



Sen. Cristina Castro

**Filed: 5/27/2025**

10400SB0618sam001

LRB104 06890 RPS 26802 a

1 AMENDMENT TO SENATE BILL 618

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 618 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Liquor Control Act of 1934 is amended by  
5 changing Sections 1-3.17.1, 3-12, and 5-1 and by adding  
6 Section 6-40 as follows:

7 (235 ILCS 5/1-3.17.1) (from Ch. 43, par. 95.17.1)

8 Sec. 1-3.17.1. "Special event retailer" means an  
9 educational, fraternal, political, civic, religious, or  
10 non-profit organization which sells or offers for sale beer,  
11 spirits, or wine, or any combination thereof, only for  
12 consumption on or off the premises specified in the license  
13 and those sales are made at the location and on the dates  
14 designated by a special event retail license.

15 (Source: P.A. 100-17, eff. 6-30-17.)

1 (235 ILCS 5/3-12)

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

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

5 (1) To receive applications and to issue licenses to  
6 manufacturers, foreign importers, importing distributors,  
7 distributors, non-resident dealers, on premise consumption  
8 retailers, off premise sale retailers, special event  
9 retailer licensees, special use permit licenses, auction  
10 liquor licenses, brew pubs, caterer retailers,  
11 non-beverage users, railroads, including owners and  
12 lessees of sleeping, dining and cafe cars, airplanes,  
13 boats, brokers, and wine maker's premises licensees in  
14 accordance with the provisions of this Act, and to suspend  
15 or revoke such licenses upon the State Commission's  
16 determination, upon notice after hearing, that a licensee  
17 has violated any provision of this Act or any rule or  
18 regulation issued pursuant thereto and in effect for 30  
19 days prior to such violation. Except in the case of an  
20 action taken pursuant to a violation of Section 6-3, 6-5,  
21 or 6-9, any action by the State Commission to suspend or  
22 revoke a licensee's license may be limited to the license  
23 for the specific premises where the violation occurred. An  
24 action for a violation of this Act shall be commenced by  
25 the State Commission within 2 years after the date the  
26 State Commission becomes aware of the violation.

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

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

14          The fine imposed under this paragraph may not exceed  
15          \$500 for each violation. Each day that the activity, which  
16          gave rise to the original fine, continues is a separate  
17          violation. The maximum fine that may be levied against any  
18          licensee, for the period of the license, shall not exceed  
19          \$20,000. The maximum penalty that may be imposed on a  
20          licensee for selling a bottle of alcoholic liquor with a  
21          foreign object in it or serving from a bottle of alcoholic  
22          liquor with a foreign object in it shall be the  
23          destruction of that bottle of alcoholic liquor for the  
24          first 10 bottles so sold or served from by the licensee.  
25          For the eleventh bottle of alcoholic liquor and for each  
26          third bottle thereafter sold or served from by the

1 licensee with a foreign object in it, the maximum penalty  
2 that may be imposed on the licensee is the destruction of  
3 the bottle of alcoholic liquor and a fine of up to \$50.

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

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

21 (3) To call upon other administrative departments of  
22 the State, county and municipal governments, county and  
23 city police departments and upon prosecuting officers for  
24 such information and assistance as it deems necessary in  
25 the performance of its duties.

26 (4) To recommend to local commissioners rules and

1 regulations, not inconsistent with the law, for the  
2 distribution and sale of alcoholic liquors throughout the  
3 State.

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

12 (5.1) Upon receipt of a complaint or upon having  
13 knowledge that any person is engaged in business as a  
14 manufacturer, importing distributor, distributor, or  
15 retailer without a license or valid license, to conduct an  
16 investigation. If, after conducting an investigation, the  
17 State Commission is satisfied that the alleged conduct  
18 occurred or is occurring, it may issue a cease and desist  
19 notice as provided in this Act, impose civil penalties as  
20 provided in this Act, notify the local liquor authority,  
21 or file a complaint with the State's Attorney's Office of  
22 the county where the incident occurred or the Attorney  
23 General.

24 (5.2) Upon receipt of a complaint or upon having  
25 knowledge that any person is shipping alcoholic liquor  
26 into this State from a point outside of this State if the

1 shipment is in violation of this Act, to conduct an  
2 investigation. If, after conducting an investigation, the  
3 State Commission is satisfied that the alleged conduct  
4 occurred or is occurring, it may issue a cease and desist  
5 notice as provided in this Act, impose civil penalties as  
6 provided in this Act, notify the foreign jurisdiction, or  
7 file a complaint with the State's Attorney's Office of the  
8 county where the incident occurred or the Attorney  
9 General.

10 (5.3) To receive complaints from licensees, local  
11 officials, law enforcement agencies, organizations, and  
12 persons stating that any licensee has been or is violating  
13 any provision of this Act or the rules and regulations  
14 issued pursuant to this Act. Such complaints shall be in  
15 writing, signed and sworn to by the person making the  
16 complaint, and shall state with specificity the facts in  
17 relation to the alleged violation. If the State Commission  
18 has reasonable grounds to believe that the complaint  
19 substantially alleges a violation of this Act or rules and  
20 regulations adopted pursuant to this Act, it shall conduct  
21 an investigation. If, after conducting an investigation,  
22 the State Commission is satisfied that the alleged  
23 violation did occur, it shall proceed with disciplinary  
24 action against the licensee as provided in this Act.

25 (5.4) To make arrests and issue notices of civil  
26 violations where necessary for the enforcement of this

1 Act.

2 (5.5) To investigate any and all unlicensed activity.

3 (5.6) To impose civil penalties or fines to any person  
4 who, without holding a valid license, engages in conduct  
5 that requires a license pursuant to this Act, in an amount  
6 not to exceed \$20,000 for each offense as determined by  
7 the State Commission. A civil penalty shall be assessed by  
8 the State Commission after a hearing is held in accordance  
9 with the provisions set forth in this Act regarding the  
10 provision of a hearing for the revocation or suspension of  
11 a license.

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

18 (7) The State Commission shall establish uniform  
19 systems of accounts to be kept by all retail licensees  
20 having more than 4 employees, and for this purpose the  
21 State Commission may classify all retail licensees having  
22 more than 4 employees and establish a uniform system of  
23 accounts for each class and prescribe the manner in which  
24 such accounts shall be kept. The State Commission may also  
25 prescribe the forms of accounts to be kept by all retail  
26 licensees having more than 4 employees, including, but not

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

17 (8) In the conduct of any hearing authorized to be  
18 held by the State Commission, to appoint, at the  
19 commission's discretion, hearing officers to conduct  
20 hearings involving complex issues or issues that will  
21 require a protracted period of time to resolve, to  
22 examine, or cause to be examined, under oath, any  
23 licensee, and to examine or cause to be examined the books  
24 and records of such licensee; to hear testimony and take  
25 proof material for its information in the discharge of its  
26 duties hereunder; to administer or cause to be

1 administered oaths; for any such purpose to issue subpoena  
2 or subpoenas to require the attendance of witnesses and  
3 the production of books, which shall be effective in any  
4 part of this State, and to adopt rules to implement its  
5 powers under this paragraph (8).

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

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

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

22 (11) To develop industry educational programs related  
23 to responsible serving and selling, particularly in the  
24 areas of overserving consumers and illegal underage  
25 purchasing and consumption of alcoholic beverages.

26 (11.1) To license persons providing education and

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

10 (12) To develop and maintain a repository of license  
11 and regulatory information.

12 (13) (Blank).

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

21 (A) The amount of State excise and sales tax  
22 revenues generated.

23 (B) The amount of licensing fees received.

24 (C) The number of cases of wine shipped from  
25 inside and outside of this State directly to residents  
26 of this State.

1           (D) The number of alcohol compliance operations  
2 conducted.

3           (E) The number of winery shipper's licenses  
4 issued.

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

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

22           (16) The State Commission shall, in addition to  
23 notifying any appropriate law enforcement agency, submit  
24 notices of complaints or violations of Sections 6-29 and  
25 6-29.1 by persons who do not hold a winery shipper's  
26 license under this Act to the Illinois Attorney General

1 and to the U.S. Department of Treasury's Alcohol and  
2 Tobacco Tax and Trade Bureau.

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

19 (B) In the application, which shall be sworn under  
20 penalty of perjury, such person shall state (1) the date  
21 it was established; (2) its volume of production and sales  
22 for each year since its establishment; (3) its efforts to  
23 establish distributor relationships; (4) that a  
24 self-distribution exemption is necessary to facilitate the  
25 marketing of its wine; and (5) that it will comply with the  
26 liquor and revenue laws of the United States, this State,

1 and any other state where it is licensed.

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

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

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

8           (F) The State Commission shall issue regulations  
9 governing self-distribution exemptions consistent with  
10 this Section and this Act.

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

15           (H) It is the intent of this paragraph (17) to promote  
16 and continue orderly markets. The General Assembly finds  
17 that, in order to preserve Illinois' regulatory  
18 distribution system, it is necessary to create an  
19 exception for smaller makers of wine as their wines are  
20 frequently adjusted in varietals, mixes, vintages, and  
21 taste to find and create market niches sometimes too small  
22 for distributor or importing distributor business  
23 strategies. Limited self-distribution rights will afford  
24 and allow smaller makers of wine access to the marketplace  
25 in order to develop a customer base without impairing the  
26 integrity of the 3-tier system.

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

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

21           (C) Any application submitted shall be posted on the  
22 State Commission's website at least 45 days prior to  
23 action by the State Commission. The State Commission shall  
24 approve the application for a self-distribution exemption  
25 if the class 1 brewer licensee: (1) is in compliance with  
26 the State, revenue, and alcoholic beverage laws; (2) is

1 not a member of any affiliated group that manufactures,  
2 directly or indirectly, more than 930,000 gallons of beer  
3 per annum, 25,000 gallons of wine per annum, or 50,000  
4 gallons of spirits per annum; (3) shall not annually  
5 manufacture for sale more than 930,000 gallons of beer,  
6 25,000 gallons of wine, or 50,000 gallons of spirits; (4)  
7 shall not annually sell more than 232,500 gallons of its  
8 beer to retail licensees and class 3 brewers and to  
9 brewers, class 1 brewers, and class 2 brewers that,  
10 pursuant to subsection (e) of Section 6-4 of this Act,  
11 sell beer, cider, mead, or any combination thereof to  
12 non-licensees at their breweries; and (5) has relinquished  
13 any brew pub license held by the licensee, including any  
14 ownership interest it held in the licensed brew pub.

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

1 930,000 gallons of beer, 25,000 gallons of wine, or 50,000  
2 gallons of spirits.

3 (E) The State Commission shall issue rules and  
4 regulations governing self-distribution exemptions  
5 consistent with this Act.

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

16 (G) It is the intent of this paragraph (18) to promote  
17 and continue orderly markets. The General Assembly finds  
18 that in order to preserve Illinois' regulatory  
19 distribution system, it is necessary to create an  
20 exception for smaller manufacturers in order to afford and  
21 allow such smaller manufacturers of beer access to the  
22 marketplace in order to develop a customer base without  
23 impairing the integrity of the 3-tier system.

24 (19) (A) A class 1 craft distiller licensee or a  
25 non-resident dealer who manufactures less than 50,000  
26 gallons of distilled spirits per year may make application

1 to the State Commission for a self-distribution exemption  
2 to allow the sale of not more than 5,000 gallons of the  
3 exemption holder's spirits to retail licensees per year.

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

15 (C) Any application submitted shall be posted on the  
16 State Commission's website at least 45 days prior to  
17 action by the State Commission. The State Commission shall  
18 approve the application for a self-distribution exemption  
19 if the applicant: (1) is in compliance with State revenue  
20 and alcoholic beverage laws; (2) is not a member of any  
21 affiliated group that produces more than 50,000 gallons of  
22 spirits per annum, 930,000 gallons of beer per annum, or  
23 25,000 gallons of wine per annum; (3) does not annually  
24 manufacture for sale more than 50,000 gallons of spirits,  
25 930,000 gallons of beer, or 25,000 gallons of wine; and  
26 (4) does not annually sell more than 5,000 gallons of its

1 spirits to retail licensees.

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

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

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

22 (G) It is the intent of this paragraph (19) to promote  
23 and continue orderly markets. The General Assembly finds  
24 that in order to preserve Illinois' regulatory  
25 distribution system, it is necessary to create an  
26 exception for smaller manufacturers in order to afford and

1 allow such smaller manufacturers of spirits access to the  
2 marketplace in order to develop a customer base without  
3 impairing the integrity of the 3-tier system.

4 (20) (A) A class 3 brewer licensee who must manufacture  
5 less than 465,000 gallons of beer in the aggregate and not  
6 more than 155,000 gallons at any single brewery premises  
7 may make application to the State Commission for a  
8 self-distribution exemption to allow the sale of not more  
9 than 46,500 ~~6,200~~ gallons of beer from each in-state or  
10 out-of-state class 3 brewery premises, which shall not  
11 exceed 139,500 ~~18,600~~ gallons annually in the aggregate,  
12 that is manufactured at a wholly owned class 3 brewer's  
13 in-state or out-of-state licensed premises to retail  
14 licensees and class 3 brewers and to brewers, class 1  
15 brewers, class 2 brewers that, pursuant to subsection (e)  
16 of Section 6-4, sell beer, cider, or both beer and cider to  
17 non-licensees at their licensed breweries.

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

21 (1) the date it was established;

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

24 (3) its efforts to establish distributor  
25 relationships;

26 (4) that a self-distribution exemption is

1 necessary to facilitate the marketing of its beer; and

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

5 (C) Any application submitted shall be posted on the  
6 State Commission's website at least 45 days before action  
7 by the State Commission. The State Commission shall  
8 approve the application for a self-distribution exemption  
9 if the class 3 brewer licensee: (1) is in compliance with  
10 the State, revenue, and alcoholic beverage laws; (2) is  
11 not a member of any affiliated group that manufacturers,  
12 directly or indirectly, more than 465,000 gallons of beer  
13 per annum; (3) shall not annually manufacture for sale  
14 more than 465,000 gallons of beer or more than 155,000  
15 gallons at any single brewery premises; and (4) shall not  
16 annually sell more than 46,500 ~~67,200~~ gallons of beer from  
17 each in-state or out-of-state class 3 brewery premises,  
18 and shall not exceed 139,500 ~~18,600~~ gallons annually in  
19 the aggregate, to retail licensees and class 3 brewers and  
20 to brewers, class 1 brewers, and class 2 brewers that,  
21 pursuant to subsection (e) of Section 6-4 of this Act,  
22 sell beer, cider, or both beer and cider to non-licensees  
23 at their breweries.

24 (D) A self-distribution exemption holder shall  
25 annually certify to the State Commission its manufacture  
26 of beer during the previous 12 months and its anticipated

1 manufacture and sales of beer for the next 12 months. The  
2 State Commission may fine, suspend, or revoke a  
3 self-distribution exemption after a hearing if it finds  
4 that the exemption holder has made a material  
5 misrepresentation in its application, violated a revenue  
6 or alcoholic beverage law of Illinois, exceeded the  
7 manufacture of 465,000 gallons of beer in any calendar  
8 year or became part of an affiliated group manufacturing  
9 more than 465,000 gallons of beer, or exceeded the sale to  
10 retail licensees, brewers, class 1 brewers, class 2  
11 brewers, and class 3 brewers of 46,500 ~~6,200~~ gallons per  
12 brewery location or 139,500 ~~18,600~~ gallons in the  
13 aggregate.

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

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

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

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

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

14 As part of its report, the Commission shall provide the  
15 following information:

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

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

20 (iii) the number of reported violations, the number of  
21 cease and desist notices issued by the Commission, the  
22 number of notices of violations issued to the Department  
23 of Revenue, and the number of notices and complaints of  
24 violations to law enforcement officials.

25 (Source: P.A. 101-37, eff. 7-3-19; 101-81, eff. 7-12-19;  
26 101-482, eff. 8-23-19; 102-442, eff. 8-20-21; 102-558, eff.

1 8-20-21; 102-813, eff. 5-13-22.)

2 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

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

13 (b) Distributor's license,

14 (c) Importing Distributor's license,

15 (d) Retailer's license,

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

17 (f) Railroad license,

18 (g) Boat license,

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

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

21 (j) Airplane license,

22 (k) Foreign importer's license,

23 (l) Broker's license,

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

25 (n) Brew Pub license,

- 1 (o) Auction liquor license,
- 2 (p) Caterer retailer license,
- 3 (q) Special use permit license,
- 4 (r) Winery shipper's license,
- 5 (s) Craft distiller tasting permit,
- 6 (t) Brewer warehouse permit,
- 7 (u) Distilling pub license,
- 8 (v) Craft distiller warehouse permit,
- 9 (w) Beer showcase permit.

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

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

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

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

26 Class 3. A Brewer may make sales and deliveries of beer to

1 importing distributors and distributors and may make sales as  
2 authorized under subsection (e) of Section 6-4 of this Act,  
3 including any alcoholic liquor that subsection (e) of Section  
4 6-4 authorizes a brewer to sell in its original package only to  
5 a non-licensee for pick-up by a non-licensee either within the  
6 interior of the brewery premises or at outside of the brewery  
7 premises at a curb-side or parking lot adjacent to the brewery  
8 premises, subject to any local ordinance.

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

1 first-class wine-manufacturer premises to non-licensees.

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

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

1 that produces more than 50,000 gallons of spirits per year. A  
2 first-class wine-maker holding a class 1 brewer license or a  
3 class 1 craft distiller license shall not be eligible for a  
4 wine-maker's premises license but shall be permitted to sell  
5 wine manufactured at the first-class wine-maker premises to  
6 non-licensees.

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

1 shall not be a member of or affiliated with, directly or  
2 indirectly, a manufacturer that produces more than 100,000  
3 gallons of spirits per year.

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

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

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

1 current license, a class 1 brewer license, shall not  
2 manufacture more than 930,000 gallons of beer per year, and  
3 shall not be a member of or affiliated with, directly or  
4 indirectly, a manufacturer that produces more than 930,000  
5 gallons of beer per year. If a class 1 craft distiller  
6 manufactures wine, it shall also obtain and shall only be  
7 eligible for, in addition to any current license, a  
8 first-class wine-manufacturer license or a first-class  
9 wine-maker's license, shall not manufacture more than 50,000  
10 gallons of wine per year, and shall not be a member of or  
11 affiliated with, directly or indirectly, a manufacturer that  
12 produces more than 50,000 gallons of wine per year. A class 1  
13 craft distiller licensee may make sales and deliveries to  
14 importing distributors and distributors and to retail  
15 licensees in accordance with the conditions set forth in  
16 paragraph (19) of subsection (a) of Section 3-12 of this Act.  
17 However, the aggregate amount of spirits sold to non-licensees  
18 and sold or delivered to retail licensees may not exceed 5,000  
19 gallons per year.

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

1 aggregate more than 50,000 gallons of spirits per year.

2 A class 1 craft distiller licensee may hold more than one  
3 class 1 craft distiller's license. However, a class 1 craft  
4 distiller that holds more than one class 1 craft distiller  
5 license shall not manufacture, in the aggregate, more than  
6 50,000 gallons of spirits by distillation per year and shall  
7 not sell, in the aggregate, more than 5,000 gallons of such  
8 spirits to non-licensees in accordance with an exemption  
9 approved by the State Commission pursuant to Section 6-4 of  
10 this Act.

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

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

26 A class 2 craft distiller shall, prior to transferring

1 spirits to a distilling pub wholly owned by the class 2 craft  
2 distiller, furnish a written notice to the State Commission of  
3 intent to transfer spirits setting forth the name and address  
4 of the distilling pub and shall annually submit to the State  
5 Commission a verified report identifying the total gallons of  
6 spirits transferred to the distilling pub wholly owned by the  
7 class 2 craft distiller.

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

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

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

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

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

18 A class 2 brewer may transfer beer to a brew pub wholly  
19 owned and operated by the class 2 brewer subject to the  
20 following limitations and restrictions: (i) the transfer shall  
21 not annually exceed more than 31,000 gallons; (ii) the annual  
22 amount transferred shall reduce the brew pub's annual  
23 permitted production limit; (iii) all beer transferred shall  
24 be subject to Article VIII of this Act; (iv) a written record  
25 shall be maintained by the brewer and brew pub specifying the  
26 amount, date of delivery, and receipt of the product by the

1 brew pub; and (v) the brew pub shall be located no farther than  
2 80 miles from the class 2 brewer's licensed location.

3 A class 2 brewer shall, prior to transferring beer to a  
4 brew pub wholly owned by the class 2 brewer, furnish a written  
5 notice to the State Commission of intent to transfer beer  
6 setting forth the name and address of the brew pub and shall  
7 annually submit to the State Commission a verified report  
8 identifying the total gallons of beer transferred to the brew  
9 pub wholly owned by the class 2 brewer.

10 Class 14. A class 3 brewer license, which may be issued to  
11 a brewer or a non-resident dealer, shall allow the manufacture  
12 of no more than 465,000 gallons of beer per year and no more  
13 than 155,000 gallons at a single brewery premises, and shall  
14 allow the sale of no more than 46,500 ~~6,200~~ gallons of beer  
15 from each in-state or out-of-state class 3 brewery premises,  
16 or 139,500 ~~18,600~~ gallons in the aggregate, to retail  
17 licensees, class 1 brewers, class 2 brewers, and class 3  
18 brewers as long as the class 3 brewer licensee does not  
19 manufacture more than a combined 465,000 gallons of beer per  
20 year and is not a member of or affiliated with, directly or  
21 indirectly, a manufacturer that produces more than 465,000  
22 gallons of beer per year to make sales to importing  
23 distributors, distributors, retail licensees, brewers, class 1  
24 brewers, class 2 brewers, and class 3 brewers in accordance  
25 with the conditions set forth in paragraph (20) of subsection  
26 (a) of Section 3-12. If the State Commission provides prior

1 approval, a class 3 brewer may annually transfer up to 155,000  
2 gallons of beer manufactured by that class 3 brewer to the  
3 premises of a licensed class 3 brewer wholly owned and  
4 operated by the same licensee. A class 3 brewer shall  
5 manufacture beer at the brewer's class 3 designated licensed  
6 premises, and may sell beer as otherwise provided in this Act.

7 (a-1) A manufacturer which is licensed in this State to  
8 make sales or deliveries of alcoholic liquor to licensed  
9 distributors or importing distributors and which enlists  
10 agents, representatives, or individuals acting on its behalf  
11 who contact licensed retailers on a regular and continual  
12 basis in this State must register those agents,  
13 representatives, or persons acting on its behalf with the  
14 State Commission.

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

1 misleading statements, evasions, or suppression of material  
2 facts in the securing of a registration are grounds for  
3 suspension or revocation of the registration. The State  
4 Commission shall post a list of registered agents on the  
5 Commission's website.

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

21 (c) An importing distributor's license may be issued to  
22 and held by those only who are duly licensed distributors,  
23 upon the filing of an application by a duly licensed  
24 distributor, with the Commission and the Commission shall,  
25 without the payment of any fee, immediately issue such  
26 importing distributor's license to the applicant, which shall

1 allow the importation of alcoholic liquor by the licensee into  
2 this State from any point in the United States outside this  
3 State, and the purchase of alcoholic liquor in barrels, casks  
4 or other bulk containers and the bottling of such alcoholic  
5 liquors before resale thereof, but all bottles or containers  
6 so filled shall be sealed, labeled, stamped and otherwise made  
7 to comply with all provisions, rules and regulations governing  
8 manufacturers in the preparation and bottling of alcoholic  
9 liquors. The importing distributor's license shall permit such  
10 licensee to purchase alcoholic liquor from Illinois licensed  
11 non-resident dealers and foreign importers only. No person  
12 licensed as an importing distributor shall be granted a  
13 non-resident dealer's license.

14 (d) A retailer's license shall allow the licensee to sell  
15 and offer for sale at retail, only in the premises specified in  
16 the license, alcoholic liquor for use or consumption, but not  
17 for resale in any form. Except as provided in Section 6-16,  
18 6-29, or 6-29.1, nothing in this Act shall deny, limit,  
19 remove, or restrict the ability of a holder of a retailer's  
20 license to transfer or ship alcoholic liquor to the purchaser  
21 for use or consumption subject to any applicable local law or  
22 ordinance. For the purposes of this Section, "shipping" means  
23 the movement of alcoholic liquor from a licensed retailer to a  
24 consumer via a common carrier. Except as provided in Section  
25 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit,  
26 remove, or restrict the ability of a holder of a retailer's

1 license to deliver alcoholic liquor to the purchaser for use  
2 or consumption. The delivery shall be made only within 12  
3 hours from the time the alcoholic liquor leaves the licensed  
4 premises of the retailer for delivery. For the purposes of  
5 this Section, "delivery" means the movement of alcoholic  
6 liquor purchased from a licensed retailer to a consumer  
7 through the following methods:

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

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

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

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

17 Any retail license issued to a manufacturer shall only  
18 permit the manufacturer to sell beer at retail on the premises  
19 actually occupied by the manufacturer. For the purpose of  
20 further describing the type of business conducted at a retail  
21 licensed premises, a retailer's licensee may be designated by  
22 the State Commission as (i) an on premise consumption  
23 retailer, (ii) an off premise sale retailer, or (iii) a  
24 combined on premise consumption and off premise sale retailer.

25 Except for a municipality with a population of more than  
26 1,000,000 inhabitants, a home rule unit may not regulate the

1 delivery of alcoholic liquor inconsistent with this  
2 subsection. This paragraph is a limitation under subsection  
3 (i) of Section 6 of Article VII of the Illinois Constitution on  
4 the concurrent exercise by home rule units of powers and  
5 functions exercised by the State. A non-home rule municipality  
6 may not regulate the delivery of alcoholic liquor inconsistent  
7 with this subsection.

8 Notwithstanding any other provision of this subsection  
9 (d), a retail licensee may sell alcoholic liquors to a special  
10 event retailer licensee for resale to the extent permitted  
11 under subsection (e).

12 (e) A special event retailer's license (not-for-profit)  
13 shall permit the licensee to purchase alcoholic liquors from  
14 an Illinois licensed distributor (unless the licensee  
15 purchases less than \$500 of alcoholic liquors for the special  
16 event, in which case the licensee may purchase the alcoholic  
17 liquors from a licensed retailer) and shall allow the licensee  
18 to sell and offer for sale, at retail, alcoholic liquors for  
19 consumption on or off the premises specified in the license  
20 ~~for use or consumption~~, but not for resale in any form and only  
21 at the location and on the specific dates designated for the  
22 special event in the license. An applicant for a special event  
23 retailer license must (i) furnish with the application: (A) a  
24 resale number issued under Section 2c of the Retailers'  
25 Occupation Tax Act or evidence that the applicant is  
26 registered under Section 2a of the Retailers' Occupation Tax

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

17 Nothing in this Act prohibits an Illinois licensed  
18 distributor from offering credit or a refund for unused,  
19 salable alcoholic liquors to a holder of a special event  
20 retailer's license or the special event retailer's licensee  
21 from accepting the credit or refund of alcoholic liquors at  
22 the conclusion of the event specified in the license.

23 (f) A railroad license shall permit the licensee to import  
24 alcoholic liquors into this State from any point in the United  
25 States outside this State and to store such alcoholic liquors  
26 in this State; to make wholesale purchases of alcoholic

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

18 (g) A boat license shall allow the sale of alcoholic  
19 liquor in individual drinks, on any passenger boat regularly  
20 operated as a common carrier on navigable waters in this State  
21 or on any riverboat operated under the Illinois Gambling Act,  
22 which boat or riverboat maintains a public dining room or  
23 restaurant thereon.

24 (h) A non-beverage user's license shall allow the licensee  
25 to purchase alcoholic liquor from a licensed manufacturer or  
26 importing distributor, without the imposition of any tax upon

1 the business of such licensed manufacturer or importing  
 2 distributor as to such alcoholic liquor to be used by such  
 3 licensee solely for the non-beverage purposes set forth in  
 4 subsection (a) of Section 8-1 of this Act, and such licenses  
 5 shall be divided and classified and shall permit the purchase,  
 6 possession and use of limited and stated quantities of  
 7 alcoholic liquor as follows:

- 8 Class 1, not to exceed ..... 500 gallons
- 9 Class 2, not to exceed ..... 1,000 gallons
- 10 Class 3, not to exceed ..... 5,000 gallons
- 11 Class 4, not to exceed ..... 10,000 gallons
- 12 Class 5, not to exceed ..... 50,000 gallons

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

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

19 (j) An airplane license shall permit the licensee to  
20 import alcoholic liquors into this State from any point in the  
21 United States outside this State and to store such alcoholic  
22 liquors in this State; to make wholesale purchases of  
23 alcoholic liquors directly from manufacturers, foreign  
24 importers, distributors and importing distributors from within  
25 or outside this State; and to store such alcoholic liquors in  
26 this State; provided that the above powers may be exercised

1 only in connection with the importation, purchase or storage  
2 of alcoholic liquors to be sold or dispensed on an airplane;  
3 and provided further, that airplane licensees exercising the  
4 above powers shall be subject to all provisions of Article  
5 VIII of this Act as applied to importing distributors. An  
6 airplane licensee shall also permit the sale or dispensing of  
7 alcoholic liquors on any passenger airplane regularly operated  
8 by a common carrier in this State, but shall not permit the  
9 sale for resale of any alcoholic liquors to any licensee  
10 within this State. A single airplane license shall be required  
11 of an airline company if liquor service is provided on board  
12 aircraft in this State. The annual fee for such license shall  
13 be as determined in Section 5-3.

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

1 Sections 6-5 and 6-6 of this Act to the same extent that these  
2 provisions apply to manufacturers.

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

13 No holder of a retailer's license issued by the Illinois  
14 Liquor Control Commission shall purchase or receive any  
15 alcoholic liquor, the order for which was solicited or offered  
16 for sale to such retailer by a broker unless the broker is the  
17 holder of a valid broker's license.

18 The broker shall, upon the acceptance by a retailer of the  
19 broker's solicitation of an order or offer to sell or supply or  
20 deliver or have delivered alcoholic liquors, promptly forward  
21 to the Illinois Liquor Control Commission a notification of  
22 said transaction in such form as the Commission may by  
23 regulations prescribe.

24 (ii) A broker's license shall be required of a person  
25 within this State, other than a retail licensee, who, for a fee  
26 or commission, promotes, solicits, or accepts orders for

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

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

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

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

20 (m) A non-resident dealer's license shall permit such  
21 licensee to ship into and warehouse alcoholic liquor into this  
22 State from any point outside of this State, and to sell such  
23 alcoholic liquor to Illinois licensed foreign importers and  
24 importing distributors and to no one else in this State;  
25 provided that (i) said non-resident dealer shall register with  
26 the Illinois Liquor Control Commission each and every brand of

1 alcoholic liquor which it proposes to sell to Illinois  
2 licensees during the license period, (ii) it shall comply with  
3 all of the provisions of Section 6-9 hereof with respect to  
4 registration of such Illinois licensees as may be granted the  
5 right to sell such brands at wholesale by duly filing such  
6 registration statement, thereby authorizing the non-resident  
7 dealer to proceed to sell such brands at wholesale, and (iii)  
8 the non-resident dealer shall comply with the provisions of  
9 Sections 6-5 and 6-6 of this Act to the same extent that these  
10 provisions apply to manufacturers. No person licensed as a  
11 non-resident dealer shall be granted a distributor's or  
12 importing distributor's license.

13 (n) A brew pub license shall allow the licensee to only (i)  
14 manufacture up to 155,000 gallons of beer per year only on the  
15 premises specified in the license, (ii) make sales of the beer  
16 manufactured on the premises or, with the approval of the  
17 Commission, beer manufactured on another brew pub licensed  
18 premises that is wholly owned and operated by the same  
19 licensee to importing distributors, distributors, and to  
20 non-licensees for use and consumption, (iii) store the beer  
21 upon the premises, (iv) sell and offer for sale at retail from  
22 the licensed premises for off-premises consumption no more  
23 than 155,000 gallons per year so long as such sales are only  
24 made in-person, (v) sell and offer for sale at retail for use  
25 and consumption on the premises specified in the license any  
26 form of alcoholic liquor purchased from a licensed distributor

1 or importing distributor, (vi) with the prior approval of the  
2 Commission, annually transfer no more than 155,000 gallons of  
3 beer manufactured on the premises to a licensed brew pub  
4 wholly owned and operated by the same licensee, and (vii)  
5 notwithstanding item (i) of this subsection, brew pubs wholly  
6 owned and operated by the same licensee may combine each  
7 location's production limit of 155,000 gallons of beer per  
8 year and allocate the aggregate total between the wholly  
9 owned, operated, and licensed locations.

10 A brew pub licensee shall not under any circumstance sell  
11 or offer for sale beer manufactured by the brew pub licensee to  
12 retail licensees.

13 A person who holds a class 2 brewer license may  
14 simultaneously hold a brew pub license if the class 2 brewer  
15 (i) does not, under any circumstance, sell or offer for sale  
16 beer manufactured by the class 2 brewer to retail licensees;  
17 (ii) does not hold more than 3 brew pub licenses in this State;  
18 (iii) does not manufacture more than a combined 3,720,000  
19 gallons of beer per year, including the beer manufactured at  
20 the brew pub; and (iv) is not a member of or affiliated with,  
21 directly or indirectly, a manufacturer that produces more than  
22 3,720,000 gallons of beer per year or any other alcoholic  
23 liquor.

24 Notwithstanding any other provision of this Act, a  
25 licensed brewer, class 2 brewer, or non-resident dealer who  
26 before July 1, 2015 manufactured less than 3,720,000 gallons

1 of beer per year and held a brew pub license on or before July  
2 1, 2015 may (i) continue to qualify for and hold that brew pub  
3 license for the licensed premises and (ii) manufacture more  
4 than 3,720,000 gallons of beer per year and continue to  
5 qualify for and hold that brew pub license if that brewer,  
6 class 2 brewer, or non-resident dealer does not simultaneously  
7 hold a class 1 brewer license and is not a member of or  
8 affiliated with, directly or indirectly, a manufacturer that  
9 produces more than 3,720,000 gallons of beer per year or that  
10 produces any other alcoholic liquor.

11 A brew pub licensee may apply for a class 3 brewer license  
12 and, upon meeting all applicable qualifications of this Act  
13 and relinquishing all commonly owned brew pub or retail  
14 licenses, shall be issued a class 3 brewer license. Nothing in  
15 this Act shall prohibit the issuance of a class 3 brewer  
16 license if the applicant:

17 (1) has a valid retail license on or before May 1,  
18 2021;

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

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

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

26 If a brew pub licensee is issued a class 3 brewer license,

1 the class 3 brewer license shall expire on the same date as the  
2 existing brew pub license and the State Commission shall not  
3 require a class 3 brewer licensee to obtain a brewer license,  
4 or in the alternative to pay a fee for a brewer license, until  
5 the date the brew pub license of the applicant would have  
6 expired.

7 (o) A caterer retailer license shall allow the holder to  
8 serve alcoholic liquors as an incidental part of a food  
9 service that serves prepared meals which excludes the serving  
10 of snacks as the primary meal, either on or off-site whether  
11 licensed or unlicensed. A caterer retailer license shall allow  
12 the holder, a distributor, or an importing distributor to  
13 transfer any inventory to and from the holder's retail  
14 premises and shall allow the holder to purchase alcoholic  
15 liquor from a distributor or importing distributor to be  
16 delivered directly to an off-site event.

17 Nothing in this Act prohibits a distributor or importing  
18 distributor from offering credit or a refund for unused,  
19 salable beer to a holder of a caterer retailer license or a  
20 caterer retailer licensee from accepting a credit or refund  
21 for unused, salable beer, in the event an act of God is the  
22 sole reason an off-site event is cancelled and if: (i) the  
23 holder of a caterer retailer license has not transferred  
24 alcoholic liquor from its caterer retailer premises to an  
25 off-site location; (ii) the distributor or importing  
26 distributor offers the credit or refund for the unused,

1 salable beer that it delivered to the off-site premises and  
2 not for any unused, salable beer that the distributor or  
3 importing distributor delivered to the caterer retailer's  
4 premises; and (iii) the unused, salable beer would likely  
5 spoil if transferred to the caterer retailer's premises. A  
6 caterer retailer license shall allow the holder to transfer  
7 any inventory from any off-site location to its caterer  
8 retailer premises at the conclusion of an off-site event or  
9 engage a distributor or importing distributor to transfer any  
10 inventory from any off-site location to its caterer retailer  
11 premises at the conclusion of an off-site event, provided that  
12 the distributor or importing distributor issues bona fide  
13 charges to the caterer retailer licensee for fuel, labor, and  
14 delivery and the distributor or importing distributor collects  
15 payment from the caterer retailer licensee prior to the  
16 distributor or importing distributor transferring inventory to  
17 the caterer retailer premises.

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

22 (p) An auction liquor license shall allow the licensee to  
23 sell and offer for sale at auction wine and spirits for use or  
24 consumption, or for resale by an Illinois liquor licensee in  
25 accordance with provisions of this Act. An auction liquor  
26 license will be issued to a person and it will permit the

1 auction liquor licensee to hold the auction anywhere in the  
2 State. An auction liquor license must be obtained for each  
3 auction at least 14 days in advance of the auction date.

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

22 A special use permit license shall allow the holder to  
23 transfer any inventory from the holder's special use premises  
24 to its retail premises at the conclusion of the special use  
25 event or engage a distributor or importing distributor to  
26 transfer any inventory from the holder's special use premises

1 to its retail premises at the conclusion of an off-site event,  
2 provided that the distributor or importing distributor issues  
3 bona fide charges to the special use permit licensee for fuel,  
4 labor, and delivery and the distributor or importing  
5 distributor collects payment from the retail licensee prior to  
6 the distributor or importing distributor transferring  
7 inventory to the retail premises.

8 Nothing in this Act prohibits a distributor or importing  
9 distributor from offering credit or a refund for unused,  
10 salable beer to a special use permit licensee or a special use  
11 permit licensee from accepting a credit or refund for unused,  
12 salable beer at the conclusion of the event specified in the  
13 license if: (i) the holder of the special use permit license  
14 has not transferred alcoholic liquor from its retail licensed  
15 premises to the premises specified in the special use permit  
16 license; (ii) the distributor or importing distributor offers  
17 the credit or refund for the unused, salable beer that it  
18 delivered to the premises specified in the special use permit  
19 license and not for any unused, salable beer that the  
20 distributor or importing distributor delivered to the  
21 retailer's premises; and (iii) the unused, salable beer would  
22 likely spoil if transferred to the retailer premises.

23 (r) A winery shipper's license shall allow a person with a  
24 first-class or second-class wine manufacturer's license, a  
25 first-class or second-class wine-maker's license, or a limited  
26 wine manufacturer's license or who is licensed to make wine

1 under the laws of another state to ship wine made by that  
2 licensee directly to a resident of this State who is 21 years  
3 of age or older for that resident's personal use and not for  
4 resale. Prior to receiving a winery shipper's license, an  
5 applicant for the license must provide the Commission with a  
6 true copy of its current license in any state in which it is  
7 licensed as a manufacturer of wine. An applicant for a winery  
8 shipper's license must also complete an application form that  
9 provides any other information the Commission deems necessary.  
10 The application form shall include all addresses from which  
11 the applicant for a winery shipper's license intends to ship  
12 wine, including the name and address of any third party,  
13 except for a common carrier, authorized to ship wine on behalf  
14 of the manufacturer. The application form shall include an  
15 acknowledgement consenting to the jurisdiction of the  
16 Commission, the Illinois Department of Revenue, and the courts  
17 of this State concerning the enforcement of this Act and any  
18 related laws, rules, and regulations, including authorizing  
19 the Department of Revenue and the Commission to conduct audits  
20 for the purpose of ensuring compliance with Public Act 95-634,  
21 and an acknowledgement that the wine manufacturer is in  
22 compliance with Section 6-2 of this Act. Any third party,  
23 except for a common carrier, authorized to ship wine on behalf  
24 of a first-class or second-class wine manufacturer's licensee,  
25 a first-class or second-class wine-maker's licensee, a limited  
26 wine manufacturer's licensee, or a person who is licensed to

1 make wine under the laws of another state shall also be  
2 disclosed by the winery shipper's licensee, and a copy of the  
3 written appointment of the third-party wine provider, except  
4 for a common carrier, to the wine manufacturer shall be filed  
5 with the State Commission as a supplement to the winery  
6 shipper's license application or any renewal thereof. The  
7 winery shipper's license holder shall affirm under penalty of  
8 perjury, as part of the winery shipper's license application  
9 or renewal, that he or she only ships wine, either directly or  
10 indirectly through a third-party provider, from the licensee's  
11 own production.

12 Except for a common carrier, a third-party provider  
13 shipping wine on behalf of a winery shipper's license holder  
14 is the agent of the winery shipper's license holder and, as  
15 such, a winery shipper's license holder is responsible for the  
16 acts and omissions of the third-party provider acting on  
17 behalf of the license holder. A third-party provider, except  
18 for a common carrier, that engages in shipping wine into  
19 Illinois on behalf of a winery shipper's license holder shall  
20 consent to the jurisdiction of the State Commission and the  
21 State. Any third-party, except for a common carrier, holding  
22 such an appointment shall, by February 1 of each calendar year  
23 and upon request by the State Commission or the Department of  
24 Revenue, file with the State Commission a statement detailing  
25 each shipment made to an Illinois resident. The statement  
26 shall include the name and address of the third-party provider

1 filing the statement, the time period covered by the  
2 statement, and the following information:

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

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

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

7 If the Department of Revenue or the State Commission requests  
8 a statement under this paragraph, the third-party provider  
9 must provide that statement no later than 30 days after the  
10 request is made. Any books, records, supporting papers, and  
11 documents containing information and data relating to a  
12 statement under this paragraph shall be kept and preserved for  
13 a period of 3 years, unless their destruction sooner is  
14 authorized, in writing, by the Director of Revenue, and shall  
15 be open and available to inspection by the Director of Revenue  
16 or the State Commission or any duly authorized officer, agent,  
17 or employee of the State Commission or the Department of  
18 Revenue, at all times during business hours of the day. Any  
19 person who violates any provision of this paragraph or any  
20 rule of the State Commission for the administration and  
21 enforcement of the provisions of this paragraph is guilty of a  
22 Class C misdemeanor. In case of a continuing violation, each  
23 day's continuance thereof shall be a separate and distinct  
24 offense.

25 The State Commission shall adopt rules as soon as  
26 practicable to implement the requirements of Public Act 99-904

1 and shall adopt rules prohibiting any such third-party  
2 appointment of a third-party provider, except for a common  
3 carrier, that has been deemed by the State Commission to have  
4 violated the provisions of this Act with regard to any winery  
5 shipper licensee.

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

25 A winery shipper licensee must collect, maintain, and  
26 submit to the Commission on a semi-annual basis the total

1 number of cases per resident of wine shipped to residents of  
2 this State. A winery shipper licensed under this subsection  
3 (r) must comply with the requirements of Section 6-29 of this  
4 Act.

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

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

14 (s) A craft distiller tasting permit license shall allow  
15 an Illinois licensed class 1 craft distiller or class 2 craft  
16 distiller to transfer a portion of its alcoholic liquor  
17 inventory from its class 1 craft distiller or class 2 craft  
18 distiller licensed premises to the premises specified in the  
19 license hereby created and to conduct a sampling, only in the  
20 premises specified in the license hereby created, of the  
21 transferred alcoholic liquor in accordance with subsection (c)  
22 of Section 6-31 of this Act. The transferred alcoholic liquor  
23 may not be sold or resold in any form. An applicant for the  
24 craft distiller tasting permit license must also submit with  
25 the application proof satisfactory to the State Commission  
26 that the applicant will provide dram shop liability insurance

1 to the maximum limits and have local authority approval.

2 (t) A brewer warehouse permit may be issued to the holder  
3 of a class 1 brewer license or a class 2 brewer license. If the  
4 holder of the permit is a class 1 brewer licensee, the brewer  
5 warehouse permit shall allow the holder to store or warehouse  
6 up to 930,000 gallons of tax-determined beer manufactured by  
7 the holder of the permit at the premises specified on the  
8 permit. If the holder of the permit is a class 2 brewer  
9 licensee, the brewer warehouse permit shall allow the holder  
10 to store or warehouse up to 3,720,000 gallons of  
11 tax-determined beer manufactured by the holder of the permit  
12 at the premises specified on the permit. Sales to  
13 non-licensees are prohibited at the premises specified in the  
14 brewer warehouse permit.

15 (u) A distilling pub license shall allow the licensee to  
16 only (i) manufacture up to 5,000 gallons of spirits per year  
17 only on the premises specified in the license, (ii) make sales  
18 of the spirits manufactured on the premises or, with the  
19 approval of the State Commission, spirits manufactured on  
20 another distilling pub licensed premises that is wholly owned  
21 and operated by the same licensee to importing distributors  
22 and distributors and to non-licensees for use and consumption,  
23 (iii) store the spirits upon the premises, (iv) sell and offer  
24 for sale at retail from the licensed premises for off-premises  
25 consumption no more than 5,000 gallons per year so long as such  
26 sales are only made in-person, (v) sell and offer for sale at

1 retail for use and consumption on the premises specified in  
2 the license any form of alcoholic liquor purchased from a  
3 licensed distributor or importing distributor, and (vi) with  
4 the prior approval of the State Commission, annually transfer  
5 no more than 5,000 gallons of spirits manufactured on the  
6 premises to a licensed distilling pub wholly owned and  
7 operated by the same licensee.

8 A distilling pub licensee shall not under any circumstance  
9 sell or offer for sale spirits manufactured by the distilling  
10 pub licensee to retail licensees.

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

22 (v) A craft distiller warehouse permit may be issued to  
23 the holder of a class 1 craft distiller or class 2 craft  
24 distiller license. The craft distiller warehouse permit shall  
25 allow the holder to store or warehouse up to 500,000 gallons of  
26 spirits manufactured by the holder of the permit at the

1 premises specified on the permit. Sales to non-licensees are  
2 prohibited at the premises specified in the craft distiller  
3 warehouse permit.

4 (w) A beer showcase permit license may not be issued on or  
5 after July 1, 2025; except that, a beer showcase permit  
6 license may be issued to an Illinois-licensed distributor or  
7 class 3 brewer that has held a beer showcase permit license on  
8 or before July 1, 2025. A beer showcase permit license shall  
9 allow an Illinois-licensed distributor to transfer a portion  
10 of its beer inventory from its licensed premises to the  
11 premises specified in the beer showcase permit license, and,  
12 in the case of a class 3 brewer, transfer only beer the class 3  
13 brewer manufactures from its licensed premises to the premises  
14 specified in the beer showcase permit license; and to sell or  
15 offer for sale at retail, only in the premises specified in the  
16 beer showcase permit license, the transferred or delivered  
17 beer for on or off premise consumption, but not for resale in  
18 any form and to sell to non-licensees not more than 96 fluid  
19 ounces of beer per person. A beer showcase permit license may  
20 be granted for the following time periods: one day or less; or  
21 2 or more days to a maximum of 15 days per location in any  
22 12-month period. An applicant for a beer showcase permit  
23 license must also submit with the application proof  
24 satisfactory to the State Commission that the applicant will  
25 provide dram shop liability insurance to the maximum limits  
26 and have local authority approval. The State Commission shall

1 require the beer showcase applicant to comply with Section  
2 6-27.1.

3 (Source: P.A. 101-16, eff. 6-14-19; 101-31, eff. 6-28-19;  
4 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff.  
5 8-23-19; 101-615, eff. 12-20-19; 101-668, eff. 1-1-22;  
6 102-442, eff. 8-20-21; 102-1142, eff. 2-17-23.)

7 (235 ILCS 5/6-40 new)

8 Sec. 6-40. Consumer loyalty and reward programs.

9 (a) In this Section:

10 "Loyalty program" means a structured program used by a  
11 retail licensee or manufacturer with retail privileges  
12 licensed under this Act to encourage participants to continue  
13 to shop at the retail licensee's or manufacturer with retail  
14 privileges's business by allowing participants access to  
15 special pricing on products by virtue of being a member of a  
16 bona fide loyalty program.

17 "Mug club" means a group organized by a retail licensee or  
18 a manufacturer with retail privileges licensed under this Act  
19 whose members are entitled to discounted malt, brewed, or  
20 distilled beverages and that is designed to allow a consumer  
21 to access rewards for purchases made on the retail licensee's  
22 premises or manufacturer with retail privileges's premises.  
23 "Mug club" includes, but is not limited to, point accumulation  
24 programs, the purchase and use of specialty glassware, and the  
25 purchase and use of non-alcoholic beverage products.

1       "Rewards program" means a structured program used by a  
2 retail licensee or manufacturer with retail privileges  
3 licensed under this Act to encourage participants to continue  
4 to shop at the retail licensee's or manufacturer with retail  
5 privileges licensed business by allowing participants to  
6 accrue program benefits, in the form of points or other  
7 accrual-based methods of reward, through the purchase of  
8 alcoholic beverages, to be redeemed in the form of a discount  
9 upon a subsequent transaction on alcoholic or non-alcoholic  
10 products.

11       (b) A retail licensee or manufacturer with retail  
12 privileges may do any of the following:

13           (1) Operate a loyalty program, reward program, or mug  
14 club for alcoholic beverages that the retail licensee or  
15 manufacturer with retail privileges is licensed to sell so  
16 long as the price of the product is not below the retail  
17 licensee's or manufacturer with retail privileges' costs.

18           (2) Offer incentives to consumers for participation in  
19 a rewards program, loyalty program, or mug club.

20           (3) Offer consumers discounts on its products as part  
21 of a rewards program, loyalty program, or mug club.

22           (4) Offer benefits to members or participants of a  
23 rewards program, loyalty program, or mug club that are not  
24 offered to other consumers.

25           (5) Offer specialty glassware or other non-alcoholic  
26 products for sale to members or participants in a rewards

1       program, loyalty program, or mug club and offer a price  
2       discount to the owner of that glassware on additional  
3       purchases using the glassware.

4       (6) Require members or participants in a rewards  
5       program, loyalty program, or mug club to pay an annual fee  
6       as well as a renewal fee to join or maintain membership or  
7       continue participation in a rewards program, loyalty  
8       program, or mug club.

9       (c) Membership in a mug club shall be by written  
10      application and the licensee that organized the mug club must  
11      maintain a written list of active members as part of its  
12      records.

13       Section 99. Effective date. This Act takes effect upon  
14      becoming law.".