



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

SB2180

Introduced 1/4/2006, by Sen. Ira I. Silverstein - Terry Link

#### SYNOPSIS AS INTRODUCED:

235 ILCS 5/1-3.28	from Ch. 43, par. 95.28
235 ILCS 5/2-1	from Ch. 43, par. 96
235 ILCS 5/5-1	from Ch. 43, par. 115
235 ILCS 5/5-3	from Ch. 43, par. 118
235 ILCS 5/6-4	from Ch. 43, par. 121
235 ILCS 5/6-29.1	
235 ILCS 5/6-29 rep.	

Amends the Liquor Control Act of 1934. Provides that the holder of a wine-maker's premises license may sell or offer for sale at retail in the wine-maker's licensed premises (now, in the premises specified in the license) the wine-maker's wine. Requires sales at retail to be in person. Defines "in person". Provides that, after the first retail sale in person, the licensee may sell and ship not more than 2 cases per year of the licensee's wine to that purchaser if certain requirements are met. Provides penalties for the violation of those requirements. Creates a wine-maker's tasting room license that permits a licensee concurrently holding a wine-maker's license to sell and offer for sale at retail the licensee's wine at up to 2 locations and requires the sales to be in person. Creates a non-resident wine-maker's license that permits a manufacturer of up to 100,000 gallons of wine per year that is licensed in another state to store and sell the wine in Illinois. Provides that a non-resident wine-maker licensee may sell and ship its wine at retail to residents of Illinois in the same manner as a wine maker's premises licensee. Requires non-resident wine-maker licensees to pay the same State liquor gallonage tax and State retail sales tax as a wine-maker's premises licensee. Sets license fees for wine-maker's tasting room licenses and non-resident wine-maker's licenses. Provides that a limited wine manufacturer licensee may sell wine at retail at the limited wine manufacturer's licensed premises (now, at its manufacturing site) and requires sales to be in person, except that after the first retail purchase in person the limited wine manufacturer may sell and ship wine to that purchaser without an in person purchase. Requires wine-maker premises licensees, non-resident wine-maker licensees, and limited wine manufacturer licensees to secure liquor liability insurance. Repeals a provision allowing interstate reciprocal wine shipments and deletes references to that provision. Effective immediately.

LRB094 16904 LJB 52183 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning liquor.

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

4 Section 5. The Liquor Control Act of 1934 is amended by  
5 changing Sections 1-3.28, 2-1, 5-1, 5-3, 6-4, and 6-29.1 as  
6 follows:

7 (235 ILCS 5/1-3.28) (from Ch. 43, par. 95.28)

8 Sec. 1-3.28. "Broker" means (i) a person who solicits  
9 orders for or offers to sell or supply alcoholic liquors to  
10 retailers for a fee or commission, for or on behalf of a person  
11 authorized to manufacture or sell at wholesale alcoholic  
12 liquors within or without the State or (ii) a person within  
13 this State, other than a retail licensee, who, for a fee or  
14 commission, promotes, solicits, or accepts orders for  
15 alcoholic liquor, for use or consumption and not for resale, to  
16 be shipped from this State and delivered to residents outside  
17 of this State by an express company, common carrier, or  
18 contract carrier. ~~This Section does not apply to any person who~~  
19 ~~promotes, solicits, or accepts orders for wine as specifically~~  
20 ~~authorized in Section 6-29 of this Act.~~

21 (Source: P.A. 90-739, eff. 8-13-98.)

22 (235 ILCS 5/2-1) (from Ch. 43, par. 96)

23 Sec. 2-1. No person shall manufacture, bottle, blend, sell,  
24 barter, transport, transfer into this State from a point  
25 outside this State, deliver, furnish or possess any alcoholic  
26 liquor for beverage purposes, unless such person has been  
27 issued a license by the Commission ~~or except as permitted by~~  
28 ~~Section 6-29 of this Act~~ or except as otherwise specifically  
29 provided in this Act; provided, however, nothing herein  
30 contained shall prevent the possession and transportation of  
31 alcoholic liquor by the possessor for the personal use of the

1 possessor, his family and guests, nor prevent the making of  
2 wine, cider or other alcoholic liquor by a person from fruits,  
3 vegetables or grains, or the products thereof, by simple  
4 fermentation and without distillation, if it is made solely for  
5 the use of the maker, his family and his guests; and provided  
6 further that nothing herein contained shall prevent any duly  
7 licensed practicing physician or dentist from possessing or  
8 using alcoholic liquor in the strict practice of his  
9 profession, or any hospital or other institution caring for  
10 sick and diseased persons, from possessing and using alcoholic  
11 liquor for the treatment of bona fide patients of such hospital  
12 or other institution; and provided further that any drug store  
13 employing a licensed pharmacist may possess and use alcoholic  
14 liquors in the concoction of prescriptions of duly licensed  
15 physicians; and provided further, that the possession and  
16 dispensation of wine by an authorized representative of any  
17 church for the purpose of conducting any bona fide rite or  
18 religious ceremony conducted by such church shall not be  
19 prohibited by this Act.

20 (Source: P.A. 90-739, eff. 8-13-98.)

21 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

24 (a) Manufacturer's license - Class 1. Distiller, Class 2.  
25 Rectifier, Class 3. Brewer, Class 4. First Class Wine  
26 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.  
27 First Class Winemaker, Class 7. Second Class Winemaker, Class  
28 8. Limited Wine Manufacturer,

29 (b) Distributor's license,

30 (c) Importing Distributor's license,

31 (d) Retailer's license,

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

33 (f) Railroad license,

34 (g) Boat license,

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

- 1 (i) Wine-maker's premises license,  
2 (j) Airplane license,  
3 (k) Foreign importer's license,  
4 (l) Broker's license,  
5 (m) Non-resident dealer's license,  
6 (n) Brew Pub license,  
7 (o) Auction liquor license,  
8 (p) Caterer retailer license,  
9 (q) Special use permit license,  
10 (r) Wine-maker's tasting room license,  
11 (s) Non-resident wine-maker's license.

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

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

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

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

28 Class 3. A Brewer may make sales and deliveries of beer to  
29 importing distributors, distributors, and to non-licensees,  
30 and to retailers provided the brewer obtains an importing  
31 distributor's license or distributor's license in accordance  
32 with the provisions of this Act.

33 Class 4. A first class wine-manufacturer may make sales and  
34 deliveries of up to 50,000 gallons of wine to manufacturers,  
35 importing distributors and distributors, and to no other  
36 licensees.

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

5           Class 6. A first-class wine-maker's license shall allow the  
6 manufacture of up to 50,000 gallons of wine per year, and the  
7 storage and sale of such wine to distributors in the State and  
8 to persons without the State, as may be permitted by law. A  
9 first-class wine-maker's license shall allow the sale of no  
10 more than 5,000 gallons of the licensee's wine to retailers.  
11 The State Commission shall issue only one first-class  
12 wine-maker's license to any person, firm, partnership,  
13 corporation, or other legal business entity that is engaged in  
14 the making of less than 50,000 gallons of wine annually that  
15 applies for a first-class wine-maker's license. No subsidiary  
16 or affiliate thereof, nor any officer, associate, member,  
17 partner, representative, employee, agent, or shareholder may  
18 be issued an additional wine-maker's license by the State  
19 Commission.

20           Class 7. A second-class wine-maker's license shall allow  
21 the manufacture of between 50,000 and 100,000 gallons of wine  
22 per year, and the storage and sale of such wine to distributors  
23 in this State and to persons without the State, as may be  
24 permitted by law. A second-class wine-maker's license shall  
25 allow the sale of no more than 10,000 gallons of the licensee's  
26 wine directly to retailers. The State Commission shall issue  
27 only one second-class wine-maker's license to any person, firm,  
28 partnership, corporation, or other legal business entity that  
29 is engaged in the making of less than 100,000 gallons of wine  
30 annually that applies for a second-class wine-maker's license.  
31 No subsidiary or affiliate thereof, or any officer, associate,  
32 member, partner, representative, employee, agent, or  
33 shareholder may be issued an additional wine-maker's license by  
34 the State Commission.

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

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

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

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

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

28 (c) An importing distributor's license may be issued to and  
29 held by those only who are duly licensed distributors, upon the  
30 filing of an application by a duly licensed distributor, with  
31 the Commission and the Commission shall, without the payment of  
32 any fee, immediately issue such importing distributor's  
33 license to the applicant, which shall allow the importation of  
34 alcoholic liquor by the licensee into this State from any point  
35 in the United States outside this State, and the purchase of  
36 alcoholic liquor in barrels, casks or other bulk containers and

1 the bottling of such alcoholic liquors before resale thereof,  
2 but all bottles or containers so filled shall be sealed,  
3 labeled, stamped and otherwise made to comply with all  
4 provisions, rules and regulations governing manufacturers in  
5 the preparation and bottling of alcoholic liquors. The  
6 importing distributor's license shall permit such licensee to  
7 purchase alcoholic liquor from Illinois licensed non-resident  
8 dealers and foreign importers only.

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 the 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 the manufacturer to sell  
14 beer at retail on the premises actually occupied by the  
15 manufacturer. For the purpose of further describing the type of  
16 business conducted at a retail licensed premises, a retailer's  
17 licensee may be designated by the State Commission as (i) an on  
18 premise consumption retailer, (ii) an off premise sale  
19 retailer, or (iii) a combined on premise consumption and off  
20 premise sale retailer.

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

25 (e) A special event retailer's license (not-for-profit)  
26 shall permit the licensee to purchase alcoholic liquors from an  
27 Illinois licensed distributor (unless the licensee purchases  
28 less than \$500 of alcoholic liquors for the special event, in  
29 which case the licensee may purchase the alcoholic liquors from  
30 a licensed retailer) and shall allow the licensee to sell and  
31 offer for sale, at retail, alcoholic liquors for use or  
32 consumption, but not for resale in any form and only at the  
33 location and on the specific dates designated for the special  
34 event in the license. An applicant for a special event retailer  
35 license must (i) furnish with the application: (A) a resale  
36 number issued under Section 2c of the Retailers' Occupation Tax

1 Act or evidence that the applicant is registered under Section  
2 2a of the Retailers' Occupation Tax Act, (B) a current, valid  
3 exemption identification number issued under Section 1g of the  
4 Retailers' Occupation Tax Act, and a certification to the  
5 Commission that the purchase of alcoholic liquors will be a  
6 tax-exempt purchase, or (C) a statement that the applicant is  
7 not registered under Section 2a of the Retailers' Occupation  
8 Tax Act, does not hold a resale number under Section 2c of the  
9 Retailers' Occupation Tax Act, and does not hold an exemption  
10 number under Section 1g of the Retailers' Occupation Tax Act,  
11 in which event the Commission shall set forth on the special  
12 event retailer's license a statement to that effect; (ii)  
13 submit with the application proof satisfactory to the State  
14 Commission that the applicant will provide dram shop liability  
15 insurance in the maximum limits; and (iii) show proof  
16 satisfactory to the State Commission that the applicant has  
17 obtained local authority approval.

18 (f) A railroad license shall permit the licensee to import  
19 alcoholic liquors into this State from any point in the United  
20 States outside this State and to store such alcoholic liquors  
21 in this State; to make wholesale purchases of alcoholic liquors  
22 directly from manufacturers, foreign importers, distributors  
23 and importing distributors from within or outside this State;  
24 and to store such alcoholic liquors in this State; provided  
25 that the above powers may be exercised only in connection with  
26 the importation, purchase or storage of alcoholic liquors to be  
27 sold or dispensed on a club, buffet, lounge or dining car  
28 operated on an electric, gas or steam railway in this State;  
29 and provided further, that railroad licensees exercising the  
30 above powers shall be subject to all provisions of Article VIII  
31 of this Act as applied to importing distributors. A railroad  
32 license shall also permit the licensee to sell or dispense  
33 alcoholic liquors on any club, buffet, lounge or dining car  
34 operated on an electric, gas or steam railway regularly  
35 operated by a common carrier in this State, but shall not  
36 permit the sale for resale of any alcoholic liquors to any



1 licensee within this State. A license shall be obtained for  
2 each car in which such sales are made.

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

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

- 19 Class 1, not to exceed ..... 500 gallons
- 20 Class 2, not to exceed ..... 1,000 gallons
- 21 Class 3, not to exceed ..... 5,000 gallons
- 22 Class 4, not to exceed ..... 10,000 gallons
- 23 Class 5, not to exceed ..... 50,000 gallons

24 (i) A wine-maker's premises license shall allow a licensee  
25 that concurrently holds a first-class wine-maker's license to  
26 sell and offer for sale at retail in the first-class  
27 wine-maker's licensed premises ~~specified in such license~~ not  
28 more than 50,000 gallons of the first-class wine-maker's wine  
29 that is made at the first-class wine-maker's licensed premises  
30 per year for use or consumption, but not for resale in any  
31 form. A wine-maker's premises license shall allow a licensee  
32 who concurrently holds a second-class wine-maker's license to  
33 sell and offer for sale at retail in the second-class  
34 wine-maker's licensed premises ~~specified in such license~~ up to  
35 100,000 gallons of the second-class wine-maker's wine that is  
36 made at the second-class wine-maker's licensed premises per

1 year for use or consumption but not for resale in any form. A  
2 wine-maker's premises license shall allow a licensee that  
3 concurrently holds a first-class wine-maker's license or a  
4 second-class wine-maker's license to sell and offer for sale at  
5 retail at the first-class or second-class wine-maker's  
6 licensed premises ~~specified in the wine maker's premises~~  
7 ~~license~~, for use or consumption but not for resale in any form,  
8 any beer, wine, and spirits purchased from a licensed  
9 distributor. All sales at retail must be in person, except as  
10 otherwise provided in this subsection (i). For the purposes of  
11 this subsection (i), the term "in person" means that the  
12 purchaser of the wine-maker's wine must be in the same physical  
13 location as the wine-maker at the time of the sale. A  
14 wine-maker's premises licensee shall secure liquor liability  
15 insurance coverage in an amount at least equal to the maximum  
16 liability amounts set forth in subsection (a) of Section 6-21  
17 of this Act. ~~Upon approval from the State Commission, a~~  
18 ~~wine maker's premises license shall allow the licensee to sell~~  
19 ~~and offer for sale at (i) the wine maker's licensed premises~~  
20 ~~and (ii) at up to 2 additional locations for use and~~  
21 ~~consumption and not for resale. Each location shall require~~  
22 ~~additional licensing per location as specified in Section 5-3~~  
23 ~~of this Act.~~

24 After the first retail purchase in person by a purchaser, a  
25 business relationship is considered established and a  
26 wine-maker's premises licensee may sell and ship, without an in  
27 person purchase, not more than 2 cases of the wine maker's wine  
28 (each case not containing more than 9 liters) per year to that  
29 purchaser pursuant to the following requirements:

30 (1) The wine-maker's premises licensee must submit  
31 proof to the State Commission that the purchaser previously  
32 purchased the wine-maker's wine on a form prescribed by the  
33 State Commission that contains the following:

34 (A) the business name and address of the licensee;

35 (B) the date of the sale;

36 (C) the type, brand, and amount of wine purchased;

1           (D) the printed name and signature of the person  
2           purchasing the wine;

3           (E) the printed name and signature of the agent,  
4           employee, or representative of the licensee; and

5           (F) any other information required by the State  
6           Commission.

7           (2) The shipping container of any wine shipped under  
8           this subsection (i) must be clearly labeled to indicate (A)  
9           that the package contains wine and cannot be delivered to a  
10           person under 21 years of age and (B) that the package  
11           requires the signature of a person 21 years of age or older  
12           at the time of delivery. All packages must include a  
13           non-negotiable bill of lading with special instructions  
14           that the package contains wine and that the consignee must  
15           be 21 years of age or older. Following the delivery of the  
16           wine, the licensee, consignee, and State Commission shall  
17           receive a copy of the non-negotiable bill of lading from  
18           the express company, common carrier, or contract carrier.  
19           The express company, common carrier, or contract carrier  
20           may submit the non-negotiable bill of lading  
21           electronically to the licensee, consignee, or State  
22           Commission. In accordance with Section 6-10 of this Act,  
23           the licensee shall keep a copy of the non-negotiable bill  
24           of lading along with a copy of the relevant invoice of the  
25           shipment.

26           (3) A licensee shipping wine pursuant to the provisions  
27           of this subsection (i) shall ship only to residential  
28           addresses.

29           The State Commission, upon determining after an  
30           investigation that a licensee has violated paragraphs (1), (2),  
31           or (3) of this subsection (i), shall proceed with disciplinary  
32           action against the licensee in accordance with Section 3-12 of  
33           this Act.

34           The State Commission, upon determining after an  
35           investigation that any person has shipped alcoholic liquor in  
36           violation of this Section, shall give notice to the person by

1 certified mail to cease and desist all shipments of alcoholic  
2 liquor in this State and to withdraw all shipments of alcoholic  
3 liquor then in transit in this State within 5 working days  
4 after receipt of the notice.

5 Whenever the State Commission has reason to believe that a  
6 person has failed to comply with a notice provided under this  
7 subsection (i), it shall notify the Department of Revenue and  
8 file a complaint with the State's Attorney of the county where  
9 the alcoholic liquor was delivered or with appropriate law  
10 enforcement officials.

11 Failure to comply with any notice issued under this  
12 subsection (i) constitutes a business offense for which the  
13 person shall be fined not more than \$1,000 for a first offense,  
14 not more than \$5,000 for a second offense, and not more than  
15 \$10,000 for a third or subsequent offense. Each shipment of  
16 alcoholic liquor delivered in violation of a cease and desist  
17 notice shall constitute a separate offense.

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

1 fee for such license shall be as determined in Section 5-3.

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

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

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

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

36 (ii) A broker's license shall be required of a person

1 within this State, other than a retail licensee, who, for a fee  
2 or commission, promotes, solicits, or accepts orders for  
3 alcoholic liquor, for use or consumption and not for resale, to  
4 be shipped from this State and delivered to residents outside  
5 of this State by an express company, common carrier, or  
6 contract carrier. ~~This Section does not apply to any person who  
7 promotes, solicits, or accepts orders for wine as specifically  
8 authorized in Section 6-29 of this Act.~~

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

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

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

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

34 (n) A brew pub license shall allow the licensee to  
35 manufacture beer only on the premises specified in the license,  
36 to make sales of the beer manufactured on the premises to

1 importing distributors, distributors, and to non-licensees for  
2 use and consumption, to store the beer upon the premises, and  
3 to sell and offer for sale at retail from the licensed  
4 premises, provided that a brew pub licensee shall not sell for  
5 off-premises consumption more than 50,000 gallons per year.

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

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

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

33 (r) A wine-maker's tasting room license shall allow the  
34 licensee that concurrently holds a first-class or second-class  
35 wine-maker's license to sell and offer for sale the  
36 wine-maker's wine at retail on the premises of up to 2

1 locations for use and consumption but not for resale. All sales  
2 at retail shall be in person, as defined in subsection (i) of  
3 this Section. Each location shall require a separate license.

4 (s) A non-resident wine-maker's license shall allow the  
5 manufacturer of up to 100,000 gallons of wine per year that is  
6 licensed in another state to store and sell the licensee's wine  
7 to distributors in this State, as may be permitted by law. A  
8 non-resident wine-maker license holder that meets the  
9 qualifications for licensure as a wine-maker's premises  
10 licensee under this Act, other than the requirement that the  
11 licensee be located in Illinois, may sell and ship wine at  
12 retail to residents of this State in the same manner as a  
13 wine-maker's premises licensee as provided in subsection (i) of  
14 this Section. A non-resident wine-maker licensee shall secure  
15 liquor liability insurance coverage in an amount at least equal  
16 to the maximum liability amounts set forth in subsection (a) of  
17 Section 6-21 of this Act. A non-resident wine-maker licensee  
18 shall pay to the Department of Revenue the same State liquor  
19 gallonage tax and State retail sales tax that a wine-maker's  
20 premises licensee is required to pay for all retail sales of  
21 the non-resident wine-maker's wine that are shipped into this  
22 State.

23 (Source: P.A. 92-105, eff. 1-1-02; 92-378, eff. 8-16-01;  
24 92-651, eff. 7-11-02; 92-672, eff. 7-16-02; 93-923, eff.  
25 8-12-04; 93-1057, eff. 12-2-04; revised 12-6-04.)

26 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

27 Sec. 5-3. License fees. Except as otherwise provided  
28 herein, at the time application is made to the State Commission  
29 for a license of any class, the applicant shall pay to the  
30 State Commission the fee hereinafter provided for the kind of  
31 license applied for.

32 The fee for licenses issued by the State Commission shall  
33 be as follows:

34 For a manufacturer's license:

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



1	Class 2. Rectifier .....	3,600
2	Class 3. Brewer .....	900
3	Class 4. First-class Wine Manufacturer .....	600
4	Class 5. Second-class	
5	Wine Manufacturer .....	1,200
6	Class 6. First-class wine-maker .....	600
7	Class 7. Second-class wine-maker .....	1200
8	Class 8. Limited Wine Manufacturer .....	120
9	For a Brew Pub License .....	1,050
10	For a caterer retailer's license .....	200
11	For a foreign importer's license .....	25
12	For an importing distributor's license .....	25
13	For a distributor's license .....	270
14	For a non-resident dealer's license	
15	(500,000 gallons or over) .....	270
16	For a non-resident dealer's license	
17	(under 500,000 gallons) .....	90
18	For a wine-maker's premises license .....	100
19	<u>For a wine maker's tasting room license .....</u>	<u>350</u>
20	<u>For a wine maker's tasting room license,</u>	
21	<u>    second location .....</u>	<u>350</u>
22	<u>For a non-resident wine-maker's license .....</u>	<u>100</u>
23	<del>For a wine-maker's premises license,</del>	
24	<del>    second location .....</del>	<del>350</del>
25	<del>For a wine-maker's premises license,</del>	
26	<del>    third location .....</del>	<del>350</del>
27	For a retailer's license .....	500
28	For a special event retailer's license,	
29	(not-for-profit) .....	25
30	For a special use permit license,	
31	one day only .....	50
32	2 days or more .....	100
33	For a railroad license .....	60
34	For a boat license .....	180
35	For an airplane license, times the	
36	licensee's maximum number of aircraft	

1 in flight, serving liquor over the  
2 State at any given time, which either  
3 originate, terminate, or make  
4 an intermediate stop in the State ..... 60

5 For a non-beverage user's license:

6 Class 1 ..... 24  
7 Class 2 ..... 60  
8 Class 3 ..... 120  
9 Class 4 ..... 240  
10 Class 5 ..... 600

11 For a broker's license ..... 600  
12 For an auction liquor license ..... 50

13 Fees collected under this Section shall be paid into the  
14 Dram Shop Fund. On and after July 1, 2003, of the funds  
15 received for a retailer's license, in addition to the first  
16 \$175, an additional \$75 shall be paid into the Dram Shop Fund,  
17 and \$250 shall be paid into the General Revenue Fund. Beginning  
18 June 30, 1990 and on June 30 of each subsequent year through  
19 June 29, 2003, any balance over \$5,000,000 remaining in the  
20 Dram Shop Fund shall be credited to State liquor licensees and  
21 applied against their fees for State liquor licenses for the  
22 following year. The amount credited to each licensee shall be a  
23 proportion of the balance in the Dram Fund that is the same as  
24 the proportion of the license fee paid by the licensee under  
25 this Section for the period in which the balance was  
26 accumulated to the aggregate fees paid by all licensees during  
27 that period.

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

30 (a) Hospitals, sanitariums, or clinics when their use  
31 of alcoholic liquor is exclusively medicinal, mechanical  
32 or scientific.

33 (b) Universities, colleges of learning or schools when  
34 their use of alcoholic liquor is exclusively medicinal,  
35 mechanical or scientific.

36 (c) Laboratories when their use is exclusively for the

1           purpose of scientific research.

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

3           (235 ILCS 5/6-4) (from Ch. 43, par. 121)

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

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

29           (b) The foregoing provisions shall not apply to any person  
30 licensed by any licensing authority as a distiller or wine  
31 manufacturer, or to any subsidiary or affiliate of any  
32 distiller or wine manufacturer who shall have been heretofore  
33 licensed by the State Commission as either an importing  
34 distributor or distributor during the annual licensing period  
35 expiring June 30, 1947, and shall actually have made sales

1 regularly to retailers.

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

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

33 (e) Any person having been licensed as a manufacturer shall  
34 be permitted to receive one retailer's license for the premises  
35 in which he actually conducts such business, permitting the  
36 sale of beer only on such premises, but no such person shall be

1 entitled to more than one retailer's license in any event, and,  
2 other than a manufacturer of beer as stated above, no  
3 manufacturer or distributor or importing distributor,  
4 excluding airplane licensees exercising powers provided in  
5 paragraph (i) of Section 5-1 of this Act, or any subsidiary or  
6 affiliate thereof, or any officer, associate, member, partner,  
7 representative, employee or agent, or shareholder shall be  
8 issued a retailer's license, nor shall any person having a  
9 retailer's license, excluding airplane licensees exercising  
10 powers provided in paragraph (i) of Section 5-1 of this Act, or  
11 any subsidiary or affiliate thereof, or any officer, associate,  
12 member, partner, representative or agent, or shareholder be  
13 issued a manufacturer's license, importing distributor's  
14 license.

15 (f) However, the foregoing prohibitions against any person  
16 licensed as a distiller or wine manufacturer being issued a  
17 retailer's license shall not apply:

18 (i) to any hotel, motel or restaurant whose principal  
19 business is not the sale of alcoholic liquors if said  
20 retailer's sales of any alcoholic liquors manufactured, sold,  
21 distributed or controlled, directly or indirectly, by any  
22 affiliate, subsidiary, officer, associate, member, partner,  
23 representative, employee, agent or shareholder owning more  
24 than 5% of the outstanding shares of such person does not  
25 exceed 10% of the total alcoholic liquor sales of said retail  
26 licensee; and

27 (ii) where the Commission determines, having considered  
28 the public welfare, the economic impact upon the State and the  
29 entirety of the facts and circumstances involved, that the  
30 purpose and intent of this Section would not be violated by  
31 granting an exemption.

32 (g) Notwithstanding any of the foregoing prohibitions, a  
33 limited wine manufacturer may sell at retail at the limited  
34 wine manufacturer's licensed premises for use or ~~its~~  
35 ~~manufacturing site for on or off premises~~ consumption and may  
36 sell to distributors. A limited wine manufacturer licensee

1 shall secure liquor liability insurance coverage in an amount  
2 at least equal to the maximum liability amounts set forth in  
3 subsection (a) of Section 6-21 of this Act. All sales at retail  
4 must be in person, except that after the first retail purchase  
5 in person by a purchaser, a business relationship is considered  
6 established and a limited wine manufacturer licensee may sell  
7 and ship, without an in person purchase, the wine  
8 manufacturer's wine to that purchaser in the same manner and  
9 under the same requirements and penalties as a wine-maker's  
10 premises licensee as provided in subsection (i) of Section 5-1  
11 of this Act. For the purposes of this subsection (g), the term  
12 "in person" means that the purchaser of the limited wine  
13 manufacturer's wine must be in the same physical location as  
14 the limited wine manufacturer at the time of the sale.

15 (Source: P.A. 86-858.)

16 (235 ILCS 5/6-29.1)

17 Sec. 6-29.1. Direct shipments of alcoholic liquor.  
18 Pursuant to the Twenty-First Amendment of the United States  
19 Constitution allowing states to regulate the distribution and  
20 sale of alcoholic liquor and pursuant to the federal  
21 Webb-Kenyon Act declaring that alcoholic liquor shipped in  
22 interstate commerce must comply with state laws, the General  
23 Assembly hereby finds and declares that selling alcoholic  
24 liquor from a point outside this State through various direct  
25 marketing means, such as catalogs, newspapers, mailers, and the  
26 Internet, directly to residents of this State poses a serious  
27 threat to the State's efforts to prevent youths from accessing  
28 alcoholic liquor; to State revenue collections; and to the  
29 economy of this State.

30 Any person manufacturing, distributing, or selling  
31 alcoholic liquor who knowingly ships or transports or causes  
32 the shipping or transportation of any alcoholic liquor from a  
33 point outside this State to a person in this State who does not  
34 hold a manufacturer's, distributor's, importing distributor's,  
35 or non-resident dealer's license issued by the Liquor Control

1 Commission, other than a shipment of sacramental wine to a bona  
2 fide religious organization, ~~a shipment authorized by Section~~  
3 ~~6-29,~~ or any other shipment authorized by this Act, is in  
4 violation of this Act.

5 The Commission, upon determining, after investigation,  
6 that a person has violated this Section, shall give notice to  
7 the person by certified mail to cease and desist all shipments  
8 of alcoholic liquor into this State and to withdraw from this  
9 State within 5 working days after receipt of the notice all  
10 shipments of alcoholic liquor then in transit.

11 Whenever the Commission has reason to believe that a person  
12 has failed to comply with the Commission notice under this  
13 Section, it shall notify the Department of Revenue and file a  
14 complaint with the State's Attorney of the county where the  
15 alcoholic liquor was delivered or with appropriate law  
16 enforcement officials.

17 Failure to comply with the notice issued by the Commission  
18 under this Section constitutes a business offense for which the  
19 person shall be fined not more than \$1,000 for a first offense,  
20 not more than \$5,000 for a second offense, and not more than  
21 \$10,000 for a third or subsequent offense. Each shipment of  
22 alcoholic liquor delivered in violation of the cease and desist  
23 notice shall constitute a separate offense.

24 (Source: P.A. 90-739, eff. 8-13-98.)

25 (235 ILCS 5/6-29 rep.)

26 Section 10. The Liquor Control Act of 1934 is amended by  
27 repealing Section 6-29.

28 Section 99. Effective date. This Act takes effect upon  
29 becoming law.