



**93RD GENERAL ASSEMBLY**  
**State of Illinois**  
**2003 and 2004**

Introduced 2/6/2004, by Debbie DeFrancesco Halvorson

**SYNOPSIS AS INTRODUCED:**

235 ILCS 5/5-1	from Ch. 43, par. 115
235 ILCS 5/5-3	from Ch. 43, par. 118

Amends the Liquor Control Act of 1934. Provides that an importing distributor may obtain a supplemental storage permit upon payment of a fee of \$270, which authorizes the storage of alcoholic liquor at a location other than the importing distributor's licensed premises. Effective immediately.

LRB093 18996 LRD 44731 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT in relation to alcoholic liquor.

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

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

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

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

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

14 (b) Distributor's license,

15 (c) Importing Distributor's license,

16 (d) Retailer's license,

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

18 (f) Railroad license,

19 (g) Boat license,

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

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

22 (j) Airplane license,

23 (k) Foreign importer's license,

24 (l) Broker's license,

25 (m) Non-resident dealer's license,

26 (n) Brew Pub license,

27 (o) Auction liquor license,

28 (p) Caterer retailer license,

29 (q) Special use permit license.

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

1 wine manufacturer's license.

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

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

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

14 Class 3. A Brewer may make sales and deliveries of beer to  
15 importing distributors, distributors, and to non-licensees,  
16 and to retailers provided the brewer obtains an importing  
17 distributor's license or distributor's license in accordance  
18 with the provisions of this Act.

19 Class 4. A first class wine-manufacturer may make sales and  
20 deliveries of up to 50,000 gallons of wine to manufacturers,  
21 importing distributors and distributors, and to no other  
22 licensees.

23 Class 5. A second class Wine manufacturer may make sales  
24 and deliveries of more than 50,000 gallons of wine to  
25 manufacturers, importing distributors and distributors and to  
26 no other licensees.

27 Class 6. A first-class wine-maker's license shall allow the  
28 manufacture of up to 50,000 gallons of wine per year, and the  
29 storage and sale of such wine to distributors in the State and  
30 to persons without the State, as may be permitted by law. A  
31 first-class wine-maker's license shall allow the sale of no  
32 more than 5,000 gallons of the licensee's wine to retailers.  
33 The State Commission shall issue only one first-class  
34 wine-maker's license to any person, firm, partnership,  
35 corporation, or other legal business entity that is engaged in  
36 the making of less than 50,000 gallons of wine annually that

1 applies for a first-class wine-maker's license. No subsidiary  
2 or affiliate thereof, nor any officer, associate, member,  
3 partner, representative, employee, agent, or shareholder may  
4 be issued an additional wine-maker's license by the State  
5 Commission.

6 Class 7. A second-class wine-maker's license shall allow  
7 the manufacture of between 50,000 and 100,000 gallons of wine  
8 per year, and the storage and sale of such wine to distributors  
9 in this State and to persons without the State, as may be  
10 permitted by law. A second-class wine-maker's license shall  
11 allow the sale of no more than 10,000 gallons of the licensee's  
12 wine directly to retailers. The State Commission shall issue  
13 only one second-class wine-maker's license to any person, firm,  
14 partnership, corporation, or other legal business entity that  
15 is engaged in the making of less than 100,000 gallons of wine  
16 annually that applies for a second-class wine-maker's license.  
17 No subsidiary or affiliate thereof, or any officer, associate,  
18 member, partner, representative, employee, agent, or  
19 shareholder may be issued an additional wine-maker's license by  
20 the State Commission.

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

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

31 Registration of agents, representatives, or persons acting  
32 on behalf of a manufacturer is fulfilled by submitting a form  
33 to the Commission. The form shall be developed by the  
34 Commission and shall include the name and address of the  
35 applicant, the name and address of the manufacturer he or she  
36 represents, the territory or areas assigned to sell to or

1 discuss pricing terms of alcoholic liquor, and any other  
2 questions deemed appropriate and necessary. All statements in  
3 the forms required to be made by law or by rule shall be deemed  
4 material, and any person who knowingly misstates any material  
5 fact under oath in an application is guilty of a Class B  
6 misdemeanor. Fraud, misrepresentation, false statements,  
7 misleading statements, evasions, or suppression of material  
8 facts in the securing of a registration are grounds for  
9 suspension or revocation of the registration.

10 (b) A distributor's license shall allow the wholesale  
11 purchase and storage of alcoholic liquors and sale of alcoholic  
12 liquors to licensees in this State and to persons without the  
13 State, as may be permitted by law.

14 (c) An importing distributor's license may be issued to and  
15 held by those only who are duly licensed distributors, upon the  
16 filing of an application by a duly licensed distributor, with  
17 the Commission and the Commission shall, without the payment of  
18 any fee, immediately issue such importing distributor's  
19 license to the applicant, which shall allow the importation of  
20 alcoholic liquor by the licensee into this State from any point  
21 in the United States outside this State, and the purchase of  
22 alcoholic liquor in barrels, casks or other bulk containers and  
23 the bottling of such alcoholic liquors before resale thereof,  
24 but all bottles or containers so filled shall be sealed,  
25 labeled, stamped and otherwise made to comply with all  
26 provisions, rules and regulations governing manufacturers in  
27 the preparation and bottling of alcoholic liquors. The  
28 importing distributor's license shall permit such licensee to  
29 purchase alcoholic liquor from Illinois licensed non-resident  
30 dealers and foreign importers only. An importing distributor  
31 may obtain a supplemental storage permit upon the filing of a  
32 supplemental application with the State Commission. The  
33 Commission shall, upon the payment of a fee of \$270,  
34 immediately issue the supplemental storage permit, which shall  
35 allow the storage of alcoholic beverages at a location other  
36 than the importing distributor's licensed premises, provided

1 sales of alcoholic liquor are not made from the supplemental  
2 storage location and the supplemental storage location is not  
3 subject to the provisions of Article VIIA of this Act. An  
4 importing distributor's supplemental storage permit must be  
5 displayed with the importing distributor's license at the  
6 licensed premises. An importing distributor's license shall  
7 authorize its holder to obtain one importing distributor's  
8 supplemental storage permit.

9 (d) A retailer's license shall allow the licensee to sell  
10 and offer for sale at retail, only in the premises specified in  
11 such license, alcoholic liquor for use or consumption, but not  
12 for resale in any form: Provided that any retail license issued  
13 to a manufacturer shall only permit such manufacturer to sell  
14 beer at retail on the premises actually occupied by such  
15 manufacturer.

16 After January 1, 1995 there shall be 2 classes of licenses  
17 issued under a retailers license.

18 (1) A "retailers on premise consumption license" shall  
19 allow the licensee to sell and offer for sale at retail,  
20 only on the premises specified in the license, alcoholic  
21 liquor for use or consumption on the premises or on and off  
22 the premises, but not for resale in any form.

23 (2) An "off premise sale license" shall allow the  
24 licensee to sell, or offer for sale at retail, alcoholic  
25 liquor intended only for off premise consumption and not  
26 for resale in any form.

27 Notwithstanding any other provision of this subsection  
28 (d), a retail licensee may sell alcoholic liquors to a special  
29 event retailer licensee for resale to the extent permitted  
30 under subsection (e).

31 (e) A special event retailer's license (not-for-profit)  
32 shall permit the licensee to purchase alcoholic liquors from an  
33 Illinois licensed distributor (unless the licensee purchases  
34 less than \$500 of alcoholic liquors for the special event, in  
35 which case the licensee may purchase the alcoholic liquors from  
36 a licensed retailer) and shall allow the licensee to sell and

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

24 (f) A railroad license shall permit the licensee to import  
25 alcoholic liquors into this State from any point in the United  
26 States outside this State and to store such alcoholic liquors  
27 in this State; to make wholesale purchases of alcoholic liquors  
28 directly from manufacturers, foreign importers, distributors  
29 and importing distributors from within or outside this State;  
30 and to store such alcoholic liquors in this State; provided  
31 that the above powers may be exercised only in connection with  
32 the importation, purchase or storage of alcoholic liquors to be  
33 sold or dispensed on a club, buffet, lounge or dining car  
34 operated on an electric, gas or steam railway in this State;  
35 and provided further, that railroad licensees exercising the  
36 above powers shall be subject to all provisions of Article VIII

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

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

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

- 25 Class 1, not to exceed ..... 500 gallons
- 26 Class 2, not to exceed ..... 1,000 gallons
- 27 Class 3, not to exceed ..... 5,000 gallons
- 28 Class 4, not to exceed .....10,000 gallons
- 29 Class 5, not to exceed .....50,000 gallons

30 (i) A wine-maker's premises license shall allow a licensee  
 31 that concurrently holds a first-class wine-maker's license to  
 32 sell and offer for sale at retail in the premises specified in  
 33 such license not more than 50,000 gallons of the first-class  
 34 wine-maker's wine that is made at the first-class wine-maker's  
 35 licensed premises per year for use or consumption, but not for  
 36 resale in any form. A wine-maker's premises license shall allow



1 a licensee who concurrently holds a second-class wine-maker's  
2 license to sell and offer for sale at retail in the premises  
3 specified in such license up to 100,000 gallons of the  
4 second-class wine-maker's wine that is made at the second-class  
5 wine-maker's licensed premises per year for use or consumption  
6 but not for resale in any form. Upon approval from the State  
7 Commission, a wine-maker's premises license shall allow the  
8 licensee to sell and offer for sale at (i) the wine-maker's  
9 licensed premises and (ii) at up to 2 additional locations for  
10 use and consumption and not for resale. Each location shall  
11 require additional licensing per location as specified in  
12 Section 5-3 of this Act.

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

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

1 sell such alcoholic liquor to Illinois licensed importing  
2 distributors and to no one else in Illinois; provided that the  
3 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 and provided further that  
6 the foreign importer complies with all of the provisions of  
7 Section 6-9 of this Act with respect to registration of such  
8 Illinois licensees as may be granted the right to sell such  
9 brands at wholesale.

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

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

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

31 (ii) A broker's license shall be required of a person  
32 within this State, other than a retail licensee, who, for a fee  
33 or commission, promotes, solicits, or accepts orders for  
34 alcoholic liquor, for use or consumption and not for resale, to  
35 be shipped from this State and delivered to residents outside  
36 of this State by an express company, common carrier, or

1 contract carrier. This Section does not apply to any person who  
2 promotes, solicits, or accepts orders for wine as specifically  
3 authorized in Section 6-29 of this Act.

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

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

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

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

29 (n) A brew pub license shall allow the licensee to  
30 manufacture beer only on the premises specified in the license,  
31 to make sales of the beer manufactured on the premises to  
32 importing distributors, distributors, and to non-licensees for  
33 use and consumption, to store the beer upon the premises, and  
34 to sell and offer for sale at retail from the licensed  
35 premises, provided that a brew pub licensee shall not sell for  
36 off-premises consumption more than 50,000 gallons per year.

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

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

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

28 (Source: P.A. 91-357, eff. 7-29-99; 92-105, eff. 1-1-02;  
29 92-378, eff. 8-16-01; 92-651, eff. 7-11-02; 92-672, eff.  
30 7-16-02.)

31 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

32 Sec. 5-3. License and permit fees. Except as otherwise  
33 provided herein, at the time application is made to the State  
34 Commission for a license or permit of any class, the applicant  
35 shall pay to the State Commission the fee hereinafter provided

1 for the kind of license or permit applied for.

2 The fee for licenses issued by the State Commission shall  
3 be as follows:

4 For a manufacturer's license:

5 Class 1. Distiller ..... \$3,600

6 Class 2. Rectifier ..... 3,600

7 Class 3. Brewer ..... 900

8 Class 4. First-class Wine Manufacturer ..... 600

9 Class 5. Second-class  
10 Wine Manufacturer ..... 1,200

11 Class 6. First-class wine-maker ..... 600

12 Class 7. Second-class wine-maker ..... 1200

13 Class 8. Limited Wine Manufacturer ..... 120

14 For a Brew Pub License ..... 1,050

15 For a caterer retailer's license ..... 200

16 For a foreign importer's license ..... 25

17 For an importing distributor's license ..... 25

18 For an importing distributor's  
19 supplemental storage permit ..... 270

20 For a distributor's license ..... 270

21 For a non-resident dealer's license  
22 (500,000 gallons or over) ..... 270

23 For a non-resident dealer's license  
24 (under 500,000 gallons) ..... 90

25 For a wine-maker's premises license ..... 100

26 For a wine-maker's premises license,  
27 second location ..... 350

28 For a wine-maker's premises license,  
29 third location ..... 350

30 For a retailer's license ..... 500

31 For a special event retailer's license,  
32 (not-for-profit) ..... 25

33 For a special use permit license,  
34 one day only ..... 50

35 2 days or more ..... 100

36 For a railroad license ..... 60

1 For a boat license ..... 180

2 For an airplane license, times the

3 licensee's maximum number of aircraft

4 in flight, serving liquor over the

5 State at any given time, which either

6 originate, terminate, or make

7 an intermediate stop in the State ..... 60

8 For a non-beverage user's license:

9 Class 1 ..... 24

10 Class 2 ..... 60

11 Class 3 ..... 120

12 Class 4 ..... 240

13 Class 5 ..... 600

14 For a broker's license ..... 600

15 For an auction liquor license ..... 50

16 Fees collected under this Section shall be paid into the

17 Dram Shop Fund. On and after July 1, 2003, of the funds

18 received for a retailer's license, in addition to the first

19 \$175, an additional \$75 shall be paid into the Dram Shop Fund,

20 and \$250 shall be paid into the General Revenue Fund. Beginning

21 June 30, 1990 and on June 30 of each subsequent year through

22 June 29, 2003, any balance over \$5,000,000 remaining in the

23 Dram Shop Fund shall be credited to State liquor licensees and

24 applied against their fees for State liquor licenses for the

25 following year. The amount credited to each licensee shall be a

26 proportion of the balance in the Dram Fund that is the same as

27 the proportion of the license fee paid by the licensee under

28 this Section for the period in which the balance was

29 accumulated to the aggregate fees paid by all licensees during

30 that period.

31 No fee shall be paid for licenses issued by the State

32 Commission to the following non-beverage users:

33 (a) Hospitals, sanitariums, or clinics when their use

34 of alcoholic liquor is exclusively medicinal, mechanical

35 or scientific.

36 (b) Universities, colleges of learning or schools when

1           their use of alcoholic liquor is exclusively medicinal,  
2           mechanical or scientific.

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

5           (Source: P.A. 92-378, eff. 8-16-01; 93-22, eff. 6-20-03.)

6           Section 99. Effective date. This Act takes effect upon  
7           becoming law.