

Rep. Michael J. Zalewski

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Class 14. Class 3 Brewer,

10200SB1001ham001 LRB102 04809 RPS 42334 a 1 AMENDMENT TO SENATE BILL 1001 2 AMENDMENT NO. . Amend Senate Bill 1001 on page 1, line 5, by replacing "Section" with "Sections 5-1 and"; and 3 on page 1, immediately below line 5, by inserting the 4 5 following: "(235 ILCS 5/5-1) (from Ch. 43, par. 115) 6 7 Sec. 5-1. Licenses issued by the Illinois Liquor Control 8 Commission shall be of the following classes: (a) Manufacturer's license - Class 1. Distiller, Class 2. 9 Rectifier, Class 3. Brewer, Class 4. First Class Wine 10 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 11 12 6. First Class Winemaker, Class 7. Second Class Winemaker, 13 Class 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class 10. Class 1 Craft Distiller, Class 11. Class 2 Craft 14

Distiller, Class 12. Class 1 Brewer, Class 13. Class 2 Brewer,

- 1 (b) Distributor's license,
- 2 (c) Importing Distributor's license,
- 3 (d) Retailer's license,
- 4 (e) Special Event Retailer's license (not-for-profit),
- 5 (f) Railroad license,
- 6 (q) Boat license,
- 7 (h) Non-Beverage User's license,
- 8 (i) Wine-maker's premises license,
- 9 (j) Airplane license,
- 10 (k) Foreign importer's license,
- 11 (1) Broker's license,
- 12 (m) Non-resident dealer's license,
- 13 (n) Brew Pub license,
- 14 (o) Auction liquor license,
- 15 (p) Caterer retailer license,
- 16 (q) Special use permit license,
- 17 (r) Winery shipper's license,
- 18 (s) Craft distiller tasting permit,
- 19 (t) Brewer warehouse permit,
- 20 (u) Distilling pub license,
- 21 (v) Craft distiller warehouse permit,
- 22 (w) Beer showcase permit.
- No person, firm, partnership, corporation, or other legal
- 24 business entity that is engaged in the manufacturing of wine
- 25 may concurrently obtain and hold a wine-maker's license and a
- wine manufacturer's license.

- 1 (a) A manufacturer's license shall allow the manufacture,
- 2 importation in bulk, storage, distribution and sale of
- 3 alcoholic liquor to persons without the State, as may be
- 4 permitted by law and to licensees in this State as follows:
- 5 Class 1. A Distiller may make sales and deliveries of
- 6 alcoholic liquor to distillers, rectifiers, importing
- distributors, distributors and non-beverage users and to no
- 8 other licensees.
- 9 Class 2. A Rectifier, who is not a distiller, as defined
- 10 herein, may make sales and deliveries of alcoholic liquor to
- 11 rectifiers, importing distributors, distributors, retailers
- and non-beverage users and to no other licensees.
- 13 Class 3. A Brewer may make sales and deliveries of beer to
- 14 importing distributors and distributors and may make sales as
- authorized under subsection (e) of Section 6-4 of this Act,
- including any alcoholic liquor that subsection (e) of Section
- 17 6-4 authorizes a brewer to sell in its original package only to
- a non-licensee for pick-up by a non-licensee either within the
- interior of the brewery premises or at outside of the brewery
- 20 premises at a curb-side or parking lot adjacent to the brewery
- 21 premises, subject to any local ordinance.
- 22 Class 4. A first class wine-manufacturer may make sales
- 23 and deliveries of up to 50,000 gallons of wine to
- 24 manufacturers, importing distributors and distributors, and to
- 25 no other licensees. If a first-class wine-manufacturer
- 26 manufactures beer, it shall also obtain and shall only be

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

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

Class 6. A first-class wine-maker's license shall allow the manufacture of up to 50,000 gallons of wine per year, and the storage and sale of such wine to distributors in the State and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public Act 95-634), is a holder of a first-class wine-maker's license and annually produces more than 25,000 gallons of its own wine and who distributes its wine to licensed retailers shall cease

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this practice on or before July 1, 2008 in compliance with Public Act 95-634. If a first-class wine-maker manufactures beer, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 brewer license, shall not manufacture more than 930,000 gallons of beer per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year. If the first-class wine-maker manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 craft distiller license, shall not manufacture more than 50,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year. A first-class wine-maker holding a class 1 brewer license or a class 1 craft distiller license shall not be eliqible for a wine-maker's premises license but shall be permitted to sell wine manufactured at the first-class wine-maker premises to non-licensees.

Class 7. A second-class wine-maker's license shall allow the manufacture of up to 150,000 gallons of wine per year, and the storage and sale of such wine to distributors in this State and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public Act 95-634), is a holder of a second-class wine-maker's license and annually produces more than 25,000 gallons of its

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1 own wine and who distributes its wine to licensed retailers shall cease this practice on or before July 1, 2008 in 2 compliance with Public Act 95-634. If a second-class 3 4 wine-maker manufactures beer, it shall also obtain and shall 5 only be eligible for, in addition to any current license, a class 2 brewer license, shall not manufacture more than 6 3,720,000 gallons of beer per year, and shall not be a member 7 8 of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year. If 9 10 a second-class wine-maker manufactures spirits, it shall also 11 obtain and shall only be eligible for, in addition to any current license, a class 2 craft distiller license, shall not 12 13 manufacture more than 100,000 gallons of spirits per year, and 14 shall not be a member of or affiliated with, directly or 15 indirectly, a manufacturer that produces more than 100,000 16 gallons of spirits per year.

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

Class 9. A craft distiller license, which may only be held by a class 1 craft distiller licensee or class 2 craft distiller licensee but not held by both a class 1 craft distiller licensee and a class 2 craft distiller licensee, shall grant all rights conveyed by either: (i) a class 1 craft distiller license if the craft distiller holds a class 1 craft

1 distiller license; or (ii) a class 2 craft distiller licensee

if the craft distiller holds a class 2 craft distiller

license. 3

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4 Class 10. A class 1 craft distiller license, which may 5 only be issued to a licensed craft distiller or licensed non-resident dealer, shall allow the manufacture of up to 6 50,000 gallons of spirits per year provided that the class 1 7 craft distiller licensee does not manufacture more than a 9 combined 50,000 gallons of spirits per year and is not a member 10 of or affiliated with, directly or indirectly, a manufacturer 11 that produces more than 50,000 gallons of spirits per year. If a class 1 craft distiller manufactures beer, it shall also 12 obtain and shall only be eligible for, in addition to any 13 14 current license, a class 1 brewer license, shall 15 manufacture more than 930,000 gallons of beer per year, and 16 shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 17 gallons of beer per year. If a class 1 craft distiller 18 manufactures wine, it shall also obtain and shall only be 19 20 eligible for, in addition to any current license, a first-class wine-manufacturer license or 2.1 а first-class 22 wine-maker's license, shall not manufacture more than 50,000 23 gallons of wine per year, and shall not be a member of or 24 affiliated with, directly or indirectly, a manufacturer that 25 produces more than 50,000 gallons of wine per year. A class 1 26 craft distiller licensee may make sales and deliveries to

- 1 importing distributors and distributors and to retail
- 2 licensees in accordance with the conditions set forth in
- 3 paragraph (19) of subsection (a) of Section 3-12 of this Act.
- 4 However, the aggregate amount of spirits sold to non-licensees
- 5 and sold or delivered to retail licensees may not exceed 5,000
- 6 gallons per year.
- 7 A class 1 craft distiller licensee may sell up to 5,000
- 8 gallons of such spirits to non-licensees to the extent
- 9 permitted by any exemption approved by the State Commission
- 10 pursuant to Section 6-4 of this Act. A class 1 craft distiller
- 11 license holder may store such spirits at a non-contiguous
- 12 licensed location, but at no time shall a class 1 craft
- distiller license holder directly or indirectly produce in the
- aggregate more than 50,000 gallons of spirits per year.
- 15 A class 1 craft distiller licensee may hold more than one
- 16 class 1 craft distiller's license. However, a class 1 craft
- 17 distiller that holds more than one class 1 craft distiller
- 18 license shall not manufacture, in the aggregate, more than
- 19 50,000 gallons of spirits by distillation per year and shall
- 20 not sell, in the aggregate, more than 5,000 gallons of such
- 21 spirits to non-licensees in accordance with an exemption
- 22 approved by the State Commission pursuant to Section 6-4 of
- 23 this Act.
- Class 11. A class 2 craft distiller license, which may
- 25 only be issued to a licensed craft distiller or licensed
- 26 non-resident dealer, shall allow the manufacture of up to

1 100,000 gallons of spirits per year provided that the class 2 craft distiller licensee does not manufacture more than a 2 combined 100,000 gallons of spirits per year and is not a 3 4 member of or affiliated with, directly or indirectly, a 5 manufacturer that produces more than 100,000 gallons of spirits per year. If a class 2 craft distiller manufactures 6 beer, it shall also obtain and shall only be eliqible for, in 7 addition to any current license, a class 2 brewer license, 8 9 shall not manufacture more than 3,720,000 gallons of beer per 10 year, and shall not be a member of or affiliated with, directly 11 or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year. If a class 2 craft 12 13 distiller manufactures wine, it shall also obtain and shall 14 only be eligible for, in addition to any current license, a 15 second-class wine-maker's license, shall not manufacture more 16 than 150,000 gallons of wine per year, and shall not be a member of or affiliated with, directly or indirectly, a 17 manufacturer that produces more than 150,000 gallons of wine 18 per year. A class 2 craft distiller licensee may make sales and 19 20 deliveries to importing distributors and distributors, but shall not make sales or deliveries to any other licensee. If 2.1 22 the State Commission provides prior approval, a class 2 craft 23 distiller licensee may annually transfer up to 100,000 gallons 24 of spirits manufactured by that class 2 craft distiller 25 licensee to the premises of a licensed class 2 craft distiller 26 wholly owned and operated by the same licensee. A class 2 craft

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distiller may transfer spirits to a distilling pub wholly owned and operated by the class 2 craft distiller subject to the following limitations and restrictions: (i) the transfer shall not annually exceed more than 5,000 gallons; (ii) the annual amount transferred shall reduce the distilling pub's annual permitted production limit; (iii) all transferred shall be subject to Article VIII of this Act; (iv) a written record shall be maintained by the distiller and distilling pub specifying the amount, date of delivery, and receipt of the product by the distilling pub; and (v) the distilling pub shall be located no farther than 80 miles from the class 2 craft distiller's licensed location.

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

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

26 Class 12. A class 1 brewer license, which may only be

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1 issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 930,000 gallons of beer per year provided that the class 1 brewer licensee does not manufacture more than a combined 930,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 930,000 gallons of beer per year. If a class 1 brewer manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 craft distiller license, shall not manufacture more than 50,000 gallons of spirits per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year. If a class 1 craft brewer manufactures wine, it shall also obtain and shall only be eligible for, in addition to any current license, a first-class wine-manufacturer license or а first-class wine-maker's license, shall not manufacture more than 50,000 gallons of wine per year, and shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of wine per year. A class 1 brewer licensee may make sales and deliveries to importing distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (18) of subsection (a) of Section 3-12 of this Act. If the State Commission provides prior approval, a class 1 brewer may 26 annually transfer up to 930,000 gallons of beer manufactured 1 by that class 1 brewer to the premises of a licensed class 1 brewer wholly owned and operated by the same licensee. 2

3 Class 13. A class 2 brewer license, which may only be 4 issued to a licensed brewer or licensed non-resident dealer, 5 shall allow the manufacture of up to 3,720,000 gallons of beer per year provided that the class 2 brewer licensee does not 6 manufacture more than a combined 3,720,000 gallons of beer per 7 8 year and is not a member of or affiliated with, directly or 9 indirectly, a manufacturer that produces more than 3,720,000 10 gallons of beer per year. If a class 2 brewer manufactures 11 spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 2 craft distiller 12 13 license, shall not manufacture more than 100,000 gallons of 14 spirits per year, and shall not be a member of or affiliated 15 with, directly or indirectly, a manufacturer that produces 16 more than 100,000 gallons of spirits per year. If a class 2 craft distiller manufactures wine, it shall also obtain and 17 shall only be eligible for, in addition to any current 18 license, a second-class wine-maker's license, 19 shall 20 manufacture more than 150,000 gallons of wine per year, and shall not be a member of or affiliated with, directly or 2.1 22 indirectly, a manufacturer that produces more than 150,000 23 gallons of wine a year. A class 2 brewer licensee may make 24 deliveries to importing distributors and 25 distributors, but shall not make sales or deliveries to any 26 other licensee. If the State Commission provides prior

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1 approval, a class 2 brewer licensee may annually transfer up

2 to 3,720,000 gallons of beer manufactured by that class 2

brewer licensee to the premises of a licensed class 2 brewer

wholly owned and operated by the same licensee.

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

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

Class 14. A class 3 brewer license, which may be issued to a brewer or a non-resident dealer, shall allow the manufacture of no more than 465,000 gallons of beer per year and no more than 155,000 gallons at a single brewery premises, and shall

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allow the sale of no more than 6,200 gallons of beer from each in-state or out-of-state class 3 brewery premises, or 18,600 gallons in the aggregate, to retail licensees, class 1 brewers, class 2 brewers, and class 3 brewers as long as the class 3 brewer licensee does not manufacture more than a combined 465,000 gallons of beer per year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 465,000 gallons of beer per year to make sales to importing distributors, distributors, retail licensees, brewers, class 1 brewers, class 2 brewers, and class 3 brewers in accordance with the conditions set forth in paragraph (20) of subsection (a) of Section 3-12. If the State Commission provides prior approval, a class 3 brewer may annually transfer up to 155,000 gallons of beer manufactured by that class 3 brewer to the premises of a licensed class 3 brewer wholly owned and operated by the same licensee. A class 3 brewer shall manufacture beer at the brewer's class 3 designated licensed premises, and may sell beer as otherwise provided in this Act.

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

State Commission.

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Registration of agents, representatives, or persons acting on behalf of a manufacturer is fulfilled by submitting a form to the Commission. The form shall be developed by Commission and shall include the name and address of the applicant, the name and address of the manufacturer he or she represents, the territory or areas assigned to sell to or discuss pricing terms of alcoholic liquor, and any other questions deemed appropriate and necessary. All statements in the forms required to be made by law or by rule shall be deemed material, and any person who knowingly misstates any material fact under oath in an application is quilty of a Class B misdemeanor. Fraud, misrepresentation, false statements, misleading statements, evasions, or suppression of material facts in the securing of a registration are grounds for suspension or revocation of the registration. The State Commission shall post a list of registered agents on the Commission's website.

(b) A distributor's license shall allow (i) the wholesale purchase and storage of alcoholic liquors and sale of alcoholic liquors to licensees in this State and to persons without the State, as may be permitted by law; (ii) the sale of beer, cider, mead, or any combination thereof to brewers, class 1 brewers, and class 2 brewers that, pursuant to subsection (e) of Section 6-4 of this Act, sell beer, cider, mead, or any combination thereof to non-licensees at their

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1 breweries; (iii) the sale of vermouth to class 1 craft

distillers and class 2 craft distillers that, pursuant to

subsection (e) of Section 6-4 of this Act, sell spirits,

vermouth, or both spirits and vermouth to non-licensees at

their distilleries; or (iv) as otherwise provided in this Act.

No person licensed as a distributor shall be granted a 6

non-resident dealer's license.

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

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- (d) A retailer's license shall allow the licensee to sell and offer for sale at retail, only in the premises specified in the license, alcoholic liquor for use or consumption, but not for resale in any form. Except as provided in Section 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit, remove, or restrict the ability of a holder of a retailer's license to transfer or ship alcoholic liquor to the purchaser for use or consumption subject to any applicable local law or ordinance. For the purposes of this Section, "shipping" means the movement of alcoholic liquor from a licensed retailer to a consumer via a common carrier. Except as provided in Section 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit, remove, or restrict the ability of a holder of a retailer's license to deliver alcoholic liquor to the purchaser for use or consumption. The delivery shall be made only within 12 hours from the time the alcoholic liquor leaves the licensed premises of the retailer for delivery. For the purposes of this Section, "delivery" means the movement of alcoholic liquor purchased from a licensed retailer to a consumer through the following methods:
 - (1) delivery within licensed retailer's parking lot, including curbside, for pickup by the consumer;
 - (2) delivery by an owner, officer, director, shareholder, or employee of the licensed retailer; or
 - (3) delivery by a third-party contractor, independent contractor, or agent with whom the licensed retailer has

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- 1 contracted to make deliveries of alcoholic liquors.
- Under subsection (1), (2), or (3), delivery shall not 2 include the use of common carriers. 3

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

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

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

(e) A special event retailer's license (not-for-profit) shall permit the licensee to purchase alcoholic liquors from Illinois licensed distributor (unless the licensee purchases less than \$500 of alcoholic liquors for the special

1 event, in which case the licensee may purchase the alcoholic 2 liquors from a licensed retailer) and shall allow the licensee to sell and offer for sale, at retail, alcoholic liquors for 3 4 use or consumption, but not for resale in any form and only at 5 the location and on the specific dates designated for the special event in the license. An applicant for a special event 6 retailer license must (i) furnish with the application: (A) a 7 resale number issued under Section 2c of the Retailers' 8 9 Occupation Tax Act or evidence that the applicant 10 registered under Section 2a of the Retailers' Occupation Tax 11 Act, (B) a current, valid exemption identification number issued under Section 1g of the Retailers' Occupation Tax Act, 12 13 and a certification to the Commission that the purchase of 14 alcoholic liquors will be a tax-exempt purchase, or (C) a 15 statement that the applicant is not registered under Section 16 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers' Occupation Tax Act, 17 and does not hold an exemption number under Section 1g of the 18 19 Retailers' Occupation Tax Act, in which event the Commission 20 shall set forth on the special event retailer's license a 2.1 statement to that effect; (ii) submit with the application 22 proof satisfactory to the State Commission that the applicant 23 will provide dram shop liability insurance in the maximum 24 limits; and (iii) show proof satisfactory to the State 25 Commission that the applicant has obtained local authority 26 approval.

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

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

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- 1 shall be obtained for each car in which such sales are made.
- (q) A boat license shall allow the sale of alcoholic 2 liquor in individual drinks, on any passenger boat regularly 3 4 operated as a common carrier on navigable waters in this State 5 or on any riverboat operated under the Illinois Gambling Act, 6 which boat or riverboat maintains a public dining room or 7 restaurant thereon.
- 8 (h) A non-beverage user's license shall allow the licensee 9 to purchase alcoholic liquor from a licensed manufacturer or 10 importing distributor, without the imposition of any tax upon 11 the business of such licensed manufacturer or importing distributor as to such alcoholic liquor to be used by such 12 13 licensee solely for the non-beverage purposes set forth in subsection (a) of Section 8-1 of this Act, and such licenses 14 15 shall be divided and classified and shall permit the purchase, 16 possession and use of limited and stated quantities of 17 alcoholic liquor as follows:
- Class 1, not to exceed 500 gallons 18 Class 2, not to exceed 1,000 gallons 19 20 Class 3, not to exceed 5,000 gallons 2.1 Class 4, not to exceed 10,000 gallons Class 5, not to exceed 22 50,000 gallons
 - (i) A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license not more than 50,000 gallons of the first-class

1 wine-maker's wine that is made at the first-class wine-maker's licensed premises per year for use or consumption, but not for 2 resale in any form. A wine-maker's premises license shall 3 4 allow a licensee who concurrently holds a second-class 5 wine-maker's license to sell and offer for sale at retail in the premises specified in such license up to 100,000 gallons 6 of the second-class wine-maker's wine that is made at the 7 8 second-class wine-maker's licensed premises per year for use or consumption but not for resale in any form. A first-class 9 10 wine-maker that concurrently holds a class 1 brewer license or 11 a class 1 craft distiller license shall not be eliqible to hold a wine-maker's premises license. A wine-maker's premises 12 license shall allow a licensee that concurrently holds a 13 14 first-class wine-maker's license or а second-class 15 wine-maker's license to sell and offer for sale at retail at 16 the premises specified in the wine-maker's premises license, for use or consumption but not for resale in any form, any 17 beer, wine, and spirits purchased from a licensed distributor. 18 Upon approval from the State Commission, a wine-maker's 19 20 premises license shall allow the licensee to sell and offer 2.1 for sale at (i) the wine-maker's licensed premises and (ii) at 22 up to 2 additional locations for use and consumption and not 23 for resale. Each location shall require additional licensing 24 per location as specified in Section 5-3 of this Act. A 25 wine-maker's premises licensee shall secure liquor liability 26 insurance coverage in an amount at least equal to the maximum

- liability amounts set forth in subsection (a) of Section 6-21
- 2 of this Act.
- (i) An airplane license shall permit the licensee to 3 4 import alcoholic liquors into this State from any point in the 5 United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases of 6 liquors directly from manufacturers, 7 alcoholic 8 importers, distributors and importing distributors from within 9 or outside this State; and to store such alcoholic liquors in 10 this State; provided that the above powers may be exercised 11 only in connection with the importation, purchase or storage of alcoholic liquors to be sold or dispensed on an airplane; 12 13 and provided further, that airplane licensees exercising the 14 above powers shall be subject to all provisions of Article 15 VIII of this Act as applied to importing distributors. An 16 airplane licensee shall also permit the sale or dispensing of alcoholic liquors on any passenger airplane regularly operated 17 by a common carrier in this State, but shall not permit the 18 sale for resale of any alcoholic liquors to any licensee 19 20 within this State. A single airplane license shall be required of an airline company if liquor service is provided on board 2.1 aircraft in this State. The annual fee for such license shall 22 be as determined in Section 5-3. 23
- 24 (k) A foreign importer's license shall permit such 25 licensee to purchase alcoholic liquor from Illinois licensed 26 non-resident dealers only, and to import alcoholic liquor

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other than in bulk from any point outside the United States and to sell such alcoholic liquor to Illinois licensed importing distributors and to no one else in Illinois; provided that (i) the foreign importer registers with the State Commission every brand of alcoholic liquor that it proposes to sell to Illinois licensees during the license period, (ii) the foreign importer complies with all of the provisions of Section 6-9 of this Act with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale, and (iii) the foreign importer complies with the provisions of Sections 6-5 and 6-6 of this Act to the same extent that these provisions apply to manufacturers.

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

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

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1 holder of a valid broker's license.

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

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

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

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

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1 representative, or subject agent, person registration pursuant to subsection (a-1) of this Section 2 shall not be eligible to receive a broker's license. 3

- (m) A non-resident dealer's license shall permit such licensee to ship into and warehouse alcoholic liquor into this State from any point outside of this State, and to sell such alcoholic liquor to Illinois licensed foreign importers and importing distributors and to no one else in this State; provided that (i) said non-resident dealer shall register with the Illinois Liquor Control Commission each and every brand of alcoholic liquor which it proposes to sell to Illinois licensees during the license period, (ii) it shall comply with all of the provisions of Section 6-9 hereof with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale by duly filing such registration statement, thereby authorizing the non-resident dealer to proceed to sell such brands at wholesale, and (iii) the non-resident dealer shall comply with the provisions of Sections 6-5 and 6-6 of this Act to the same extent that these provisions apply to manufacturers. No person licensed as a non-resident dealer shall be granted a distributor's or importing distributor's license.
- (n) A brew pub license shall allow the licensee to only (i) manufacture up to 155,000 gallons of beer per year only on the premises specified in the license, (ii) make sales of the beer manufactured on the premises or, with the approval of the

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

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

A person who holds a class 2 brewer license may simultaneously hold a brew pub license if the class 2 brewer (i) does not, under any circumstance, sell or offer for sale beer manufactured by the class 2 brewer to retail licensees;

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1 (ii) does not hold more than 3 brew pub licenses in this State; (iii) does not manufacture more than a combined 3,720,000 2 gallons of beer per year, including the beer manufactured at 3 4 the brew pub; and (iv) is not a member of or affiliated with, 5 directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year or any other alcoholic 6 7 liquor.

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

A brew pub licensee may apply for a class 3 brewer license and, upon: (i) meeting all applicable qualifications of this Act₇ and relinquishing all commonly owned brew pub or retail licenses, shall be issued a class 3 brewer license. Nothing in this Act shall prohibit the issuance of a class 3 brewer license if the applicant:

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- 1 (1) has a valid retail license on or before May 1, 2021: 2
 - (2) has an ownership interest in at least two brew pubs licenses on or before May 1, 2021;
 - (3) the brew pub licensee applies for a class 3 brewer license on or before October 1, 2022 and relinquishes all commonly owned brew pub licenses; and
 - (4) relinquishes all commonly owned retail licenses on or before December 31, 2022.

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

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

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Nothing in this Act prohibits a distributor or importing distributor from offering credit or a refund for unused, salable beer to a holder of a caterer retailer license or a caterer retailer licensee from accepting a credit or refund for unused, salable beer, in the event an act of God is the sole reason an off-site event is cancelled and if: (i) the holder of a caterer retailer license has not transferred alcoholic liquor from its caterer retailer premises to an off-site location; (ii) the distributor or importing distributor offers the credit or refund for the unused, salable beer that it delivered to the off-site premises and not for any unused, salable beer that the distributor or importing distributor delivered to the caterer retailer's premises; and (iii) the unused, salable beer would likely spoil if transferred to the caterer retailer's premises. A caterer retailer license shall allow the holder to transfer any inventory from any off-site location to its caterer retailer premises at the conclusion of an off-site event or engage a distributor or importing distributor to transfer any inventory from any off-site location to its caterer retailer premises at the conclusion of an off-site event, provided that the distributor or importing distributor issues bona fide charges to the caterer retailer licensee for fuel, labor, and delivery and the distributor or importing distributor collects payment from the caterer retailer licensee prior to the distributor or importing distributor transferring inventory to

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1 the caterer retailer premises.

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

- (p) An auction liquor license shall allow the licensee to sell and offer for sale at auction wine and spirits for use or consumption, or for resale by an Illinois liquor licensee in accordance with provisions of this Act. An auction liquor license will be issued to a person and it will permit the auction liquor licensee to hold the auction anywhere in the State. An auction liquor licensee must be obtained for each auction at least 14 days in advance of the auction date.
- 14 (q) A special use permit license shall allow an Illinois 15 licensed retailer to transfer a portion of its alcoholic 16 liquor inventory from its retail licensed premises to the premises specified in the license hereby created; to purchase 17 18 alcoholic liquor from a distributor or importing distributor to be delivered directly to the location specified in the 19 20 license hereby created; and to sell or offer for sale at 2.1 retail, only in the premises specified in the license hereby 22 created, the transferred or delivered alcoholic liquor for use 23 or consumption, but not for resale in any form. A special use 24 permit license may be granted for the following time periods: 25 one day or less; 2 or more days to a maximum of 15 days per 26 location in any 12-month period. An applicant for the special

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use permit license must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval.

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

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

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delivered to the premises specified in the special use permit license and not for any unused, salable beer that the distributor or importing distributor delivered to the

retailer's premises; and (iii) the unused, salable beer would

5 likely spoil if transferred to the retailer premises.

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

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

Except for a common carrier, a third-party provider shipping wine on behalf of a winery shipper's license holder is the agent of the winery shipper's license holder and, as such, a winery shipper's license holder is responsible for the acts and omissions of the third-party provider acting on behalf of the license holder. A third-party provider, except

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

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

If the Department of Revenue or the State Commission requests a statement under this paragraph, the third-party provider must provide that statement no later than 30 days after the request is made. Any books, records, supporting papers, and documents containing information and data relating to a statement under this paragraph shall be kept and preserved for a period of 3 years, unless their destruction sooner is authorized, in writing, by the Director of Revenue, and shall be open and available to inspection by the Director of Revenue or the State Commission or any duly authorized officer, agent, or employee of the State Commission or the Department of

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1 Revenue, at all times during business hours of the day. Any person who violates any provision of this paragraph or any 2 rule of the State Commission for the administration and 3 4 enforcement of the provisions of this paragraph is guilty of a 5 Class C misdemeanor. In case of a continuing violation, each day's continuance thereof shall be a separate and distinct 6 7 offense.

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

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

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

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

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

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

(s) A craft distiller tasting permit license shall allow an Illinois licensed class 1 craft distiller or class 2 craft distiller to transfer a portion of its alcoholic liquor inventory from its class 1 craft distiller or class 2 craft

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

- (t) A brewer warehouse permit may be issued to the holder of a class 1 brewer license or a class 2 brewer license. If the holder of the permit is a class 1 brewer licensee, the brewer warehouse permit shall allow the holder to store or warehouse up to 930,000 gallons of tax-determined beer manufactured by the holder of the permit at the premises specified on the permit. If the holder of the permit is a class 2 brewer licensee, the brewer warehouse permit shall allow the holder to 3,720,000 gallons to store or warehouse up tax-determined beer manufactured by the holder of the permit the premises specified on the permit. Sales non-licensees are prohibited at the premises specified in the brewer warehouse permit.
- (u) A distilling pub license shall allow the licensee to only (i) manufacture up to 5,000 gallons of spirits per year only on the premises specified in the license, (ii) make sales

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

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

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

- 1 per year, including the spirits manufactured at the distilling
- 2 pub; and (iv) is not a member of or affiliated with, directly
- 3 or indirectly, a manufacturer that produces more than 100,000
- 4 gallons of spirits per year or any other alcoholic liquor.
- 5 (v) A craft distiller warehouse permit may be issued to
- 6 the holder of a class 1 craft distiller or class 2 craft
- 7 distiller license. The craft distiller warehouse permit shall
- 8 allow the holder to store or warehouse up to 500,000 gallons of
- 9 spirits manufactured by the holder of the permit at the
- 10 premises specified on the permit. Sales to non-licensees are
- 11 prohibited at the premises specified in the craft distiller
- 12 warehouse permit.
- 13 (w) A beer showcase permit license shall allow an
- 14 Illinois-licensed distributor to transfer a portion of its
- 15 beer inventory from its licensed premises to the premises
- 16 specified in the beer showcase permit license, and, in the
- case of a class 3 brewer, transfer only beer the class 3 brewer
- 18 manufactures from its licensed premises to the premises
- 19 specified in the beer showcase permit license; and to sell or
- offer for sale at retail, only in the premises specified in the
- 21 beer showcase permit license, the transferred or delivered
- beer for on or off premise consumption, but not for resale in
- 23 any form and to sell to non-licensees not more than 96 fluid
- 24 ounces of beer per person. A beer showcase permit license may
- 25 be granted for the following time periods: one day or less; or
- 26 2 or more days to a maximum of 15 days per location in any

- 12-month period. An applicant for a beer showcase permit 1
- 2 license must also submit with the application proof
- 3 satisfactory to the State Commission that the applicant will
- 4 provide dram shop liability insurance to the maximum limits
- 5 and have local authority approval. The State Commission shall
- require the beer showcase applicant to comply with Section 6
- 7 6-27.1.
- (Source: P.A. 101-16, eff. 6-14-19; 101-31, eff. 6-28-19; 8
- 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff. 9
- 10 8-23-19; 101-615, eff. 12-20-19; 101-668, eff. 1-1-22;
- 102-442, eff. 8-20-21; revised 2-28-22.)"; and 11
- 12 on page 6, lines 11 and 12, by replacing "August 1, 2022" with
- "upon becoming law". 13