



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB3358

Introduced 2/7/2024, by Sen. Ram Villivalam

SYNOPSIS AS INTRODUCED:

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 5/6-29.05 new	

Amends the Liquor Control Act of 1934. Creates the distillery shipper's license. Provides that a distillery shipper's license shall allow a person with an Illinois distiller license, a craft distiller license, a class 1 craft distiller license, or class 2 craft distiller license or who is licensed to make spirits under the laws of another state to ship spirits directly to a resident of this State who is 21 years of age or older for that resident's personal use and not for resale. Sets forth provisions concerning licensure application; fees; recordkeeping; and shipping and delivery of spirits. Preempts home rule powers. Makes conforming and other changes.

LRB103 38772 RPS 68909 b

1 AN ACT concerning liquor.

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

4 Section 5. The Liquor Control Act of 1934 is amended by
5 changing Sections 3-12, 5-1, and 5-3 and by adding Section
6 6-29.05 as follows:

7 (235 ILCS 5/3-12)

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

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

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

1 regulation issued pursuant thereto and in effect for 30
2 days prior to such violation. Except in the case of an
3 action taken pursuant to a violation of Section 6-3, 6-5,
4 or 6-9, any action by the State Commission to suspend or
5 revoke a licensee's license may be limited to the license
6 for the specific premises where the violation occurred. An
7 action for a violation of this Act shall be commenced by
8 the State Commission within 2 years after the date the
9 State Commission becomes aware of the violation.

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

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

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

1 licensee, for the period of the license, shall not exceed
2 \$20,000. The maximum penalty that may be imposed on a
3 licensee for selling a bottle of alcoholic liquor with a
4 foreign object in it or serving from a bottle of alcoholic
5 liquor with a foreign object in it shall be the
6 destruction of that bottle of alcoholic liquor for the
7 first 10 bottles so sold or served from by the licensee.
8 For the eleventh bottle of alcoholic liquor and for each
9 third bottle thereafter sold or served from by the
10 licensee with a foreign object in it, the maximum penalty
11 that may be imposed on the licensee is the destruction of
12 the bottle of alcoholic liquor and a fine of up to \$50.

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

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

1 consumption of alcoholic liquors shall be fostered and
2 promoted and to distribute copies of such rules and
3 regulations to all licensees affected thereby.

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

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

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

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

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

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

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

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

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

11 (5.5) To investigate any and all unlicensed activity.

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

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

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

26 (8) In the conduct of any hearing authorized to be

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

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

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

26 (10) To adopt such rules and regulations consistent

1 with the provisions of this Act which shall be necessary
2 for the control, sale, or disposition of alcoholic liquor
3 damaged as a result of an accident, wreck, flood, fire, or
4 other similar occurrence.

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

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

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

21 (13) (Blank).

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

1 from inside and outside of this State directly to
2 residents of this State. As part of its report, the State
3 Commission shall provide all of the following information:

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

6 (B) The amount of licensing fees received.

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

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

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

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

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

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

5 (16) The State Commission shall, in addition to
6 notifying any appropriate law enforcement agency, submit
7 notices of complaints or violations of Sections 6-29,
8 6-29.05, and 6-29.1 by persons who do not hold a winery
9 shipper's license or distillery shipper's license under
10 this Act to the Illinois Attorney General and to the U.S.
11 Department of Treasury's Alcohol and Tobacco Tax and Trade
12 Bureau.

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

1 sell beer, cider, mead, or any combination thereof to
2 non-licensees at their breweries.

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

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

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

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

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

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

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

25 (H) It is the intent of this paragraph (17) to promote
26 and continue orderly markets. The General Assembly finds

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

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

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

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

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

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

1 of beer during the previous 12 months and its anticipated
2 manufacture and sales of beer for the next 12 months. The
3 State Commission may fine, suspend, or revoke a
4 self-distribution exemption after a hearing if it finds
5 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 930,000 gallons of beer, 25,000 gallons of
9 wine, or 50,000 gallons of spirits in any calendar year or
10 became part of an affiliated group manufacturing more than
11 930,000 gallons of beer, 25,000 gallons of wine, or 50,000
12 gallons of spirits.

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

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

26 (G) It is the intent of this paragraph (18) 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 beer access to the
6 marketplace in order to develop a customer base without
7 impairing the integrity of the 3-tier system.

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

14 (B) In the application, which shall be sworn under
15 penalty of perjury, the class 1 craft distiller licensee
16 or non-resident dealer shall state (1) the date it was
17 established; (2) its volume of spirits manufactured and
18 sold for each year since its establishment; (3) its
19 efforts to establish distributor relationships; (4) that a
20 self-distribution exemption is necessary to facilitate the
21 marketing of its spirits; and (5) that it will comply with
22 the alcoholic beverage and revenue laws of the United
23 States, this State, and any other state where it is
24 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 applicant: (1) is in compliance with State revenue
4 and alcoholic beverage laws; (2) is not a member of any
5 affiliated group that produces more than 50,000 gallons of
6 spirits per annum, 930,000 gallons of beer per annum, or
7 25,000 gallons of wine per annum; (3) does not annually
8 manufacture for sale more than 50,000 gallons of spirits,
9 930,000 gallons of beer, or 25,000 gallons of wine; and
10 (4) does not annually sell more than 5,000 gallons of its
11 spirits to retail licensees.

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

26 (E) The State Commission shall adopt rules governing

1 self-distribution exemptions consistent with this Act.

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

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

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

1 at their licensed breweries.

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

5 (1) the date it was established;

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

8 (3) its efforts to establish distributor
9 relationships;

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

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

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

1 in-state or out-of-state class 3 brewery premises, and
2 shall not exceed 18,600 gallons annually in the aggregate,
3 to retail licensees and class 3 brewers and 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,
6 cider, or both beer and cider to non-licensees at their
7 breweries.

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

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

25 (F) Nothing in this paragraph shall prohibit a
26 self-distribution exemption holder from entering into or

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

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

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

23 As part of its report, the Commission shall provide the
24 following information:

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

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

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

8 (Source: P.A. 101-37, eff. 7-3-19; 101-81, eff. 7-12-19;
9 101-482, eff. 8-23-19; 102-442, eff. 8-20-21; 102-558, eff.
10 8-20-21; 102-813, eff. 5-13-22.)

11 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

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

22 (b) Distributor's license,

23 (c) Importing Distributor's license,

24 (d) Retailer's license,

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

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

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

24 (a) A manufacturer's license shall allow the manufacture,
25 importation in bulk, storage, distribution and sale of
26 alcoholic liquor to persons without the State, as may be

1 permitted by law and to licensees in this State as follows:

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

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

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

19 Class 4. A first class wine-manufacturer may make sales
20 and deliveries of up to 50,000 gallons of wine to
21 manufacturers, importing distributors and distributors, and to
22 no other licensees. If a first-class wine-manufacturer
23 manufactures beer, it shall also obtain and shall only be
24 eligible for, in addition to any current license, a class 1
25 brewer license, shall not manufacture more than 930,000
26 gallons of beer per year, and shall not be a member of or

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

12 Class 5. A second class Wine manufacturer may make sales
13 and deliveries of more than 50,000 gallons of wine to
14 manufacturers, importing distributors and distributors and to
15 no other licensees.

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

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

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

1 wine-maker manufactures beer, it shall also obtain and shall
2 only be eligible for, in addition to any current license, a
3 class 2 brewer license, shall not manufacture more than
4 3,720,000 gallons of beer per year, and shall not be a member
5 of or affiliated with, directly or indirectly, a manufacturer
6 that produces more than 3,720,000 gallons of beer per year. If
7 a second-class wine-maker manufactures spirits, it shall also
8 obtain and shall only be eligible for, in addition to any
9 current license, a class 2 craft distiller license, shall not
10 manufacture more than 100,000 gallons of spirits per year, and
11 shall not be a member of or affiliated with, directly or
12 indirectly, a manufacturer that produces more than 100,000
13 gallons of spirits per year.

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

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

1 Class 10. A class 1 craft distiller license, which may
2 only be issued to a licensed craft distiller or licensed
3 non-resident dealer, shall allow the manufacture of up to
4 50,000 gallons of spirits per year provided that the class 1
5 craft distiller licensee does not manufacture more than a
6 combined 50,000 gallons of spirits per year and is not a member
7 of or affiliated with, directly or indirectly, a manufacturer
8 that produces more than 50,000 gallons of spirits per year. If
9 a class 1 craft distiller manufactures beer, it shall also
10 obtain and shall only be eligible for, in addition to any
11 current license, a class 1 brewer license, shall not
12 manufacture more than 930,000 gallons of beer per year, and
13 shall not be a member of or affiliated with, directly or
14 indirectly, a manufacturer that produces more than 930,000
15 gallons of beer per year. If a class 1 craft distiller
16 manufactures wine, it shall also obtain and shall only be
17 eligible for, in addition to any current license, a
18 first-class wine-manufacturer license or a first-class
19 wine-maker's license, shall not manufacture more than 50,000
20 gallons of wine per year, and shall not be a member of or
21 affiliated with, directly or indirectly, a manufacturer that
22 produces more than 50,000 gallons of wine per year. A class 1
23 craft distiller licensee may make sales and deliveries to
24 importing distributors and distributors and to retail
25 licensees in accordance with the conditions set forth in
26 paragraph (19) of subsection (a) of Section 3-12 of this Act.

1 However, the aggregate amount of spirits sold to non-licensees
2 and sold or delivered to retail licensees may not exceed 5,000
3 gallons per year.

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

12 A class 1 craft distiller licensee may hold more than one
13 class 1 craft distiller's license. However, a class 1 craft
14 distiller that holds more than one class 1 craft distiller
15 license shall not manufacture, in the aggregate, more than
16 50,000 gallons of spirits by distillation per year and shall
17 not sell, in the aggregate, more than 5,000 gallons of such
18 spirits to non-licensees in accordance with an exemption
19 approved by the State Commission pursuant to Section 6-4 of
20 this Act.

21 Class 11. A class 2 craft distiller license, which may
22 only be issued to a licensed craft distiller or licensed
23 non-resident dealer, shall allow the manufacture of up to
24 100,000 gallons of spirits per year provided that the class 2
25 craft distiller licensee does not manufacture more than a
26 combined 100,000 gallons of spirits per year and is not a

1 member of or affiliated with, directly or indirectly, a
2 manufacturer that produces more than 100,000 gallons of
3 spirits per year. If a class 2 craft distiller manufactures
4 beer, it shall also obtain and shall only be eligible for, in
5 addition to any current license, a class 2 brewer license,
6 shall not manufacture more than 3,720,000 gallons of beer per
7 year, and shall not be a member of or affiliated with, directly
8 or indirectly, a manufacturer that produces more than
9 3,720,000 gallons of beer per year. If a class 2 craft
10 distiller manufactures wine, it shall also obtain and shall
11 only be eligible for, in addition to any current license, a
12 second-class wine-maker's license, shall not manufacture more
13 than 150,000 gallons of wine per year, and shall not be a
14 member of or affiliated with, directly or indirectly, a
15 manufacturer that produces more than 150,000 gallons of wine
16 per year. A class 2 craft distiller licensee may make sales and
17 deliveries to importing distributors and distributors, but
18 shall not make sales or deliveries to any other licensee. If
19 the State Commission provides prior approval, a class 2 craft
20 distiller licensee may annually transfer up to 100,000 gallons
21 of spirits manufactured by that class 2 craft distiller
22 licensee to the premises of a licensed class 2 craft distiller
23 wholly owned and operated by the same licensee. A class 2 craft
24 distiller may transfer spirits to a distilling pub wholly
25 owned and operated by the class 2 craft distiller subject to
26 the following limitations and restrictions: (i) the transfer

1 shall not annually exceed more than 5,000 gallons; (ii) the
2 annual amount transferred shall reduce the distilling pub's
3 annual permitted production limit; (iii) all spirits
4 transferred shall be subject to Article VIII of this Act; (iv)
5 a written record shall be maintained by the distiller and
6 distilling pub specifying the amount, date of delivery, and
7 receipt of the product by the distilling pub; and (v) the
8 distilling pub shall be located no farther than 80 miles from
9 the class 2 craft distiller's licensed location.

10 A class 2 craft distiller shall, prior to transferring
11 spirits to a distilling pub wholly owned by the class 2 craft
12 distiller, furnish a written notice to the State Commission of
13 intent to transfer spirits setting forth the name and address
14 of the distilling pub and shall annually submit to the State
15 Commission a verified report identifying the total gallons of
16 spirits transferred to the distilling pub wholly owned by the
17 class 2 craft distiller.

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

23 Class 12. A class 1 brewer license, which may only be
24 issued to a licensed brewer or licensed non-resident dealer,
25 shall allow the manufacture of up to 930,000 gallons of beer
26 per year provided that the class 1 brewer licensee does not

1 manufacture more than a combined 930,000 gallons of beer per
2 year and is not a member of or affiliated with, directly or
3 indirectly, a manufacturer that produces more than 930,000
4 gallons of beer per year. If a class 1 brewer manufactures
5 spirits, it shall also obtain and shall only be eligible for,
6 in addition to any current license, a class 1 craft distiller
7 license, shall not manufacture more than 50,000 gallons of
8 spirits per year, and shall not be a member of or affiliated
9 with, directly or indirectly, a manufacturer that produces
10 more than 50,000 gallons of spirits per year. If a class 1
11 craft brewer manufactures wine, it shall also obtain and shall
12 only be eligible for, in addition to any current license, a
13 first-class wine-manufacturer license or a first-class
14 wine-maker's license, shall not manufacture more than 50,000
15 gallons of wine per year, and shall not be a member of or
16 affiliated with, directly or indirectly, a manufacturer that
17 produces more than 50,000 gallons of wine per year. A class 1
18 brewer licensee may make sales and deliveries to importing
19 distributors and distributors and to retail licensees in
20 accordance with the conditions set forth in paragraph (18) of
21 subsection (a) of Section 3-12 of this Act. If the State
22 Commission provides prior approval, a class 1 brewer may
23 annually transfer up to 930,000 gallons of beer manufactured
24 by that class 1 brewer to the premises of a licensed class 1
25 brewer wholly owned and operated by the same licensee.

26 Class 13. A class 2 brewer license, which may only be

1 issued to a licensed brewer or licensed non-resident dealer,
2 shall allow the manufacture of up to 3,720,000 gallons of beer
3 per year provided that the class 2 brewer licensee does not
4 manufacture more than a combined 3,720,000 gallons of beer per
5 year and is not a member of or affiliated with, directly or
6 indirectly, a manufacturer that produces more than 3,720,000
7 gallons of beer per year. If a class 2 brewer manufactures
8 spirits, it shall also obtain and shall only be eligible for,
9 in addition to any current license, a class 2 craft distiller
10 license, shall not manufacture more than 100,000 gallons of
11 spirits per year, and shall not be a member of or affiliated
12 with, directly or indirectly, a manufacturer that produces
13 more than 100,000 gallons of spirits per year. If a class 2
14 craft distiller manufactures wine, it shall also obtain and
15 shall only be eligible for, in addition to any current
16 license, a second-class wine-maker's license, shall not
17 manufacture more than 150,000 gallons of wine per year, and
18 shall not be a member of or affiliated with, directly or
19 indirectly, a manufacturer that produces more than 150,000
20 gallons of wine a year. A class 2 brewer licensee may make
21 sales and deliveries to importing distributors and
22 distributors, but shall not make sales or deliveries to any
23 other licensee. If the State Commission provides prior
24 approval, a class 2 brewer licensee may annually transfer up
25 to 3,720,000 gallons of beer manufactured by that class 2
26 brewer licensee to the premises of a licensed class 2 brewer

1 wholly owned and operated by the same licensee.

2 A class 2 brewer may transfer beer to a brew pub wholly
3 owned and operated by the class 2 brewer subject to the
4 following limitations and restrictions: (i) the transfer shall
5 not annually exceed more than 31,000 gallons; (ii) the annual
6 amount transferred shall reduce the brew pub's annual
7 permitted production limit; (iii) all beer transferred shall
8 be subject to Article VIII of this Act; (iv) a written record
9 shall be maintained by the brewer and brew pub specifying the
10 amount, date of delivery, and receipt of the product by the
11 brew pub; and (v) the brew pub shall be located no farther than
12 80 miles from the class 2 brewer's licensed location.

13 A class 2 brewer shall, prior to transferring beer to a
14 brew pub wholly owned by the class 2 brewer, furnish a written
15 notice to the State Commission of intent to transfer beer
16 setting forth the name and address of the brew pub and shall
17 annually submit to the State Commission a verified report
18 identifying the total gallons of beer transferred to the brew
19 pub wholly owned by the class 2 brewer.

20 Class 14. A class 3 brewer license, which may be issued to
21 a brewer or a non-resident dealer, shall allow the manufacture
22 of no more than 465,000 gallons of beer per year and no more
23 than 155,000 gallons at a single brewery premises, and shall
24 allow the sale of no more than 6,200 gallons of beer from each
25 in-state or out-of-state class 3 brewery premises, or 18,600
26 gallons in the aggregate, to retail licensees, class 1

1 brewers, class 2 brewers, and class 3 brewers as long as the
2 class 3 brewer licensee does not manufacture more than a
3 combined 465,000 gallons of beer per year and is not a member
4 of or affiliated with, directly or indirectly, a manufacturer
5 that produces more than 465,000 gallons of beer per year to
6 make sales to importing distributors, distributors, retail
7 licensees, brewers, class 1 brewers, class 2 brewers, and
8 class 3 brewers in accordance with the conditions set forth in
9 paragraph (20) of subsection (a) of Section 3-12. If the State
10 Commission provides prior approval, a class 3 brewer may
11 annually transfer up to 155,000 gallons of beer manufactured
12 by that class 3 brewer to the premises of a licensed class 3
13 brewer wholly owned and operated by the same licensee. A class
14 3 brewer shall manufacture beer at the brewer's class 3
15 designated licensed premises, and may sell beer as otherwise
16 provided in this Act.

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

25 Registration of agents, representatives, or persons acting
26 on behalf of a manufacturer is fulfilled by submitting a form

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

16 (b) A distributor's license shall allow (i) the wholesale
17 purchase and storage of alcoholic liquors and sale of
18 alcoholic liquors to licensees in this State and to persons
19 without the State, as may be permitted by law; (ii) the sale of
20 beer, cider, mead, or any combination thereof to brewers,
21 class 1 brewers, and class 2 brewers that, pursuant to
22 subsection (e) of Section 6-4 of this Act, sell beer, cider,
23 mead, or any combination thereof to non-licensees at their
24 breweries; (iii) the sale of vermouth to class 1 craft
25 distillers and class 2 craft distillers that, pursuant to
26 subsection (e) of Section 6-4 of this Act, sell spirits,

1 vermouth, or both spirits and vermouth to non-licensees at
2 their distilleries; or (iv) as otherwise provided in this Act.
3 No person licensed as a distributor shall be granted a
4 non-resident dealer's license.

5 (c) An importing distributor's license may be issued to
6 and held by those only who are duly licensed distributors,
7 upon the filing of an application by a duly licensed
8 distributor, with the Commission and the Commission shall,
9 without the payment of any fee, immediately issue such
10 importing distributor's license to the applicant, which shall
11 allow the importation of alcoholic liquor by the licensee into
12 this State from any point in the United States outside this
13 State, and the purchase of alcoholic liquor in barrels, casks
14 or other bulk containers and the bottling of such alcoholic
15 liquors before resale thereof, but all bottles or containers
16 so filled shall be sealed, labeled, stamped and otherwise made
17 to comply with all provisions, rules and regulations governing
18 manufacturers in the preparation and bottling of alcoholic
19 liquors. The importing distributor's license shall permit such
20 licensee to purchase alcoholic liquor from Illinois licensed
21 non-resident dealers and foreign importers only. No person
22 licensed as an importing distributor shall be granted a
23 non-resident dealer's license.

24 (d) A retailer's license shall allow the licensee to sell
25 and offer for sale at retail, only in the premises specified in
26 the license, alcoholic liquor for use or consumption, but not

1 for resale in any form. Except as provided in Section 6-16,
2 6-29, or 6-29.1, nothing in this Act shall deny, limit,
3 remove, or restrict the ability of a holder of a retailer's
4 license to transfer or ship alcoholic liquor to the purchaser
5 for use or consumption subject to any applicable local law or
6 ordinance. For the purposes of this Section, "shipping" means
7 the movement of alcoholic liquor from a licensed retailer to a
8 consumer via a common carrier. Except as provided in Section
9 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit,
10 remove, or restrict the ability of a holder of a retailer's
11 license to deliver alcoholic liquor to the purchaser for use
12 or consumption. The delivery shall be made only within 12
13 hours from the time the alcoholic liquor leaves the licensed
14 premises of the retailer for delivery. For the purposes of
15 this Section, "delivery" means the movement of alcoholic
16 liquor purchased from a licensed retailer to a consumer
17 through the following methods:

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

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

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

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

1 Any retail license issued to a manufacturer shall only
2 permit the manufacturer to sell beer at retail on the premises
3 actually occupied by the manufacturer. For the purpose of
4 further describing the type of business conducted at a retail
5 licensed premises, a retailer's licensee may be designated by
6 the State Commission as (i) an on premise consumption
7 retailer, (ii) an off premise sale retailer, or (iii) a
8 combined on premise consumption and off premise sale retailer.

9 Except for a municipality with a population of more than
10 1,000,000 inhabitants, a home rule unit may not regulate the
11 delivery of alcoholic liquor inconsistent with this
12 subsection. This paragraph is a limitation under subsection
13 (i) of Section 6 of Article VII of the Illinois Constitution on
14 the concurrent exercise by home rule units of powers and
15 functions exercised by the State. A non-home rule municipality
16 may not regulate the delivery of alcoholic liquor inconsistent
17 with this subsection.

18 Notwithstanding any other provision of this subsection
19 (d), a retail licensee may sell alcoholic liquors to a special
20 event retailer licensee for resale to the extent permitted
21 under subsection (e).

22 (e) A special event retailer's license (not-for-profit)
23 shall permit the licensee to purchase alcoholic liquors from
24 an Illinois licensed distributor (unless the licensee
25 purchases less than \$500 of alcoholic liquors for the special
26 event, in which case the licensee may purchase the alcoholic

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

26 Nothing in this Act prohibits an Illinois licensed

1 distributor from offering credit or a refund for unused,
2 salable alcoholic liquors to a holder of a special event
3 retailer's license or the special event retailer's licensee
4 from accepting the credit or refund of alcoholic liquors at
5 the conclusion of the event specified in the license.

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

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

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

- 17 Class 1, not to exceed 500 gallons
- 18 Class 2, not to exceed 1,000 gallons
- 19 Class 3, not to exceed 5,000 gallons
- 20 Class 4, not to exceed 10,000 gallons
- 21 Class 5, not to exceed 50,000 gallons

22 (i) A wine-maker's premises license shall allow a licensee
 23 that concurrently holds a first-class wine-maker's license to
 24 sell and offer for sale at retail in the premises specified in
 25 such license not more than 50,000 gallons of the first-class
 26 wine-maker's wine that is made at the first-class wine-maker's

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

1 of this Act.

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

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

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

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

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

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

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

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

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

26 Any agent, representative, or person subject to

1 registration pursuant to subsection (a-1) of this Section
2 shall not be eligible to receive a broker's license.

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

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

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

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

22 A person who holds a class 2 brewer license may
23 simultaneously hold a brew pub license if the class 2 brewer
24 (i) does not, under any circumstance, sell or offer for sale
25 beer manufactured by the class 2 brewer to retail licensees;
26 (ii) does not hold more than 3 brew pub licenses in this State;

1 (iii) does not manufacture more than a combined 3,720,000
2 gallons of beer per year, including the beer manufactured at
3 the brew pub; and (iv) is not a member of or affiliated with,
4 directly or indirectly, a manufacturer that produces more than
5 3,720,000 gallons of beer per year or any other alcoholic
6 liquor.

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

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

26 (1) has a valid retail license on or before May 1,

1 2021;

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

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

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

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

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

26 Nothing in this Act prohibits a distributor or importing

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

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

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

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

1 satisfactory to the State Commission that the applicant will
2 provide dram shop liability insurance to the maximum limits
3 and have local authority approval.

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

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

1 license and not for any unused, salable beer that the
2 distributor or importing distributor delivered to the
3 retailer's premises; and (iii) the unused, salable beer would
4 likely spoil if transferred to the retailer premises.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7 (x) A distillery shipper's license shall allow a person
8 with an Illinois distiller license, a craft distiller license,
9 a class 1 craft distiller license, or a class 2 craft distiller
10 license or who is licensed to make spirits under the laws of
11 another state to ship spirits directly to a resident of this
12 State who is 21 years of age or older for that resident's
13 personal use and not for resale. Prior to receiving a
14 distillery shipper's license, an applicant for the license
15 must provide the State Commission with a true copy of its
16 current license in any state in which it is licensed as a
17 distiller. An applicant for a distillery shipper's license
18 must also complete an application form that provides any other
19 information the State Commission deems necessary. The
20 application form shall include an acknowledgement consenting
21 to the jurisdiction of the State Commission, the Illinois
22 Department of Revenue, and the courts of this State concerning
23 the enforcement of this Act and any related laws, rules, and
24 regulations, including authorizing the Illinois Department of
25 Revenue and the State Commission to conduct audits for the
26 purpose of ensuring compliance with this amendatory Act of the

1 103rd General Assembly.

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

22 A distillery shipper's licensee must collect, maintain,
23 and submit to the State Commission on a semi-annual basis the
24 total gallons of spirits per resident shipped to residents of
25 this State. A distillery shipper licensed under this
26 subsection must comply with the requirements of Section

1 6-29.05 of this Act. Pursuant to paragraph (5.1) or (5.3) of
2 subsection (a) of Section 3-12, the State Commission may
3 receive, respond to, and investigate any complaint and impose
4 any of the remedies specified in paragraph (1) of subsection
5 (a) of Section 3-12.

6 Except as provided in Section 6-16, 6-29, or 6-29.05,
7 nothing in this Act shall deny, limit, remove, or restrict the
8 ability of a holder of a distilling pub license to transfer or
9 ship alcoholic liquor it produces to the purchaser for use or
10 consumption subject to any applicable local law or ordinance.
11 Except as provided in Section 6-16, 6-29, or 6-29.05, nothing
12 in this Act shall limit, remove, or restrict the ability of a
13 holder of a distilling pub license to deliver alcoholic liquor
14 to the purchaser for use or consumption. The delivery shall be
15 made only within 12 hours after the alcoholic liquor leaves
16 the licensed premises of the distilling pub for delivery.

17 For the purposes of this subsection, "delivery" means the
18 movement of alcoholic liquor purchased from a licensed
19 distilling pub to the consumer through the following methods:

20 (1) delivery within the licensed distilling pub
21 parking lot, including curbside, for pickup by the
22 consumer;

23 (2) delivery by an owner, officer, director,
24 shareholder, or employee of the licensed distilling pub;
25 or

26 (3) delivery by a third-party contractor, independent

1 contractor, or agent with whom the licensed distilling pub
2 has contracted to make deliveries of alcoholic liquors.
3 Under paragraphs (1), (2), or (3) of this subsection,
4 "delivery" does not include common carriers.

5 For the purposes of this subsection, "ship" means to move
6 alcoholic liquor from a licensed distilling pub to a consumer
7 via a common carrier.

8 Except for a municipality with a population of more than
9 1,000,000 inhabitants, a home rule unit may not regulate the
10 delivery of alcoholic liquor in a manner inconsistent with
11 this subsection. This paragraph is a limitation under
12 subsection (i) of Section 6 of Article VII of the Illinois
13 Constitution on the concurrent exercise by home rule units of
14 powers and functions exercised by the State.

15 (Source: P.A. 101-16, eff. 6-14-19; 101-31, eff. 6-28-19;
16 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff.
17 8-23-19; 101-615, eff. 12-20-19; 101-668, eff. 1-1-22;
18 102-442, eff. 8-20-21; 102-1142, eff. 2-17-23.)

19 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

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

25 The fee for licenses issued by the State Commission shall

1 be as follows:

2 Online Initial
 3 renewal license
 4 or
 5 non-online
 6 renewal

7 For a manufacturer's license:

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

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

1	(500,000 gallons or over)	1,200	1,500
2	<u>For a distillery shipper's license</u>		
3	<u>(under 100,000 gallons)</u>	<u>200</u>	<u>350</u>
4	<u>For a distillery shipper's license</u>		
5	<u>(100,000 gallons or over)</u>	<u>1,200</u>	<u>1,500</u>
6	For a wine-maker's premises		
7	license, second location	500	1,000
8	For a wine-maker's premises		
9	license, third location.....	500	1,000
10	For a retailer's license	600	750
11	For a special event retailer's		
12	license, (not-for-profit).....	25	25
13	For a beer showcase permit,		
14	one day only	100	150
15	2 days or more	150	250
16	For a special use permit license,		
17	one day only	100	150
18	2 days or more	150	250
19	For a railroad license	100	150
20	For a boat license	500	1,000
21	For an airplane license, times the		
22	licensee's maximum number of		
23	aircraft in flight, serving		
24	liquor over the State at any		
25	given time, which either		
26	originate, terminate, or make		

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

21 Fees collected under this Section shall be paid into the
 22 Dram Shop Fund. The State Commission shall waive license
 23 renewal fees for those retailers' licenses that are designated
 24 as "1A" by the State Commission and expire on or after July 1,
 25 2022, and on or before June 30, 2023. One-half of the funds
 26 received for a retailer's license shall be paid into the Dram

1 Shop Fund and one-half of the funds received for a retailer's
2 license shall be paid into the General Revenue Fund.

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

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

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

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

13 (Source: P.A. 102-442, eff. 8-20-21; 102-558, eff. 8-20-21;
14 102-699, eff. 4-19-22; 102-1142, eff. 2-17-23; 103-154, eff.
15 6-30-23; revised 9-5-23.)

16 (235 ILCS 5/6-29.05 new)

17 Sec. 6-29.05. Distillery shipper's license.

18 (a) The General Assembly declares that the following is
19 the intent of this Section:

20 (1) To authorize direct shipment of spirits by an
21 out-of-state distiller on the same basis permitted an
22 in-state distiller, an in-state craft distiller, an
23 in-state class 1 craft distiller, and an in-state class 2
24 craft distiller pursuant to the authority of the State
25 under the provisions of Section 2 of the Twenty-First

1 Amendment to the United States Constitution and in
2 conformance with the United States Supreme Court decision
3 decided on May 16, 2005 in Granholm v. Heald.

4 (2) To reaffirm that the General Assembly's findings
5 and declarations that selling alcoholic liquor through
6 various direct marketing means, such as catalogs,
7 newspapers, mailings, and the Internet, directly to
8 consumers of this State poses a serious threat to the
9 State's efforts to further temperance and prevent youth
10 from accessing alcoholic liquor and the expansion of youth
11 access to additional types of alcoholic liquors.

12 (3) To maintain the State's broad powers granted by
13 Section 2 of the Twenty-First Amendment to the United
14 States Constitution to control the importation or sale of
15 alcoholic liquor and its right to structure its alcoholic
16 liquor distribution system.

17 (4) To ensure that the General Assembly, by
18 authorizing limited direct shipment of spirits to meet the
19 directives of the United States Supreme Court, does not
20 intend to impair or modify the State's distribution of
21 spirits through distributors or importing distributors,
22 but only to permit limited shipment of spirits for
23 personal use.

24 (5) To provide that if a court of competent
25 jurisdiction declares or finds that this Section, which is
26 enacted to conform Illinois law to the United States

1 Supreme Court decision, is invalid or unconstitutional,
2 the Illinois General Assembly at its earliest general
3 session shall conduct hearings and study methods to
4 conform to any directive or order of the court consistent
5 with the temperance and revenue collection purposes of
6 this Act.

7 (b) Notwithstanding any other provision of law, a
8 distillery shipper's licensee may ship, for personal use and
9 not for resale, not more than 12 cases of spirits per year to
10 any resident of this State who is 21 years of age or older.

11 (c) Notwithstanding any other provision of law, sale and
12 shipment by a distillery shipper's licensee pursuant to this
13 Section shall be deemed to constitute a sale in this State.

14 (d) The shipping container of any spirit shipped under
15 this Section shall be clearly labeled with the following
16 words: "CONTAINS ALCOHOL. SIGNATURE OF A PERSON 21 YEARS OF
17 AGE OR OLDER REQUIRED FOR DELIVERY. PROOF OF AGE AND IDENTITY
18 MUST BE SHOWN BEFORE DELIVERY." This warning must be
19 prominently displayed on the packaging. A licensee shall
20 require the transporter or common carrier that delivers the
21 spirits to obtain the signature of a person 21 years of age or
22 older at the delivery address at the time of delivery. At the
23 expense of the licensee, the licensee shall receive a delivery
24 confirmation from the express company, common carrier, or
25 contract carrier indicating the location of the delivery, time
26 of delivery, and the name and signature of the individual 21

1 years of age or older who accepts delivery. The State
2 Commission may design and create a label or approve a label
3 that must be affixed to the shipping container by the
4 licensee.

5 (e) No broker within this State shall solicit consumers to
6 engage in direct spirit shipments under this Section.

7 (f) It is not the intent of this Section to impair the
8 distribution of spirits through distributors or importing
9 distributors, but only to permit shipments of spirits for
10 personal use.