gallons of spirits per
6 year and shall allow the sale of no more than 5,000 gallons of
7 spirits in the aggregate from the class 3 craft distiller's
8 in-state or out-of-state class 3 craft distillery premises to
9 retail licensees, class 3 brewers, and class 3 craft
10 distillers as long as the class 3 craft distiller licensee
11 does not manufacture more than a combined 100,000 gallons of
12 spirits per year and is not a member of or affiliated with,
13 directly or indirectly, a manufacturer that produces more than
14 100,000 gallons of spirits per year and to make sales to
15 importing distributors, distributors, retail licensees, class
16 3 brewers, and class 3 craft distillers in accordance with the
17 conditions set forth in paragraph (21) of subsection (a) of
18 Section 3-12. If the State Commission provides prior approval,
19 a class 3 craft distiller may annually transfer up to 5,000
20 gallons of spirits manufactured by that class 3 craft
21 distiller to the premises of a licensed class 3 craft
22 distiller wholly owned and operated by the same licensee. A
23 class 3 craft distiller shall manufacture spirits at the
24 distiller's class 3 designated licensed premises and may sell
25 spirits as otherwise provided in this Act.

26 (a-1) A manufacturer which is licensed in this State to

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

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

25 (b) A distributor's license shall allow (i) the wholesale
26 purchase and storage of alcoholic liquors and sale of

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

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

1 manufacturers in the preparation and bottling of alcoholic
2 liquors. The importing distributor's license shall permit such
3 licensee to purchase alcoholic liquor from Illinois licensed
4 non-resident dealers and foreign importers only. No person
5 licensed as an importing distributor shall be granted a
6 non-resident dealer's 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. Except as provided in Section 6-16,
11 6-29, or 6-29.1, nothing in this Act shall deny, limit,
12 remove, or restrict the ability of a holder of a retailer's
13 license to transfer or ship alcoholic liquor to the purchaser
14 for use or consumption subject to any applicable local law or
15 ordinance. For the purposes of this Section, "shipping" means
16 the movement of alcoholic liquor from a licensed retailer to a
17 consumer via a common carrier. Except as provided in Section
18 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit,
19 remove, or restrict the ability of a holder of a retailer's
20 license to deliver alcoholic liquor to the purchaser for use
21 or consumption. The delivery shall be made only within 12
22 hours from the time the alcoholic liquor leaves the licensed
23 premises of the retailer for delivery. For the purposes of
24 this Section, "delivery" means the movement of alcoholic
25 liquor purchased from a licensed retailer to a consumer
26 through the following methods:

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

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

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

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

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

18 Except for a municipality with a population of more than
19 1,000,000 inhabitants, a home rule unit may not regulate the
20 delivery of alcoholic liquor inconsistent with this
21 subsection. This paragraph is a limitation under subsection
22 (i) of Section 6 of Article VII of the Illinois Constitution on
23 the concurrent exercise by home rule units of powers and
24 functions exercised by the State. A non-home rule municipality
25 may not regulate the delivery of alcoholic liquor inconsistent
26 with this subsection.

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

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

1 Retailers' Occupation Tax Act, in which event the Commission
2 shall set forth on the special event retailer's license a
3 statement to that effect; (ii) submit with the application
4 proof satisfactory to the State Commission that the applicant
5 will provide dram shop liability insurance in the maximum
6 limits; and (iii) show proof satisfactory to the State
7 Commission that the applicant has obtained local authority
8 approval.

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

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

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

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

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

26 Class 1, not to exceed 500 gallons

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

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

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

11 (j) An airplane license shall permit the licensee to
12 import alcoholic liquors into this State from any point in the
13 United States outside this State and to store such alcoholic
14 liquors in this State; to make wholesale purchases of
15 alcoholic liquors directly from manufacturers, foreign
16 importers, distributors and importing distributors from within
17 or outside this State; and to store such alcoholic liquors in
18 this State; provided that the above powers may be exercised
19 only in connection with the importation, purchase or storage
20 of alcoholic liquors to be sold or dispensed on an airplane;
21 and provided further, that airplane licensees exercising the
22 above powers shall be subject to all provisions of Article
23 VIII of this Act as applied to importing distributors. An
24 airplane licensee shall also permit the sale or dispensing of
25 alcoholic liquors on any passenger airplane regularly operated
26 by a common carrier in this State, but shall not permit the

1 sale for resale of any alcoholic liquors to any licensee
2 within this State. A single airplane license shall be required
3 of an airline company if liquor service is provided on board
4 aircraft in this State. The annual fee for such license shall
5 be as determined in Section 5-3.

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

21 (l) (i) A broker's license shall be required of all
22 persons who solicit orders for, offer to sell or offer to
23 supply alcoholic liquor to retailers in the State of Illinois,
24 or who offer to retailers to ship or cause to be shipped or to
25 make contact with distillers, craft distillers, rectifiers,
26 brewers or manufacturers or any other party within or without

1 the State of Illinois in order that alcoholic liquors be
2 shipped to a distributor, importing distributor or foreign
3 importer, whether such solicitation or offer is consummated
4 within or without the State of Illinois.

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

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

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

25 A broker's license under this subsection (1) shall not
26 entitle the holder to buy or sell any alcoholic liquors for his

1 own account or to take or deliver title to such alcoholic
2 liquors.

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

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

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

1 Sections 6-5 and 6-6 of this Act to the same extent that these
2 provisions apply to manufacturers. No person licensed as a
3 non-resident dealer shall be granted a distributor's or
4 importing distributor's license.

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

1 owned, operated, and licensed locations.

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

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

16 Notwithstanding any other provision of this Act, a
17 licensed brewer, class 2 brewer, or non-resident dealer who
18 before July 1, 2015 manufactured less than 3,720,000 gallons
19 of beer per year and held a brew pub license on or before July
20 1, 2015 may (i) continue to qualify for and hold that brew pub
21 license for the licensed premises and (ii) manufacture more
22 than 3,720,000 gallons of beer per year and continue to
23 qualify for and hold that brew pub license if that brewer,
24 class 2 brewer, or non-resident dealer does not simultaneously
25 hold a class 1 brewer license and is not a member of or
26 affiliated with, directly or indirectly, a manufacturer that

1 produces more than 3,720,000 gallons of beer per year or that
2 produces any other alcoholic liquor.

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

9 (1) has a valid retail license on or before May 1,
10 2021;

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

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

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

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

25 (o) A caterer retailer license shall allow the holder to
26 serve alcoholic liquors as an incidental part of a food

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

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

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

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

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

22 (q) A special use permit license shall allow an Illinois
23 licensed retailer to transfer a portion of its alcoholic
24 liquor inventory from its retail licensed premises to the
25 premises specified in the license hereby created; to purchase
26 alcoholic liquor from a distributor or importing distributor

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

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

25 Nothing in this Act prohibits a distributor or importing
26 distributor from offering credit or a refund for unused,

1 salable beer to a special use permit licensee or a special use
2 permit licensee from accepting a credit or refund for unused,
3 salable beer at the conclusion of the event specified in the
4 license if: (i) the holder of the special use permit license
5 has not transferred alcoholic liquor from its retail licensed
6 premises to the premises specified in the special use permit
7 license; (ii) the distributor or importing distributor offers
8 the credit or refund for the unused, salable beer that it
9 delivered to the premises specified in the special use permit
10 license and not for any unused, salable beer that the
11 distributor or importing distributor delivered to the
12 retailer's premises; and (iii) the unused, salable beer would
13 likely spoil if transferred to the retailer premises.

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

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

1 indirectly through a third-party provider, from the licensee's
2 own production.

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

20 (1) the name, address, and license number of the
21 winery shipper on whose behalf the shipment was made;

22 (2) the quantity of the products delivered; and

23 (3) the date and address of the shipment.

24 If the Department of Revenue or the State Commission requests
25 a statement under this paragraph, the third-party provider
26 must provide that statement no later than 30 days after the

1 request is made. Any books, records, supporting papers, and
2 documents containing information and data relating to a
3 statement under this paragraph shall be kept and preserved for
4 a period of 3 years, unless their destruction sooner is
5 authorized, in writing, by the Director of Revenue, and shall
6 be open and available to inspection by the Director of Revenue
7 or the State Commission or any duly authorized officer, agent,
8 or employee of the State Commission or the Department of
9 Revenue, at all times during business hours of the day. Any
10 person who violates any provision of this paragraph or any
11 rule of the State Commission for the administration and
12 enforcement of the provisions of this paragraph is guilty of a
13 Class C misdemeanor. In case of a continuing violation, each
14 day's continuance thereof shall be a separate and distinct
15 offense.

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

23 A winery shipper licensee must pay to the Department of
24 Revenue the State liquor gallonage tax under Section 8-1 for
25 all wine that is sold by the licensee and shipped to a person
26 in this State. For the purposes of Section 8-1, a winery

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

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

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

26 As used in this subsection, "third-party provider" means

1 any entity that provides fulfillment house services, including
2 warehousing, packaging, distribution, order processing, or
3 shipment of wine, but not the sale of wine, on behalf of a
4 licensed winery shipper.

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

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

1 to store or warehouse up to 3,720,000 gallons of
2 tax-determined beer manufactured by the holder of the permit
3 at the premises specified on the permit. Sales to
4 non-licensees are prohibited at the premises specified in the
5 brewer warehouse permit.

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

25 A distilling pub licensee shall not under any circumstance
26 sell or offer for sale spirits manufactured by the distilling

1 pub licensee to retail licensees.

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

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

21 (w) A beer showcase permit license shall allow an
22 Illinois-licensed distributor to transfer a portion of its
23 beer inventory from its licensed premises to the premises
24 specified in the beer showcase permit license, and, in the
25 case of a class 3 brewer, transfer only beer the class 3 brewer
26 manufactures from its licensed premises to the premises

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

16 (x) A spirits showcase permit shall allow an
17 Illinois-licensed distributor to transfer a portion of its
18 spirits inventory from its licensed premises to the premises
19 specified in the spirits showcase permit and, in the case of a
20 class 3 craft distiller, transfer only spirits the class 3
21 craft distiller manufactures from its licensed premises to the
22 premises specified in the spirits showcase permit; and to sell
23 or offer for sale at retail, only in the premises specified in
24 the spirits showcase permit, the transferred or delivered
25 spirits for on-premises or off-premises consumption, but not
26 for resale in any form and to sell to non-licensees not more

1 than 156 fluid ounces of spirits per person. A spirits
 2 showcase permit may be granted for the following time periods:
 3 one day or less; or 2 or more days to a maximum of 15 days per
 4 location in any 12-month period. An applicant for a spirits
 5 showcase permit must also submit with the application proof
 6 satisfactory to the State Commission that the applicant will
 7 provide dram shop liability insurance to the maximum limits
 8 and have local authority approval. The State Commission shall
 9 require the spirits showcase applicant to comply with Section
 10 6-27.1.

11 (Source: P.A. 101-16, eff. 6-14-19; 101-31, eff. 6-28-19;
 12 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff.
 13 8-23-19; 101-615, eff. 12-20-19; 101-668, eff. 1-1-22;
 14 102-442, eff. 8-20-21; 102-1142, eff. 2-17-23.)

15 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

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

21 The fee for licenses issued by the State Commission shall
 22 be as follows:

23	Online	Initial
24	renewal	license
25		or

non-online
renewal

1			
2			
3	For a manufacturer's license:		
4	Class 1. Distiller	\$4,000	\$5,000
5	Class 2. Rectifier	4,000	5,000
6	Class 3. Brewer	1,200	1,500
7	Class 4. First-class Wine		
8	Manufacturer	750	900
9	Class 5. Second-class		
10	Wine Manufacturer.....	1,500	1,750
11	Class 6. First-class wine-maker....	750	900
12	Class 7. Second-class wine-maker ..	1,500	1,750
13	Class 8. Limited Wine		
14	Manufacturer	250	350
15	Class 9. Craft Distiller	2,000	2,500
16	Class 10. Class 1 Craft Distiller ..	50	75
17	Class 11. Class 2 Craft Distiller ..	75	100
18	Class 12. Class 1 Brewer	50	75
19	Class 13. Class 2 Brewer	75	100
20	Class 14. Class 3 Brewer	25	50
21	<u>Class 15. Class 3 Craft Distiller ..</u>	<u>175</u>	<u>200</u>
22	For a Brew Pub License	1,200	1,500
23	For a Distilling Pub License	1,200	1,500
24	For a caterer retailer's license ..	350	500
25	For a foreign importer's license ..	25	25
26	For an importing distributor's		

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

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

1	Class 2	60	60
2	Class 3	120	120
3	Class 4	240	240
4	Class 5	600	600
5	For a broker's license	750	1,000
6	For an auction liquor license	100	150
7	For a homebrewer special		
8	event permit	25	25
9	For a craft distiller		
10	tasting permit	25	25
11	For a BASSET trainer license	300	350
12	For a tasting representative		
13	license.....	200	300
14	For a brewer warehouse permit	25	25
15	For a craft distiller		
16	warehouse permit	25	25

17 Fees collected under this Section shall be paid into the
 18 Dram Shop Fund. The State Commission shall waive license
 19 renewal fees for those retailers' licenses that are designated
 20 as "1A" by the State Commission and expire on or after July 1,
 21 2022, and on or before June 30, 2023. One-half of the funds
 22 received for a retailer's license shall be paid into the Dram
 23 Shop Fund and one-half of the funds received for a retailer's
 24 license shall be paid into the General Revenue Fund.

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

1 (a) Hospitals, sanitariums, or clinics when their use
2 of alcoholic liquor is exclusively medicinal, mechanical,
3 or scientific.

4 (b) Universities, colleges of learning, or schools
5 when their use of alcoholic liquor is exclusively
6 medicinal, mechanical, or scientific.

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

9 (Source: P.A. 102-442, eff. 8-20-21; 102-558, eff. 8-20-21;
10 102-699, eff. 4-19-22; 102-1142, eff. 2-17-23; 103-154, eff.
11 6-30-23; revised 9-5-23.)

12 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

13 Sec. 6-4. (a) No person licensed by any licensing
14 authority as a distiller, or a wine manufacturer, or any
15 subsidiary or affiliate thereof, or any officer, associate,
16 member, partner, representative, employee, agent or
17 shareholder owning more than 5% of the outstanding shares of
18 such person shall be issued an importing distributor's or
19 distributor's license, nor shall any person licensed by any
20 licensing authority as an importing distributor, distributor
21 or retailer, or any subsidiary or affiliate thereof, or any
22 officer or associate, member, partner, representative,
23 employee, agent or shareholder owning more than 5% of the
24 outstanding shares of such person be issued a distiller's
25 license, a craft distiller's license, or a wine manufacturer's

1 license; and no person or persons licensed as a distiller,
2 craft distiller, class 1 craft distiller, or class 2 craft
3 distiller by any licensing authority shall have any interest,
4 directly or indirectly, with such distributor or importing
5 distributor.

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

15 (b) The foregoing provisions shall not apply to any person
16 licensed by any licensing authority as a distiller or wine
17 manufacturer, or to any subsidiary or affiliate of any
18 distiller or wine manufacturer who shall have been heretofore
19 licensed by the State Commission as either an importing
20 distributor or distributor during the annual licensing period
21 expiring June 30, 1947, and shall actually have made sales
22 regularly to retailers.

23 (c) Provided, however, that in such instances where a
24 distributor's or importing distributor's license has been
25 issued to any distiller or wine manufacturer or to any
26 subsidiary or affiliate of any distiller or wine manufacturer

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

18 (d) It shall be unlawful for any distiller licensed
19 anywhere to have any stock ownership or interest in any
20 distributor's or importing distributor's license wherein any
21 other person has an interest therein who is not a distiller and
22 does not own more than 5% of any stock in any distillery.
23 Nothing herein contained shall apply to such distillers or
24 their subsidiaries or affiliates, who had a distributor's or
25 importing distributor's license during the licensing period
26 ending June 30, 1947, which license was owned in whole by such

1 distiller, or subsidiaries or affiliates of such distiller.

2 (e) Any person licensed as a brewer, class 1 brewer, or
3 class 2 brewer shall be permitted to sell on the licensed
4 premises to non-licensees for on or off-premises consumption
5 for the premises in which he or she actually conducts such
6 business: (i) beer manufactured by the brewer, class 1 brewer,
7 class 2 brewer, or class 3 brewer; (ii) beer manufactured by
8 any other brewer, class 1 brewer, class 2 brewer, or class 3
9 brewer; and (iii) cider or mead. Any person licensed as a class
10 3 brewer shall be permitted to sell on the licensed premises to
11 non-licensees for on or off premises consumption for the
12 premises in which he or she actually conducts such business:
13 (i) beer manufactured by the class 3 brewer on the premises;
14 (ii) beer manufactured by any other brewer, class 1 brewer,
15 class 2 brewer, or class 3 brewer; and (iii) cider, wine, and
16 spirits. All products sold under this subsection that are not
17 manufactured on premises must be purchased through a licensed
18 distributor, importing distributor, or manufacturer with
19 self-distribution privileges. Such sales shall be limited to
20 on-premises, in-person sales only, for lawful consumption on
21 or off premises. Such authorization shall be considered a
22 privilege granted by the brewer license and, other than a
23 manufacturer of beer as stated above, no manufacturer or
24 distributor or importing distributor, excluding airplane
25 licensees exercising powers provided in paragraph (i) of
26 Section 5-1 of this Act, or any subsidiary or affiliate

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

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

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

19 A person licensed as a class 1 craft distiller or a class 2
20 craft distiller, including a person who holds more than one
21 class 1 craft distiller or class 2 craft distiller license,
22 not affiliated with any other person manufacturing spirits may
23 be authorized by the State Commission to sell (1) up to 5,000
24 gallons of spirits produced by the person to non-licensees for
25 on or off-premises consumption for the premises in which he or
26 she actually conducts business permitting only the retail sale

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

12 A class 1 craft distiller or class 2 craft distiller
13 license holder shall not deliver any alcoholic liquor to any
14 non-licensee off the licensed premises. A class 1 craft
15 distiller or class 2 craft distiller shall affirm in its
16 annual license application that it does not produce more than
17 50,000 or 100,000 gallons of distilled spirits annually,
18 whichever is applicable, and that the craft distiller does not
19 sell more than 5,000 gallons of spirits to non-licensees for
20 on or off-premises consumption. In the application, which
21 shall be sworn under penalty of perjury, the class 1 craft
22 distiller or class 2 craft distiller shall state the volume of
23 production and sales for each year since the class 1 craft
24 distiller's or class 2 craft distiller's establishment.

25 A person who holds a class 1 craft distiller or class 2
26 craft distiller license and is authorized by this Section to

1 sell spirits to non-licensees shall not sell spirits to
2 non-licensees from more than 3 total distillery or commonly
3 owned distilling pub licensed locations in this State. The
4 class 1 craft distiller or class 2 craft distiller shall
5 designate to the State Commission the distillery or distilling
6 pub locations from which it will sell spirits to
7 non-licensees.

8 A class 3 craft distiller license shall allow the licensee
9 to only (i) manufacture up to 100,000 gallons of spirits per
10 year, (ii) make sales of the spirits manufactured on the
11 premises or, with the approval of the State Commission,
12 spirits manufactured on another class 3 craft distiller
13 licensed premises that is wholly owned and operated by the
14 same licensee to importing distributors and distributors, to
15 retail licensees in accordance with the conditions set forth
16 in paragraph (21) of subsection (a) of Section 3-12 of this
17 Act, and to non-licensees for use and consumption, (iii) store
18 the spirits upon the premises, (iv) sell and offer for sale at
19 retail from the licensed premises for off-premises consumption
20 no more than 5,000 gallons per year so long as such sales are
21 only made in-person, (v) sell and offer for sale at retail for
22 use and consumption on the premises specified in the license
23 any form of alcoholic liquor purchased from a licensed
24 distributor or importing distributor, and (vi) with the prior
25 approval of the State Commission, annually transfer no more
26 than 19,375 gallons of spirits manufactured on the premises to

1 a licensed class 3 craft distiller wholly owned and operated
2 by the same licensee.

3 (f) (Blank).

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

11 (h) The changes made to this Section by Public Act 99-47
12 shall not diminish or impair the rights of any person, whether
13 a distiller, wine manufacturer, agent, or affiliate thereof,
14 who requested in writing and submitted documentation to the
15 State Commission on or before February 18, 2015 to be approved
16 for a retail license pursuant to what has heretofore been
17 subsection (f); provided that, on or before that date, the
18 State Commission considered the intent of that person to apply
19 for the retail license under that subsection and, by recorded
20 vote, the State Commission approved a resolution indicating
21 that such a license application could be lawfully approved
22 upon that person duly filing a formal application for a retail
23 license and if that person, within 90 days of the State
24 Commission appearance and recorded vote, first filed an
25 application with the appropriate local commission, which
26 application was subsequently approved by the appropriate local

1 commission prior to consideration by the State Commission of
2 that person's application for a retail license. It is further
3 provided that the State Commission may approve the person's
4 application for a retail license or renewals of such license
5 if such person continues to diligently adhere to all
6 representations made in writing to the State Commission on or
7 before February 18, 2015, or thereafter, or in the affidavit
8 filed by that person with the State Commission to support the
9 issuance of a retail license and to abide by all applicable
10 laws and duly adopted rules.

11 (i) Notwithstanding any other provision of this Act, the
12 common ownership of a brewery, winery, or a distillery shall
13 not authorize the grant of and aggregation of retail
14 privileges granted to any person or licensees in subsection
15 (e). Any person or licensee with common ownership in a
16 brewery, winery, or a distillery shall be limited to the
17 retail privileges granted to only one of the commonly owned
18 brewery, winery, or distillery. The State Commission is hereby
19 authorized to restrict the locations of any commonly owned
20 brewery, winery, or distillery to prevent the expansion of
21 retail privileges, including, without limitation, restricting
22 a commonly owned brewery, winery, or distillery from operating
23 in adjacent licensed premises or restricting self-distribution
24 privileges.

25 (Source: P.A. 101-81, eff. 7-12-19; 101-482, eff. 8-23-19;
26 101-615, eff. 12-20-19; 102-442, eff. 8-20-21.)