



## 103RD GENERAL ASSEMBLY

### State of Illinois

### 2023 and 2024

### SB3452

Introduced 2/8/2024, by Sen. Robert F. Martwick

#### SYNOPSIS AS INTRODUCED:

35 ILCS 130/18a	from Ch. 120, par. 453.18a
35 ILCS 135/25	from Ch. 120, par. 453.55
35 ILCS 143/10-5	
35 ILCS 143/10-20	
35 ILCS 143/10-56	
410 ILCS 705/65-42	

Amends the Cigarette Tax Act, the Cigarette Use Tax Act, the Tobacco Products Tax Act of 1995, and the Cannabis Regulation and Tax Act. In provisions concerning administrative hearings regarding the seizure of certain contraband products, provides that the Department of Revenue is not required to hold a hearing if a waiver and consent to forfeiture has been executed by the owner of the property and by the person in whose possession the property was found. Further amends the Tobacco Products Tax Act of 1995. Removes provisions providing that the bonding requirement for a distributor's licensee does not apply to an applicant for a distributor's license who is already bonded under the Cigarette Tax Act or the Cigarette Use Tax Act. Removes provisions providing that the distributor's licenses are valid for a period not to exceed one year after issuance unless sooner revoked, canceled, or suspended. Provides that the Department of Revenue shall discharge any surety and shall release and return any bond provided to it by a distributor within 90 days after (i) the taxpayer becomes a prior continuous compliance taxpayer or (ii) the taxpayer has ceased to collect receipts on which he is required to remit the tax under this Act to the Department, has filed a final tax return, and has paid to the Department an amount sufficient to discharge his remaining tax liability. Effective immediately.

LRB103 37528 HLH 67651 b

1 AN ACT concerning revenue.

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

4 Section 5. The Cigarette Tax Act is amended by changing  
5 Section 18a as follows:

6 (35 ILCS 130/18a) (from Ch. 120, par. 453.18a)

7 Sec. 18a. After seizing any original packages of  
8 cigarettes, or cigarette vending devices, as provided in  
9 Section 18 of this Act, the Department shall hold a hearing and  
10 shall determine whether such original packages of cigarettes,  
11 at the time of their seizure by the Department, were  
12 contraband cigarettes, or whether such cigarette vending  
13 devices, at the time of their seizure by the Department,  
14 contained original packages of contraband cigarettes. The  
15 Department is not required to hold such a hearing if a waiver  
16 and consent to forfeiture has been executed by the owner of the  
17 property, if the owner is known, and by the person in whose  
18 possession the property so taken was found, if that person is  
19 known and if that person is not the owner of the property. The  
20 Department shall give not less than 7 days' notice of the time  
21 and place of such hearing to the owner of such property if the  
22 owner ~~he~~ is known, and also to the person in whose possession  
23 the property so taken was found, if such person is known and if

1 such person in possession is not the owner of said property. In  
2 case neither the owner nor the person in possession of such  
3 property is known, the Department shall cause publication of  
4 the time and place of such hearing to be made at least once in  
5 each week for 3 weeks successively in a newspaper of general  
6 circulation in the county where such hearing is to be held.

7 If, as the result of such hearing, the Department shall  
8 determine that the original packages of cigarettes seized were  
9 at the time of seizure contraband cigarettes, or that any  
10 cigarette vending device at the time of its seizure contained  
11 original packages of contraband cigarettes, or upon receipt of  
12 a properly executed waiver and consent to forfeiture as  
13 provided in this Section, the Department shall enter an order  
14 declaring such original packages of cigarettes or such  
15 cigarette vending devices confiscated and forfeited to the  
16 State, and to be held by the Department for disposal by it as  
17 provided in Section 21 of this Act. The Department shall give  
18 notice of such order to the owner of such property if the owner  
19 ~~he~~ is known, and also to the person in whose possession the  
20 property so taken was found, if such person is known and if  
21 such person in possession is not the owner of said property. In  
22 case neither the owner nor the person in possession of such  
23 property is known, the Department shall cause publication of  
24 such order to be made at least once in each week for 3 weeks  
25 successively in a newspaper of general circulation in the  
26 county where such hearing was held.

1 (Source: P.A. 96-782, eff. 1-1-10.)

2 Section 10. The Cigarette Use Tax Act is amended by  
3 changing Section 25 as follows:

4 (35 ILCS 135/25) (from Ch. 120, par. 453.55)

5 Sec. 25. After seizing any original packages of  
6 cigarettes, or cigarette vending devices, as provided in  
7 Section 24 of this Act, the Department shall hold a hearing and  
8 shall determine whether such original packages of cigarettes,  
9 at the time of their seizure by the Department, were  
10 contraband cigarettes or whether such cigarette vending  
11 devices, at the time of their seizure by the Department,  
12 contained original packages of contraband cigarettes. The  
13 Department is not required to hold such a hearing if a waiver  
14 and consent to forfeiture has been executed by the owner of the  
15 property, if the owner is known, and by the person in whose  
16 possession the property so taken was found, if that person is  
17 known and if that person is not the owner of the property. The  
18 Department shall give not less than 7 days' notice of the time  
19 and place of such hearing to the owner of such property if the  
20 owner ~~he~~ is known, and also to the person in whose possession  
21 the property so taken was found, if such person is known and if  
22 such person in possession is not the owner of said property. In  
23 case neither the owner nor the person in possession of such  
24 property is known, the Department shall cause publication of

1 the time and place of such hearing to be made at least once in  
2 each week for 3 weeks successively in a newspaper of general  
3 circulation in the county where such hearing is to be held.

4 If, as the result of such hearing, the Department shall  
5 determine that the original packages of cigarettes seized were  
6 at the time of seizure contraband cigarettes, or that any  
7 cigarette vending device at the time of its seizure contained  
8 original packages of contraband cigarettes, or upon receipt of  
9 a properly executed waiver and consent to forfeiture as  
10 provided in this Section, the Department shall enter an order  
11 declaring such original packages of cigarettes or such  
12 cigarette vending devices confiscated and forfeited to the  
13 State, and to be held by the Department for disposal by it as  
14 provided in Section 27 of this Act. The Department shall give  
15 notice of such order to the owner of such property if the owner  
16 ~~he~~ is known, and also to the person in whose possession the  
17 property so taken was found, if such person is known and if  
18 such person in possession is not the owner of said property. In  
19 case neither the owner nor the person in possession of such  
20 property is known, the Department shall cause publication of  
21 such order to be made at least once in each week for 3 weeks  
22 successively in a newspaper of general circulation in the  
23 county where such hearing was held.

24 (Source: P.A. 96-782, eff. 1-1-10.)

25 Section 15. The Tobacco Products Tax Act of 1995 is

1 amended by changing Section 10-5, 10-20, and 10-56 as follows:

2 (35 ILCS 143/10-5)

3 Sec. 10-5. Definitions. For purposes of this Act:

4 "Business" means any trade, occupation, activity, or  
5 enterprise engaged in, at any location whatsoever, for the  
6 purpose of selling tobacco products.

7 "Cigarette" has the meaning ascribed to the term in  
8 Section 1 of the Cigarette Tax Act.

9 "Contraband little cigar" means:

10 (1) packages of little cigars containing 20 or 25  
11 little cigars that do not bear a required tax stamp under  
12 this Act;

13 (2) packages of little cigars containing 20 or 25  
14 little cigars that bear a fraudulent, imitation, or  
15 counterfeit tax stamp;

16 (3) packages of little cigars containing 20 or 25  
17 little cigars that are improperly tax stamped, including  
18 packages of little cigars that bear only a tax stamp of  
19 another state or taxing jurisdiction; or

20 (4) packages of little cigars containing other than 20  
21 or 25 little cigars in the possession of a distributor,  
22 retailer or wholesaler, unless the distributor, retailer,  
23 or wholesaler possesses, or produces within the time frame  
24 provided in Section 10-27 or 10-28 of this Act, an invoice  
25 from a stamping distributor, distributor, or wholesaler

1 showing that the tax on the packages has been or will be  
2 paid.

3 "Correctional Industries program" means a program run by a  
4 State penal institution in which residents of the penal  
5 institution produce tobacco products for sale to persons  
6 incarcerated in penal institutions or resident patients of a  
7 State operated mental health facility.

8 "Department" means the Illinois Department of Revenue.

9 "Distributor" means any of the following:

10 (1) Any manufacturer or wholesaler in this State  
11 engaged in the business of selling tobacco products who  
12 sells, exchanges, or distributes tobacco products to  
13 retailers or consumers in this State.

14 (2) Any manufacturer or wholesaler engaged in the  
15 business of selling tobacco products from without this  
16 State who sells, exchanges, distributes, ships, or  
17 transports tobacco products to retailers or consumers  
18 located in this State, so long as that manufacturer or  
19 wholesaler has or maintains within this State, directly or  
20 by subsidiary, an office, sales house, or other place of  
21 business, or any agent or other representative operating  
22 within this State under the authority of the person or  
23 subsidiary, irrespective of whether the place of business  
24 or agent or other representative is located here  
25 permanently or temporarily.

26 (3) Any retailer who receives tobacco products on

1           which the tax has not been or will not be paid by another  
2           distributor.

3           "Distributor" does not include any person, wherever  
4           resident or located, who makes, manufactures, or fabricates  
5           tobacco products as part of a Correctional Industries program  
6           for sale to residents incarcerated in penal institutions or  
7           resident patients of a State operated mental health facility.

8           "Electronic cigarette" means:

9           (1) any device that employs a battery or other  
10          mechanism to heat a solution or substance to produce a  
11          vapor or aerosol intended for inhalation, except for (A)  
12          any device designed solely for use with cannabis that  
13          contains a statement on the retail packaging that the  
14          device is designed solely for use with cannabis and not  
15          for use with tobacco or (B) any device that contains a  
16          solution or substance that contains cannabis subject to  
17          tax under the Compassionate Use of Medical Cannabis  
18          Program Act or the Cannabis Regulation and Tax Act;

19          (2) any cartridge or container of a solution or  
20          substance intended to be used with or in the device or to  
21          refill the device, except for any cartridge or container  
22          of a solution or substance that contains cannabis subject  
23          to tax under the Compassionate Use of Medical Cannabis  
24          Program Act or the Cannabis Regulation and Tax Act; or

25          (3) any solution or substance, whether or not it  
26          contains nicotine, intended for use in the device, except



1 for any solution or substance that contains cannabis  
2 subject to tax under the Compassionate Use of Medical  
3 Cannabis Program Act or the Cannabis Regulation and Tax  
4 Act.

5 The changes made to the definition of "electronic  
6 cigarette" by this amendatory Act of the 102nd General  
7 Assembly apply on and after June 28, 2019, but no claim for  
8 credit or refund is allowed on or after the effective date of  
9 this amendatory Act of the 102nd General Assembly for such  
10 taxes paid during the period beginning June 28, 2019 and the  
11 effective date of this amendatory Act of the 102nd General  
12 Assembly.

13 "Electronic cigarette" includes, but is not limited to,  
14 any electronic nicotine delivery system, electronic cigar,  
15 electronic cigarillo, electronic pipe, electronic hookah, vape  
16 pen, or similar product or device, and any component or part  
17 that can be used to build the product or device. "Electronic  
18 cigarette" does not include: cigarettes, as defined in Section  
19 1 of the Cigarette Tax Act; any product approved by the United  
20 States Food and Drug Administration for sale as a tobacco  
21 cessation product, a tobacco dependence product, or for other  
22 medical purposes that is marketed and sold solely for that  
23 approved purpose; any asthma inhaler prescribed by a physician  
24 for that condition that is marketed and sold solely for that  
25 approved purpose; or any therapeutic product approved for use  
26 under the Compassionate Use of Medical Cannabis Program Act.

1 "Little cigar" means and includes any roll, made wholly or  
2 in part of tobacco, where such roll has an integrated  
3 cellulose acetate filter and weighs less than 4 pounds per  
4 thousand and the wrapper or cover of which is made in whole or  
5 in part of tobacco.

6 "Manufacturer" means any person, wherever resident or  
7 located, who manufactures and sells tobacco products, except a  
8 person who makes, manufactures, or fabricates tobacco products  
9 as a part of a Correctional Industries program for sale to  
10 persons incarcerated in penal institutions or resident  
11 patients of a State operated mental health facility.

12 Beginning on January 1, 2013, "moist snuff" means any  
13 finely cut, ground, or powdered tobacco that is not intended  
14 to be smoked, but shall not include any finely cut, ground, or  
15 powdered tobacco that is intended to be placed in the nasal  
16 cavity.

17 "Person" means any natural individual, firm, partnership,  
18 association, joint stock company, joint venture, limited  
19 liability company, or public or private corporation, however  
20 formed, or a receiver, executor, administrator, trustee,  
21 conservator, or other representative appointed by order of any  
22 court.

23 "Place of business" means and includes any place where  
24 tobacco products are sold or where tobacco products are  
25 manufactured, stored, or kept for the purpose of sale or  
26 consumption, including any vessel, vehicle, airplane, train,

1 or vending machine.

2 "Prior continuous compliance taxpayer" means any person  
3 who is licensed under this Act and who, having been a licensee  
4 for a continuous period of 2 years, is determined by the  
5 Department not to have been either delinquent or deficient in  
6 the payment of tax liability during that period or otherwise  
7 in violation of this Act. "Prior continuous compliance  
8 taxpayer" also means any taxpayer who has, as verified by the  
9 Department, continuously complied with the condition of his  
10 bond or other security under provisions of this Act for a  
11 period of 2 consecutive years. In calculating the consecutive  
12 period of time described in this definition for qualification  
13 as a prior continuous compliance taxpayer, a consecutive  
14 period of time of qualifying compliance immediately prior to  
15 the effective date of this amendatory Act of the 103rd General  
16 Assembly shall be credited to any licensee who became licensed  
17 on or before the effective date of this amendatory Act of the  
18 103rd General Assembly. A distributor that is a prior  
19 continuous compliance taxpayer and becomes a successor to a  
20 distributor as the result of an acquisition, merger, or  
21 consolidation of that distributor shall be deemed to be a  
22 prior continuous compliance taxpayer with respect to the  
23 acquired, merged, or consolidated entity.

24 "Retailer" means any person in this State engaged in the  
25 business of selling tobacco products to consumers in this  
26 State, regardless of quantity or number of sales.

1 "Sale" means any transfer, exchange, or barter in any  
2 manner or by any means whatsoever for a consideration and  
3 includes all sales made by persons.

4 "Stamp" or "stamps" mean the indicia required to be  
5 affixed on a package of little cigars that evidence payment of  
6 the tax on packages of little cigars containing 20 or 25 little  
7 cigars under Section 10-10 of this Act. These stamps shall be  
8 the same stamps used for cigarettes under the Cigarette Tax  
9 Act.

10 "Stamping distributor" means a distributor licensed under  
11 this Act and also licensed as a distributor under the  
12 Cigarette Tax Act or Cigarette Use Tax Act.

13 "Tobacco products" means any cigars, including little  
14 cigars; cheroots; stogies; periques; granulated, plug cut,  
15 crimp cut, ready rubbed, and other smoking tobacco; snuff  
16 (including moist snuff) or snuff flour; cavendish; plug and  
17 twist tobacco; fine-cut and other chewing tobaccos; shorts;  
18 refuse scraps, clippings, cuttings, and sweeping of tobacco;  
19 and other kinds and forms of tobacco, prepared in such manner  
20 as to be suitable for chewing or smoking in a pipe or  
21 otherwise, or both for chewing and smoking; but does not  
22 include cigarettes as defined in Section 1 of the Cigarette  
23 Tax Act or tobacco purchased for the manufacture of cigarettes  
24 by cigarette distributors and manufacturers defined in the  
25 Cigarette Tax Act and persons who make, manufacture, or  
26 fabricate cigarettes as a part of a Correctional Industries

1 program for sale to residents incarcerated in penal  
2 institutions or resident patients of a State operated mental  
3 health facility.

4 Beginning on July 1, 2019, "tobacco products" also  
5 includes electronic cigarettes.

6 "Wholesale price" means the established list price for  
7 which a manufacturer sells tobacco products to a distributor,  
8 before the allowance of any discount, trade allowance, rebate,  
9 or other reduction. In the absence of such an established list  
10 price, the manufacturer's invoice price at which the  
11 manufacturer sells the tobacco product to unaffiliated  
12 distributors, before any discounts, trade allowances, rebates,  
13 or other reductions, shall be presumed to be the wholesale  
14 price.

15 "Wholesaler" means any person, wherever resident or  
16 located, engaged in the business of selling tobacco products  
17 to others for the purpose of resale. "Wholesaler", when used  
18 in this Act, does not include a person licensed as a  
19 distributor under Section 10-20 of this Act unless expressly  
20 stated in this Act.

21 (Source: P.A. 101-31, eff. 6-28-19; 101-593, eff. 12-4-19;  
22 102-40, eff. 6-25-21.)

23 (35 ILCS 143/10-20)

24 Sec. 10-20. Distributor's licenses. It shall be unlawful  
25 for any person to engage in business as a distributor of

1 tobacco products within the meaning of this Act without first  
2 having obtained a license to do so from the Department.  
3 Application for that license shall be made to the Department  
4 in a form prescribed and furnished by the Department. Each  
5 applicant for a license shall furnish to the Department on a  
6 form, signed and verified by the applicant, the following  
7 information:

8 (1) The name of the applicant.

9 (2) The address of the location at which the applicant  
10 proposes to engage in business as a distributor of tobacco  
11 products.

12 (3) Other information the Department may reasonably  
13 require.

14 Each distributor, except for a distributor who is applying  
15 for a distributor's license under this Act for the first time  
16 or a distributor who, in the preceding year, had less than  
17 \$50,000 of tax liability, shall also file with the Department  
18 a bond in an amount not to exceed (i) 3 times the amount of the  
19 distributor's average monthly tax liability or (ii) \$50,000,  
20 whichever amount is lower, on a form to be approved by the  
21 Department.~~Except as otherwise provided in this Section, every~~  
22 ~~applicant who is required to procure a distributor's license~~  
23 ~~shall file with his or her application a joint and several~~  
24 ~~bond. The bond shall be executed to the Department of Revenue,~~  
25 ~~with good and sufficient surety or sureties residing or~~  
26 ~~licensed to do business within the State of Illinois,~~

1 ~~conditioned upon the true and faithful compliance by the~~  
2 ~~licensee with all of the provisions of this Act.~~ The  
3 Department shall fix the amount of the bond for each  
4 applicant, taking into consideration the amount of money  
5 expected to become due from the applicant under this Act. The  
6 amount of bond required by the Department shall be an amount  
7 that, in its opinion, will protect the State of Illinois  
8 against failure to pay the amount that may become due from the  
9 applicant under this Act, ~~but the amount of the security~~  
10 ~~required by the Department shall not exceed 3 times the amount~~  
11 ~~of the applicant's average monthly tax liability, or \$50,000,~~  
12 ~~whichever amount is lower.~~ Except as otherwise provided in  
13 this Section, the ~~The~~ bond, a reissue, or a substitute shall be  
14 kept in full force and effect during the entire period covered  
15 by the license. A separate application for license shall be  
16 made, and bond filed, for each place of business at which a  
17 person who is required to procure a distributor's license  
18 proposes to engage in business as a distributor under this  
19 Act.

20 The Department, upon receipt of an application and bond in  
21 proper form, shall issue to the applicant a license, in a form  
22 prescribed by the Department, which shall permit the applicant  
23 to whom it is issued to engage in business as a distributor at  
24 the place shown on his or her application. The license shall be  
25 issued by the Department without charge or cost to the  
26 applicant. No license issued under this Act is transferable or

1 assignable. The license shall be conspicuously displayed in  
2 the place of business conducted by the licensee under the  
3 license.

4 ~~The bonding requirement in this Section does not apply to~~  
5 ~~an applicant for a distributor's license who is already bonded~~  
6 ~~under the Cigarette Tax Act or the Cigarette Use Tax Act.~~  
7 ~~Licenses issued by the Department under this Act shall be~~  
8 ~~valid for a period not to exceed one year after issuance unless~~  
9 ~~sooner revoked, canceled, or suspended as provided in this~~  
10 ~~Act.~~

11 No license shall be issued to any person who is in default  
12 to the State of Illinois for moneys due under this Act or any  
13 other tax Act administered by the Department.

14 The Department shall discharge any surety and shall  
15 release and return any bond provided to it by a taxpayer under  
16 this Section within 90 days after:

17 (1) the taxpayer becomes a prior continuous compliance  
18 taxpayer; or

19 (2) the taxpayer has ceased to collect receipts on  
20 which the taxpayer is required to remit the tax under this  
21 Act to the Department, has filed a final tax return, and  
22 has paid to the Department an amount sufficient to  
23 discharge his remaining tax liability as determined by the  
24 Department under this Act.

25 For the purposes of item (2), the Department shall make a  
26 final determination of the taxpayer's outstanding tax



1 liability as expeditiously as possible after the taxpayer's  
2 final tax return under this Act has been filed. If the  
3 Department will be unable to make such a final determination  
4 within 45 days after receiving the taxpayer's final tax  
5 return, then the Department shall notify the taxpayer within  
6 that 45-day period stating the reasons why it is unable to make  
7 the final determination within that 45-day period.

8       The Department may, in its discretion, upon application,  
9 authorize the payment of the tax imposed under Section 10-10  
10 by any distributor or manufacturer not otherwise subject to  
11 the tax imposed under this Act who, to the satisfaction of the  
12 Department, furnishes adequate security to ensure payment of  
13 the tax. The distributor or manufacturer shall be issued,  
14 without charge, a license to remit the tax. When so  
15 authorized, it shall be the duty of the distributor or  
16 manufacturer to remit the tax imposed upon the wholesale price  
17 of tobacco products sold or otherwise disposed of to retailers  
18 or consumers located in this State, in the same manner and  
19 subject to the same requirements as any other distributor or  
20 manufacturer licensed under this Act.

21       The Department may revoke, suspend, or cancel the license  
22 of a distributor of roll-your-own tobacco (as that term is  
23 used in Section 10 of the Tobacco Product Manufacturers'  
24 Escrow Act) under this Act if the tobacco product  
25 manufacturer, as defined in Section 10 of the Tobacco Product  
26 Manufacturers' Escrow Act, that made or sold the roll-your-own

1 tobacco has failed to become a participating manufacturer, as  
2 defined in subdivision (a)(1) of Section 15 of the Tobacco  
3 Product Manufacturers' Escrow Act, or has failed to create a  
4 qualified escrow fund for any roll-your-own tobacco  
5 manufactured by the tobacco product manufacturer and sold in  
6 this State or otherwise failed to bring itself into compliance  
7 with subdivision (a)(2) of Section 15 of the Tobacco Product  
8 Manufacturers' Escrow Act.

9 Any applicant applying for a distributor's license after  
10 the applicant's distributor's license has been revoked by the  
11 Department shall also file a bond with the Department in an  
12 amount equal to 3 times the amount of the applicant's average  
13 monthly tax liability under this Act, as that average monthly  
14 tax liability was calculated immediately prior to the  
15 revocation of the applicant's distributor's license.

16 Any person aggrieved by any decision of the Department  
17 under this Section may, within 20 days after notice of that  
18 decision, protest and request a hearing, whereupon the  
19 Department must give notice to that person of the time and  
20 place fixed for the hearing and must hold a hearing in  
21 conformity with the provisions of this Act and then issue its  
22 final administrative decision in the matter to that person. In  
23 the absence of such a protest within 20 days, the Department's  
24 decision becomes final without any further determination being  
25 made or notice given.

26 (Source: P.A. 98-1055, eff. 1-1-16.)

1 (35 ILCS 143/10-56)

2 Sec. 10-56. Seizure and forfeiture. After seizing any  
3 tobacco products or vending devices, as provided in Section  
4 10-55, the Department must hold a hearing and determine  
5 whether the distributor or retailer was properly licensed to  
6 sell the tobacco products at the time of their seizure by the  
7 Department. The Department is not required to hold such a  
8 hearing if a waiver and consent to forfeiture has been  
9 executed by the owner of the property, if the owner is known,  
10 and by the person in whose possession the property so taken was  
11 found, if that person is known and if that person is not the  
12 owner of the property. The Department shall give not less than  
13 20 days' notice of the time and place of the hearing to the  
14 owner of the property, if the owner is known, and also to the  
15 person in whose possession the property was found, if that  
16 person is known and if the person in possession is not the  
17 owner of the property. If neither the owner nor the person in  
18 possession of the property is known, the Department must cause  
19 publication of the time and place of the hearing to be made at  
20 least once in each week for 3 weeks successively in a newspaper  
21 of general circulation in the county where the hearing is to be  
22 held.

23 If, as the result of the hearing, the Department  
24 determines that the distributor or retailer was not properly  
25 licensed at the time the tobacco products were seized, or upon

1 receipt of a properly executed waiver and consent to  
2 forfeiture as provided in this Section, the Department must  
3 enter an order declaring the tobacco products or vending  
4 devices confiscated and forfeited to the State, to be held by  
5 the Department for disposal by it as provided in Section  
6 10-58. The Department must give notice of the order to the  
7 owner of the property, if the owner is known, and also to the  
8 person in whose possession the property was found, if that  
9 person is known and if the person in possession is not the  
10 owner of the property. If neither the owner nor the person in  
11 possession of the property is known, the Department must cause  
12 publication of the order to be made at least once in each week  
13 for 3 weeks successively in a newspaper of general circulation  
14 in the county where the hearing was held.

15 (Source: P.A. 92-743, eff. 7-25-02.)

16 Section 20. The Cannabis Regulation and Tax Act is amended  
17 by changing Section 65-42 as follows:

18 (410 ILCS 705/65-42)

19 Sec. 65-42. Seizure and forfeiture. After seizing any  
20 cannabis as provided in Section 65-41, the Department must  
21 hold a hearing and determine whether the retailer was properly  
22 registered to sell the cannabis at the time of its seizure by  
23 the Department. The Department is not required to hold such a  
24 hearing if a waiver and consent to forfeiture has been

1 executed by the owner of the cannabis, if the owner is known,  
2 and by the person in whose possession the cannabis so taken was  
3 found, if that person is known and if that person is not the  
4 owner of said cannabis. The Department shall give not less  
5 than 20 days' notice of the time and place of the hearing to  
6 the owner of the cannabis, if the owner is known, and also to  
7 the person in whose possession the cannabis was found, if that  
8 person is known and if the person in possession is not the  
9 owner of the cannabis. If neither the owner nor the person in  
10 possession of the cannabis is known, the Department must cause  
11 publication of the time and place of the hearing to be made at  
12 least once in each week for 3 weeks successively in a newspaper  
13 of general circulation in the county where the hearing is to be  
14 held.

15 If, as the result of the hearing, the Department  
16 determines that the retailer was not properly registered at  
17 the time the cannabis was seized, or upon receipt of a properly  
18 executed waiver and consent to forfeiture as provided in this  
19 Section, the Department must enter an order declaring the  
20 cannabis confiscated and forfeited to the State, to be held by  
21 the Department for disposal by it as provided in Section  
22 65-43. The Department must give notice of the order to the  
23 owner of the cannabis, if the owner is known, and also to the  
24 person in whose possession the cannabis was found, if that  
25 person is known and if the person in possession is not the  
26 owner of the cannabis. If neither the owner nor the person in

1 possession of the cannabis is known, the Department must cause  
2 publication of the order to be made at least once in each week  
3 for 3 weeks successively in a newspaper of general circulation  
4 in the county where the hearing was held.

5 (Source: P.A. 101-27, eff. 6-25-19.)

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