

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 2-1, 6-5, and 6-6 as follows:

6 (235 ILCS 5/2-1) (from Ch. 43, par. 96)

7 Sec. 2-1. No person shall manufacture, bottle, blend, sell,
8 barter, transport, transfer into this State from a point
9 outside this State, deliver, furnish or possess any alcoholic
10 liquor for beverage purposes, unless such person has been
11 issued a license by the Commission or except as permitted by
12 Section 6-29 of this Act or except as otherwise specifically
13 provided in this Act; provided, however, nothing herein
14 contained shall prevent the possession and transportation of
15 alcoholic liquor by the possessor for the personal use of the
16 possessor, his family and guests, nor prevent the making of
17 wine, cider or other alcoholic liquor by a person from fruits,
18 vegetables or grains, or the products thereof, by simple
19 fermentation and without distillation, if it is made solely for
20 the use of the maker, his family and his guests; and provided
21 further that nothing herein contained shall prevent any duly
22 licensed practicing physician or dentist from possessing or
23 using alcoholic liquor in the strict practice of his

1 profession, or any hospital or other institution caring for
2 sick and diseased persons, from possessing and using alcoholic
3 liquor for the treatment of bona fide patients of such hospital
4 or other institution; and provided further that any drug store
5 employing a licensed pharmacist may possess and use alcoholic
6 liquors in the concoction of prescriptions of duly licensed
7 physicians; and provided further, that the possession and
8 dispensation of wine by an authorized representative of any
9 church for the purpose of conducting any bona fide rite or
10 religious ceremony conducted by such church shall not be
11 prohibited by this Act.

12 The provisions of this Act shall not apply to any liquid or
13 solid containing one-half of one per cent, or less, of alcohol
14 by volume.

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

16 (235 ILCS 5/6-5) (from Ch. 43, par. 122)

17 Sec. 6-5. Except as otherwise provided in this Section, it
18 is unlawful for any person having a retailer's license or any
19 officer, associate, member, representative or agent of such
20 licensee to accept, receive or borrow money, or anything else
21 of value, or accept or receive credit (other than merchandising
22 credit in the ordinary course of business for a period not to
23 exceed 30 days) directly or indirectly from any manufacturer,
24 importing distributor or distributor of alcoholic liquor, or
25 from any person connected with or in any way representing, or

1 from any member of the family of, such manufacturer, importing
2 distributor, distributor or wholesaler, or from any
3 stockholders in any corporation engaged in manufacturing,
4 distributing or wholesaling of such liquor, or from any
5 officer, manager, agent or representative of said
6 manufacturer. Except as provided below, it is unlawful for any
7 manufacturer or distributor or importing distributor to give or
8 lend money or anything of value, or otherwise loan or extend
9 credit (except such merchandising credit) directly or
10 indirectly to any retail licensee or to the manager,
11 representative, agent, officer or director of such licensee. A
12 manufacturer, distributor or importing distributor may furnish
13 free advertising, posters, signs, brochures, hand-outs, or
14 other promotional devices or materials to any unit of
15 government owning or operating any auditorium, exhibition
16 hall, recreation facility or other similar facility holding a
17 retailer's license, provided that the primary purpose of such
18 promotional devices or materials is to promote public events
19 being held at such facility. A unit of government owning or
20 operating such a facility holding a retailer's license may
21 accept such promotional devices or materials designed
22 primarily to promote public events held at the facility. No
23 retail licensee delinquent beyond the 30 day period specified
24 in this Section shall solicit, accept or receive credit,
25 purchase or acquire alcoholic liquors, directly or indirectly
26 from any other licensee, and no manufacturer, distributor or

1 importing distributor shall knowingly grant or extend credit,
2 sell, furnish or supply alcoholic liquors to any such
3 delinquent retail licensee; provided that the purchase price of
4 all beer sold to a retail licensee shall be paid by the retail
5 licensee in cash on or before delivery of the beer, and unless
6 the purchase price payable by a retail licensee for beer sold
7 to him in returnable bottles shall expressly include a charge
8 for the bottles and cases, the retail licensee shall, on or
9 before delivery of such beer, pay the seller in cash a deposit
10 in an amount not less than the deposit required to be paid by
11 the distributor to the brewer; but where the brewer sells
12 direct to the retailer, the deposit shall be an amount no less
13 than that required by the brewer from his own distributors; and
14 provided further, that in no instance shall this deposit be
15 less than 50 cents for each case of beer in pint or smaller
16 bottles and 60 cents for each case of beer in quart or
17 half-gallon bottles; and provided further, that the purchase
18 price of all beer sold to an importing distributor or
19 distributor shall be paid by such importing distributor or
20 distributor in cash on or before the 15th day (Sundays and
21 holidays excepted) after delivery of such beer to such
22 purchaser; and unless the purchase price payable by such
23 importing distributor or distributor for beer sold in
24 returnable bottles and cases shall expressly include a charge
25 for the bottles and cases, such importing distributor or
26 distributor shall, on or before the 15th day (Sundays and

1 holidays excepted) after delivery of such beer to such
2 purchaser, pay the seller in cash a required amount as a
3 deposit to assure the return of such bottles and cases. Nothing
4 herein contained shall prohibit any licensee from crediting or
5 refunding to a purchaser the actual amount of money paid for
6 bottles, cases, kegs or barrels returned by the purchaser to
7 the seller or paid by the purchaser as a deposit on bottles,
8 cases, kegs or barrels, when such containers or packages are
9 returned to the seller. Nothing herein contained shall prohibit
10 any manufacturer, importing distributor or distributor from
11 extending usual and customary credit for alcoholic liquor sold
12 to customers or purchasers who live in or maintain places of
13 business outside of this State when such alcoholic liquor is
14 actually transported and delivered to such points outside of
15 this State.

16 No right of action shall exist for the collection of any
17 claim based upon credit extended to a distributor, importing
18 distributor or retail licensee contrary to the provisions of
19 this Section.

20 Every manufacturer, importing distributor and distributor
21 shall submit or cause to be submitted, to the State Commission,
22 in triplicate, not later than Thursday of each calendar week, a
23 verified written list of the names and respective addresses of
24 each retail licensee purchasing spirits or wine from such
25 manufacturer, importing distributor or distributor who, on the
26 first business day of that calendar week, was delinquent beyond

1 the above mentioned permissible merchandising credit period of
2 30 days; or, if such is the fact, a verified written statement
3 that no retail licensee purchasing spirits or wine was then
4 delinquent beyond such permissible merchandising credit period
5 of 30 days.

6 Every manufacturer, importing distributor and distributor
7 shall submit or cause to be submitted, to the State Commission,
8 in triplicate, a verified written list of the names and
9 respective addresses of each previously reported delinquent
10 retail licensee who has cured such delinquency by payment,
11 which list shall be submitted not later than the close of the
12 second full business day following the day such delinquency was
13 so cured.

14 Such written verified reports required to be submitted by
15 this Section shall be posted by the State Commission in each of
16 its offices in places available for public inspection not later
17 than the day following receipt thereof by the Commission. The
18 reports so posted shall constitute notice to every
19 manufacturer, importing distributor and distributor of the
20 information contained therein. Actual notice to manufacturers,
21 importing distributors and distributors of the information
22 contained in any such posted reports, however received, shall
23 also constitute notice of such information.

24 The 30 day merchandising credit period allowed by this
25 Section shall commence with the day immediately following the
26 date of invoice and shall include all successive days including

1 Sundays and holidays to and including the 30th successive day.

2 In addition to other methods allowed by law, payment by
3 check during the period for which merchandising credit may be
4 extended under the provisions of this Section shall be
5 considered payment. All checks received in payment for
6 alcoholic liquor shall be promptly deposited for collection. A
7 post dated check or a check dishonored on presentation for
8 payment shall not be deemed payment.

9 A retail licensee shall not be deemed to be delinquent in
10 payment for any alleged sale to him of alcoholic liquor when
11 there exists a bona fide dispute between such retailer and a
12 manufacturer, importing distributor or distributor with
13 respect to the amount of indebtedness existing because of such
14 alleged sale.

15 A delinquent retail licensee who engages in the retail
16 liquor business at 2 or more locations shall be deemed to be
17 delinquent with respect to each such location.

18 The license of any person who violates any provision of
19 this Section shall be subject to suspension or revocation in
20 the manner provided by this Act.

21 If any part or provision of this Article or the application
22 thereof to any person or circumstances shall be adjudged
23 invalid by a court of competent jurisdiction, such judgment
24 shall be confined by its operation to the controversy in which
25 it was mentioned and shall not affect or invalidate the
26 remainder of this Article or the application thereof to any

1 other person or circumstance and to this and the provisions of
2 this Article are declared severable.

3 Nothing in this Section shall prohibit a manufacturer,
4 distributor, or importing distributor from furnishing
5 advertising signs, promotional materials, or fixtures to a
6 retail licensee or a retail licensee from receiving those
7 advertising signs, promotional materials, or fixtures, if the
8 sole use and purpose of the advertising signs, promotional
9 materials, or fixtures is limited to the sale or consumption of
10 beverage products containing one-half of one percent, or less,
11 of alcohol by volume and those beverage products are not
12 marketed for adult consumption as an alternative to alcoholic
13 beverages. A retail licensee is prohibited from using those
14 promotional materials or fixtures for the purpose of promoting
15 the sale or consumption of alcoholic beverages.

16 (Source: P.A. 83-762.)

17 (235 ILCS 5/6-6) (from Ch. 43, par. 123)

18 Sec. 6-6. Except as otherwise provided in this Act no
19 manufacturer or distributor or importing distributor shall,
20 directly~~7~~ or indirectly, sell, supply, furnish, give or pay
21 for, or loan or lease, any furnishing, fixture or equipment on
22 the premises of a place of business of another licensee
23 authorized under this Act to sell alcoholic liquor at retail,
24 either for consumption on or off the premises, nor shall he or
25 she~~2~~ directly or indirectly, pay for any such license, or

1 advance, furnish, lend or give money for payment of such
2 license, or purchase or become the owner of any note, mortgage,
3 or other evidence of indebtedness of such licensee or any form
4 of security therefor, nor shall such manufacturer, or
5 distributor, or importing distributor, directly or indirectly,
6 be interested in the ownership, conduct or operation of the
7 business of any licensee authorized to sell alcoholic liquor at
8 retail, nor shall any manufacturer, or distributor, or
9 importing distributor be interested directly or indirectly or
10 as owner or part owner of said premises or as lessee or lessor
11 thereof, in any premises upon which alcoholic liquor is sold at
12 retail.

13 No manufacturer or distributor or importing distributor
14 shall, directly or indirectly or through a subsidiary or
15 affiliate, or by any officer, director or firm of such
16 manufacturer, distributor or importing distributor, furnish,
17 give, lend or rent, install, repair or maintain, to or for any
18 retail licensee in this State, any signs or inside advertising
19 materials except as provided in this Section and Section 6-5.
20 With respect to retail licensees, other than any government
21 owned or operated auditorium, exhibition hall, recreation
22 facility or other similar facility holding a retailer's license
23 as described in Section 6-5, a manufacturer, distributor, or
24 importing distributor may furnish, give, lend or rent and
25 erect, install, repair and maintain to or for any retail
26 licensee, for use at any one time in or about or in connection

1 with a retail establishment on which the products of the
2 manufacturer, distributor or importing distributor are sold,
3 the following signs and inside advertising materials as
4 authorized in subparts (i), (ii), (iii), and (iv):

5 (i) Permanent outside signs shall be limited to one
6 outside sign, per brand, in place and in use at any one
7 time, costing not more than \$893, exclusive of erection,
8 installation, repair and maintenance costs, and permit
9 fees and shall bear only the manufacturer's name, brand
10 name, trade name, slogans, markings, trademark, or other
11 symbols commonly associated with and generally used in
12 identifying the product including, but not limited to,
13 "cold beer", "on tap", "carry out", and "packaged liquor".

14 (ii) Temporary outside signs shall be limited to one
15 temporary outside sign per brand. Examples of temporary
16 outside signs are banners, flags, pennants, streamers, and
17 other items of a temporary and non-permanent nature. Each
18 temporary outside sign must include the manufacturer's
19 name, brand name, trade name, slogans, markings,
20 trademark, or other symbol commonly associated with and
21 generally used in identifying the product. Temporary
22 outside signs may also include, for example, the product,
23 price, packaging, date or dates of a promotion and an
24 announcement of a retail licensee's specific sponsored
25 event, if the temporary outside sign is intended to promote
26 a product, and provided that the announcement of the retail

1 licensee's event and the product promotion are held
2 simultaneously. However, temporary outside signs may not
3 include names, slogans, markings, or logos that relate to
4 the retailer. Nothing in this subpart (ii) shall prohibit a
5 distributor or importing distributor from bearing the cost
6 of creating or printing a temporary outside sign for the
7 retail licensee's specific sponsored event or from bearing
8 the cost of creating or printing a temporary sign for a
9 retail licensee containing, for example, community
10 goodwill expressions, regional sporting event
11 announcements, or seasonal messages, provided that the
12 primary purpose of the temporary outside sign is to
13 highlight, promote, or advertise the product. In addition,
14 temporary outside signs provided by the manufacturer to the
15 distributor or importing distributor may also include, for
16 example, subject to the limitations of this Section,
17 preprinted community goodwill expressions, sporting event
18 announcements, seasonal messages, and manufacturer
19 promotional announcements. However, a distributor or
20 importing distributor shall not bear the cost of such
21 manufacturer preprinted signs.

22 (iii) Permanent inside signs, whether visible from the
23 outside or the inside of the premises, include, but are not
24 limited to: alcohol lists and menus that may include names,
25 slogans, markings, or logos that relate to the retailer;
26 neons; illuminated signs; clocks; table lamps; mirrors;

1 tap handles; decalcomanias; window painting; and window
2 trim. All permanent inside signs in place and in use at any
3 one time shall cost in the aggregate not more than \$2000
4 per manufacturer. A permanent inside sign must include the
5 manufacturer's name, brand name, trade name, slogans,
6 markings, trademark, or other symbol commonly associated
7 with and generally used in identifying the product.
8 However, permanent inside signs may not include names,
9 slogans, markings, or logos that relate to the retailer.
10 For the purpose of this subpart (iii), all permanent inside
11 signs may be displayed in an adjacent courtyard or patio
12 commonly referred to as a "beer garden" that is a part of
13 the retailer's licensed premises.

14 (iv) Temporary inside signs shall include, but are not
15 limited to, lighted chalk boards, acrylic table tent
16 beverage or hors d'oeuvre list holders, banners, flags,
17 pennants, streamers, and inside advertising materials such
18 as posters, placards, bowling sheets, table tents, inserts
19 for acrylic table tent beverage or hors d'oeuvre list
20 holders, sports schedules, or similar printed or
21 illustrated materials; however, such items, for example,
22 as coasters, trays, napkins, glassware and cups shall not
23 be deemed to be inside signs or advertising materials and
24 may only be sold to retailers. All temporary inside signs
25 and inside advertising materials in place and in use at any
26 one time shall cost in the aggregate not more than \$325 per

1 manufacturer. Nothing in this subpart (iv) prohibits a
2 distributor or importing distributor from paying the cost
3 of printing or creating any temporary inside banner or
4 inserts for acrylic table tent beverage or hors d'oeuvre
5 list holders for a retail licensee, provided that the
6 primary purpose for the banner or insert is to highlight,
7 promote, or advertise the product. For the purpose of this
8 subpart (iv), all temporary inside signs and inside
9 advertising materials may be displayed in an adjacent
10 courtyard or patio commonly referred to as a "beer garden"
11 that is a part of the retailer's licensed premises.

12 A "cost adjustment factor" shall be used to periodically
13 update the dollar limitations prescribed in subparts (i),
14 (iii), and (iv). The Commission shall establish the adjusted
15 dollar limitation on an annual basis beginning in January,
16 1997. The term "cost adjustment factor" means a percentage
17 equal to the change in the Bureau of Labor Statistics Consumer
18 Price Index or 5%, whichever is greater. The restrictions
19 contained in this Section 6-6 do not apply to signs, or
20 promotional or advertising materials furnished by
21 manufacturers, distributors or importing distributors to a
22 government owned or operated facility holding a retailer's
23 license as described in Section 6-5.

24 No distributor or importing distributor shall directly or
25 indirectly or through a subsidiary or affiliate, or by any
26 officer, director or firm of such manufacturer, distributor or

1 importing distributor, furnish, give, lend or rent, install,
2 repair or maintain, to or for any retail licensee in this
3 State, any signs or inside advertising materials described in
4 subparts (i), (ii), (iii), or (iv) of this Section except as
5 the agent for or on behalf of a manufacturer, provided that the
6 total cost of any signs and inside advertising materials
7 including but not limited to labor, erection, installation and
8 permit fees shall be paid by the manufacturer whose product or
9 products said signs and inside advertising materials advertise
10 and except as follows:

11 A distributor or importing distributor may purchase from or
12 enter into a written agreement with a manufacturer or a
13 manufacturer's designated supplier and such manufacturer or
14 the manufacturer's designated supplier may sell or enter into
15 an agreement to sell to a distributor or importing distributor
16 permitted signs and advertising materials described in
17 subparts (ii), (iii), or (iv) of this Section for the purpose
18 of furnishing, giving, lending, renting, installing,
19 repairing, or maintaining such signs or advertising materials
20 to or for any retail licensee in this State. Any purchase by a
21 distributor or importing distributor from a manufacturer or a
22 manufacturer's designated supplier shall be voluntary and the
23 manufacturer may not require the distributor or the importing
24 distributor to purchase signs or advertising materials from the
25 manufacturer or the manufacturer's designated supplier.

26 A distributor or importing distributor shall be deemed the

1 owner of such signs or advertising materials purchased from a
2 manufacturer or a manufacturer's designated supplier.

3 The provisions of Public Act 90-373 concerning signs or
4 advertising materials delivered by a manufacturer to a
5 distributor or importing distributor shall apply only to signs
6 or advertising materials delivered on or after August 14, 1997.

7 No person engaged in the business of manufacturing,
8 importing or distributing alcoholic liquors shall, directly or
9 indirectly, pay for, or advance, furnish, or lend money for the
10 payment of any license for another. Any licensee who shall
11 permit or assent, or be a party in any way to any violation or
12 infringement of the provisions of this Section shall be deemed
13 guilty of a violation of this Act, and any money loaned
14 contrary to a provision of this Act shall not be recovered
15 back, or any note, mortgage or other evidence of indebtedness,
16 or security, or any lease or contract obtained or made contrary
17 to this Act shall be unenforceable and void.

18 This Section shall not apply to airplane licensees
19 exercising powers provided in paragraph (i) of Section 5-1 of
20 this Act.

21 Nothing in this Section shall prohibit a manufacturer,
22 distributor, or importing distributor from furnishing
23 advertising signs, promotional materials, or fixtures to a
24 retail licensee or a retail licensee from receiving those
25 advertising signs, promotional materials, or fixtures, if the
26 sole use and purpose of those advertising signs, promotional

1 materials, or fixtures is limited to the sale or consumption of
2 beverage products containing one-half of one percent, or less,
3 of alcohol by volume and those beverage products are not
4 marketed for adult consumption as an alternative to alcoholic
5 beverages. A retail licensee is prohibited from using those
6 promotional materials or fixtures for the purpose of promoting
7 the sale or consumption of alcoholic beverages.

8 (Source: P.A. 89-238, eff. 8-4-95; 89-529, eff. 7-19-96;
9 90-373, eff. 8-14-97; 90-432, eff. 1-1-98; 90-655, eff.
10 7-30-98; revised 9-24-13.)