

1 AN ACT concerning liquor.

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

4 Section 5. The Liquor Control Act of 1934 is amended by
5 changing Sections 3-12, 5-1, 5-3, 6-4, 6-29, and 6-29.1 as
6 follows:

7 (235 ILCS 5/3-12) (from Ch. 43, par. 108)

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

9 (a) The State commission shall have the following powers,
10 functions and duties:

11 (1) To receive applications and to issue licenses to
12 manufacturers, foreign importers, importing distributors,
13 distributors, non-resident dealers, on premise consumption
14 retailers, off premise sale retailers, special event
15 retailer licensees, special use permit licenses, auction
16 liquor licenses, brew pubs, caterer retailers,
17 non-beverage users, railroads, including owners and
18 lessees of sleeping, dining and cafe cars, airplanes,
19 boats, brokers, and wine maker's premises licensees in
20 accordance with the provisions of this Act, and to suspend
21 or revoke such licenses upon the State commission's
22 determination, upon notice after hearing, that a licensee
23 has violated any provision of this Act or any rule or

1 regulation issued pursuant thereto and in effect for 30
2 days prior to such violation. Except in the case of an
3 action taken pursuant to a violation of Section 6-3, 6-5,
4 or 6-9, any action by the State Commission to suspend or
5 revoke a licensee's license may be limited to the license
6 for the specific premises where the violation occurred.

7 In lieu of suspending or revoking a license, the
8 commission may impose a fine, upon the State commission's
9 determination and notice after hearing, that a licensee has
10 violated any provision of this Act or any rule or
11 regulation issued pursuant thereto and in effect for 30
12 days prior to such violation. The fine imposed under this
13 paragraph may not exceed \$500 for each violation. Each day
14 that the activity, which gave rise to the original fine,
15 continues is a separate violation. The maximum fine that
16 may be levied against any licensee, for the period of the
17 license, shall not exceed \$20,000. The maximum penalty that
18 may be imposed on a licensee for selling a bottle of
19 alcoholic liquor with a foreign object in it or serving
20 from a bottle of alcoholic liquor with a foreign object in
21 it shall be the destruction of that bottle of alcoholic
22 liquor for the first 10 bottles so sold or served from by
23 the licensee. For the eleventh bottle of alcoholic liquor
24 and for each third bottle thereafter sold or served from by
25 the licensee with a foreign object in it, the maximum
26 penalty that may be imposed on the licensee is the

1 destruction of the bottle of alcoholic liquor and a fine of
2 up to \$50.

3 (2) To adopt such rules and regulations consistent with
4 the provisions of this Act which shall be necessary to
5 carry on its functions and duties to the end that the
6 health, safety and welfare of the People of the State of
7 Illinois shall be protected and temperance in the
8 consumption of alcoholic liquors shall be fostered and
9 promoted and to distribute copies of such rules and
10 regulations to all licensees affected thereby.

11 (3) To call upon other administrative departments of
12 the State, county and municipal governments, county and
13 city police departments and upon prosecuting officers for
14 such information and assistance as it deems necessary in
15 the performance of its duties.

16 (4) To recommend to local commissioners rules and
17 regulations, not inconsistent with the law, for the
18 distribution and sale of alcoholic liquors throughout the
19 State.

20 (5) To inspect, or cause to be inspected, any premises
21 in this State where alcoholic liquors are manufactured,
22 distributed, warehoused, or sold.

23 (5.1) Upon receipt of a complaint or upon having
24 knowledge that any person is engaged in business as a
25 manufacturer, importing distributor, distributor, or
26 retailer without a license or valid license, to notify the

1 local liquor authority, file a complaint with the State's
2 Attorney's Office of the county where the incident
3 occurred, or initiate an investigation with the
4 appropriate law enforcement officials.

5 (5.2) To issue a cease and desist notice to persons
6 shipping alcoholic liquor into this State from a point
7 outside of this State if the shipment is in violation of
8 this Act.

9 (5.3) To receive complaints from licensees, local
10 officials, law enforcement agencies, organizations, and
11 persons stating that any licensee has been or is violating
12 any provision of this Act or the rules and regulations
13 issued pursuant to this Act. Such complaints shall be in
14 writing, signed and sworn to by the person making the
15 complaint, and shall state with specificity the facts in
16 relation to the alleged violation. If the Commission has
17 reasonable grounds to believe that the complaint
18 substantially alleges a violation of this Act or rules and
19 regulations adopted pursuant to this Act, it shall conduct
20 an investigation. If, after conducting an investigation,
21 the Commission is satisfied that the alleged violation did
22 occur, it shall proceed with disciplinary action against
23 the licensee as provided in this Act.

24 (6) To hear and determine appeals from orders of a
25 local commission in accordance with the provisions of this
26 Act, as hereinafter set forth. Hearings under this

1 subsection shall be held in Springfield or Chicago, at
2 whichever location is the more convenient for the majority
3 of persons who are parties to the hearing.

4 (7) The commission shall establish uniform systems of
5 accounts to be kept by all retail licensees having more
6 than 4 employees, and for this purpose the commission may
7 classify all retail licensees having more than 4 employees
8 and establish a uniform system of accounts for each class
9 and prescribe the manner in which such accounts shall be
10 kept. The commission may also prescribe the forms of
11 accounts to be kept by all retail licensees having more
12 than 4 employees, including but not limited to accounts of
13 earnings and expenses and any distribution, payment, or
14 other distribution of earnings or assets, and any other
15 forms, records and memoranda which in the judgment of the
16 commission may be necessary or appropriate to carry out any
17 of the provisions of this Act, including but not limited to
18 such forms, records and memoranda as will readily and
19 accurately disclose at all times the beneficial ownership
20 of such retail licensed business. The accounts, forms,
21 records and memoranda shall be available at all reasonable
22 times for inspection by authorized representatives of the
23 State commission or by any local liquor control
24 commissioner or his or her authorized representative. The
25 commission, may, from time to time, alter, amend or repeal,
26 in whole or in part, any uniform system of accounts, or the

1 form and manner of keeping accounts.

2 (8) In the conduct of any hearing authorized to be held
3 by the commission, to appoint, at the commission's
4 discretion, hearing officers to conduct hearings involving
5 complex issues or issues that will require a protracted
6 period of time to resolve, to examine, or cause to be
7 examined, under oath, any licensee, and to examine or cause
8 to be examined the books and records of such licensee; to
9 hear testimony and take proof material for its information
10 in the discharge of its duties hereunder; to administer or
11 cause to be administered oaths; for any such purpose to
12 issue subpoena or subpoenas to require the attendance of
13 witnesses and the production of books, which shall be
14 effective in any part of this State, and to adopt rules to
15 implement its powers under this paragraph (8).

16 Any Circuit Court may by order duly entered, require
17 the attendance of witnesses and the production of relevant
18 books subpoenaed by the State commission and the court may
19 compel obedience to its order by proceedings for contempt.

20 (9) To investigate the administration of laws in
21 relation to alcoholic liquors in this and other states and
22 any foreign countries, and to recommend from time to time
23 to the Governor and through him or her to the legislature
24 of this State, such amendments to this Act, if any, as it
25 may think desirable and as will serve to further the
26 general broad purposes contained in Section 1-2 hereof.

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

6 (11) To develop industry educational programs related
7 to responsible serving and selling, particularly in the
8 areas of overserving consumers and illegal underage
9 purchasing and consumption of alcoholic beverages.

10 (11.1) To license persons providing education and
11 training to alcohol beverage sellers and servers under the
12 Beverage Alcohol Sellers and Servers Education and
13 Training (BASSET) programs and to develop and administer a
14 public awareness program in Illinois to reduce or eliminate
15 the illegal purchase and consumption of alcoholic beverage
16 products by persons under the age of 21. Application for a
17 license shall be made on forms provided by the State
18 Commission.

19 (12) To develop and maintain a repository of license
20 and regulatory information.

21 (13) On or before January 15, 1994, the Commission
22 shall issue a written report to the Governor and General
23 Assembly that is to be based on a comprehensive study of
24 the impact on and implications for the State of Illinois of
25 Section 1926 of the Federal ADAMHA Reorganization Act of
26 1992 (Public Law 102-321). This study shall address the

1 extent to which Illinois currently complies with the
2 provisions of P.L. 102-321 and the rules promulgated
3 pursuant thereto.

4 As part of its report, the Commission shall provide the
5 following essential information:

6 (i) the number of retail distributors of tobacco
7 products, by type and geographic area, in the State;

8 (ii) the number of reported citations and
9 successful convictions, categorized by type and
10 location of retail distributor, for violation of the
11 Sale of Tobacco to Minors Act and the Smokeless Tobacco
12 Limitation Act;

13 (iii) the extent and nature of organized
14 educational and governmental activities that are
15 intended to promote, encourage or otherwise secure
16 compliance with any Illinois laws that prohibit the
17 sale or distribution of tobacco products to minors; and

18 (iv) the level of access and availability of
19 tobacco products to individuals under the age of 18.

20 To obtain the data necessary to comply with the
21 provisions of P.L. 102-321 and the requirements of this
22 report, the Commission shall conduct random, unannounced
23 inspections of a geographically and scientifically
24 representative sample of the State's retail tobacco
25 distributors.

26 The Commission shall consult with the Department of

1 Public Health, the Department of Human Services, the
2 Illinois State Police and any other executive branch
3 agency, and private organizations that may have
4 information relevant to this report.

5 The Commission may contract with the Food and Drug
6 Administration of the U.S. Department of Health and Human
7 Services to conduct unannounced investigations of Illinois
8 tobacco vendors to determine compliance with federal laws
9 relating to the illegal sale of cigarettes and smokeless
10 tobacco products to persons under the age of 18.

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

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

22 (B) The amount of licensing fees received.

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

26 (D) The number of alcohol compliance operations

1 conducted.

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

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

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

20 (16) The Commission shall, in addition to notifying any
21 appropriate law enforcement agency, submit notices of
22 complaints or violations of Sections 6-29 and 6-29.1 by
23 persons who do not hold a winery shipper's license under
24 this amendatory Act to the Illinois Attorney General and to
25 the U.S. Department of Treasury's Alcohol and Tobacco Tax
26 and Trade Bureau.

1 (17) (A) A person licensed to make wine under the laws
2 of another state who has a winery shipper's license under
3 this amendatory Act and annually produces less than 25,000
4 gallons of wine or a person who has a first-class or
5 second-class wine manufacturer's license, a first-class or
6 second-class wine-maker's license, or a limited wine
7 manufacturer's license under this Act and annually
8 produces less than 25,000 gallons of wine may make
9 application to the Commission for a self-distribution
10 exemption to allow the sale of not more than 5,000 gallons
11 of the exemption holder's wine to retail licensees per
12 year.

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

23 (C) The Commission shall approve the application
24 for a self-distribution exemption if such person: (1)
25 is in compliance with State revenue and liquor laws;
26 (2) is not a member of any affiliated group that

1 produces more than 25,000 gallons of wine per annum or
2 produces any other alcoholic liquor; (3) will not
3 annually produce for sale more than 25,000 gallons of
4 wine; and (4) will not annually sell more than 5,000
5 gallons of its wine to retail licensees.

6 (D) A self-distribution exemption holder shall
7 annually certify to the Commission its production of
8 wine in the previous 12 months and its anticipated
9 production and sales for the next 12 months. The
10 Commission may fine, suspend, or revoke a
11 self-distribution exemption after a hearing if it
12 finds that the exemption holder has made a material
13 misrepresentation in its application, violated a
14 revenue or liquor law of Illinois, exceeded production
15 of 25,000 gallons of wine in any calendar year, or
16 become part of an affiliated group producing more than
17 25,000 gallons of wine or any other alcoholic liquor.

18 (E) Except in hearings for violations of this Act
19 or amendatory Act or a bona fide investigation by duly
20 sworn law enforcement officials, the Commission, or
21 its agents, the Commission shall maintain the
22 production and sales information of a
23 self-distribution exemption holder as confidential and
24 shall not release such information to any person.

25 (F) The Commission shall issue regulations
26 governing self-distribution exemptions consistent with

1 this Section and this Act.

2 (G) Nothing in this subsection (17) shall prohibit
3 a self-distribution exemption holder from entering
4 into or simultaneously having a distribution agreement
5 with a licensed Illinois distributor.

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

19 (b) On or before April 30, 1999, the Commission shall
20 present a written report to the Governor and the General
21 Assembly that shall be based on a study of the impact of this
22 amendatory Act of 1998 on the business of soliciting, selling,
23 and shipping alcoholic liquor from outside of this State
24 directly to residents of this State.

25 As part of its report, the Commission shall provide the
26 following information:

1 (i) the amount of State excise and sales tax revenues
2 generated as a result of this amendatory Act of 1998;

3 (ii) the amount of licensing fees received as a result
4 of this amendatory Act of 1998;

5 (iii) the number of reported violations, the number of
6 cease and desist notices issued by the Commission, the
7 number of notices of violations issued to the Department of
8 Revenue, and the number of notices and complaints of
9 violations to law enforcement officials.

10 (Source: P.A. 92-378, eff. 8-16-01; 92-813, eff. 8-21-02;
11 93-1057, eff. 12-2-04.)

12 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

15 (a) Manufacturer's license - Class 1. Distiller, Class 2.
16 Rectifier, Class 3. Brewer, Class 4. First Class Wine
17 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
18 First Class Winemaker, Class 7. Second Class Winemaker, Class
19 8. Limited Wine Manufacturer,

20 (b) Distributor's license,

21 (c) Importing Distributor's license,

22 (d) Retailer's license,

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

24 (f) Railroad license,

25 (g) Boat license,

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

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

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

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

24 Class 2. A Rectifier, who is not a distiller, as defined
25 herein, may make sales and deliveries of alcoholic liquor to
26 rectifiers, importing distributors, distributors, retailers

1 and non-beverage users and to no other licensees.

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

7 Class 4. A first class wine-manufacturer may make sales and
8 deliveries of up to 50,000 gallons of wine to manufacturers,
9 importing distributors and distributors, and to no other
10 licensees.

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

15 Class 6. A first-class wine-maker's license shall allow the
16 manufacture of up to 50,000 gallons of wine per year, and the
17 storage and sale of such wine to distributors in the State and
18 to persons without the State, as may be permitted by law. A
19 person who, prior to the effective date of this amendatory Act
20 of the 95th General Assembly, is a holder of a first-class
21 wine-maker's license and annually produces more than 25,000
22 gallons of its own wine and who distributes its wine to
23 licensed retailers shall cease this practice on or before July
24 1, 2008 in compliance with this amendatory Act of the 95th
25 General Assembly. ~~A first class wine-maker's license shall~~
26 ~~allow the sale of no more than 5,000 gallons of the licensee's~~

1 ~~wine to retailers. The State Commission shall issue only one~~
2 ~~first class wine maker's license to any person, firm,~~
3 ~~partnership, corporation, or other legal business entity that~~
4 ~~is engaged in the making of less than 50,000 gallons of wine~~
5 ~~annually that applies for a first class wine maker's license.~~
6 ~~No subsidiary or affiliate thereof, nor any officer, associate,~~
7 ~~member, partner, representative, employee, agent, or~~
8 ~~shareholder may be issued an additional wine maker's license by~~
9 ~~the State Commission.~~

10 Class 7. A second-class wine-maker's license shall allow
11 the manufacture of between 50,000 and 150,000 ~~100,000~~ gallons
12 of wine per year, and the storage and sale of such wine to
13 distributors in this State and to persons without the State, as
14 may be permitted by law. A person who, prior to the effective
15 date of this amendatory Act of the 95th General Assembly, is a
16 holder of a second-class wine-maker's license and annually
17 produces more than 25,000 gallons of its own wine and who
18 distributes its wine to licensed retailers shall cease this
19 practice on or before July 1, 2008 in compliance with this
20 amendatory Act of the 95th General Assembly. ~~A second class~~
21 ~~wine maker's license shall allow the sale of no more than~~
22 ~~10,000 gallons of the licensee's wine directly to retailers.~~
23 ~~The State Commission shall issue only one second class~~
24 ~~wine maker's license to any person, firm, partnership,~~
25 ~~corporation, or other legal business entity that is engaged in~~
26 ~~the making of less than 100,000 gallons of wine annually that~~

1 ~~applies for a second class wine maker's license. No subsidiary~~
2 ~~or affiliate thereof, or any officer, associate, member,~~
3 ~~partner, representative, employee, agent, or shareholder may~~
4 ~~be issued an additional wine maker's license by the State~~
5 ~~Commission.~~

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

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

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

1 misdemeanor. Fraud, misrepresentation, false statements,
2 misleading statements, evasions, or suppression of material
3 facts in the securing of a registration are grounds for
4 suspension or revocation of the registration.

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

9 (c) An importing distributor's license may be issued to and
10 held by those only who are duly licensed distributors, upon the
11 filing of an application by a duly licensed distributor, with
12 the Commission and the Commission shall, without the payment of
13 any fee, immediately issue such importing distributor's
14 license to the applicant, which shall allow the importation of
15 alcoholic liquor by the licensee into this State from any point
16 in the United States outside this State, and the purchase of
17 alcoholic liquor in barrels, casks or other bulk containers and
18 the bottling of such alcoholic liquors before resale thereof,
19 but all bottles or containers so filled shall be sealed,
20 labeled, stamped and otherwise made to comply with all
21 provisions, rules and regulations governing manufacturers in
22 the preparation and bottling of alcoholic liquors. The
23 importing distributor's license shall permit such licensee to
24 purchase alcoholic liquor from Illinois licensed non-resident
25 dealers and foreign importers only.

26 (d) A retailer's license shall allow the licensee to sell

1 and offer for sale at retail, only in the premises specified in
2 the license, alcoholic liquor for use or consumption, but not
3 for resale in any form. Nothing in this amendatory Act of the
4 95th General Assembly shall deny, limit, remove, or restrict
5 the ability of a holder of a retailer's license to transfer,
6 deliver, or ship alcoholic liquor to the purchaser for use or
7 consumption subject to any applicable local law or ordinance.

8 ~~Any: Provided that any~~ retail license issued to a manufacturer
9 shall only permit the manufacturer to sell beer at retail on
10 the premises actually occupied by the manufacturer. For the
11 purpose of further describing the type of business conducted at
12 a retail licensed premises, a retailer's licensee may be
13 designated by the State Commission as (i) an on premise
14 consumption retailer, (ii) an off premise sale retailer, or
15 (iii) a combined on premise consumption and off premise sale
16 retailer.

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

21 (e) A special event retailer's license (not-for-profit)
22 shall permit the licensee to purchase alcoholic liquors from an
23 Illinois licensed distributor (unless the licensee purchases
24 less than \$500 of alcoholic liquors for the special event, in
25 which case the licensee may purchase the alcoholic liquors from
26 a licensed retailer) and shall allow the licensee to sell and

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

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

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

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

25 (h) A non-beverage user's license shall allow the licensee
26 to purchase alcoholic liquor from a licensed manufacturer or

1 importing distributor, without the imposition of any tax upon
 2 the business of such licensed manufacturer or importing
 3 distributor as to such alcoholic liquor to be used by such
 4 licensee solely for the non-beverage purposes set forth in
 5 subsection (a) of Section 8-1 of this Act, and such licenses
 6 shall be divided and classified and shall permit the purchase,
 7 possession and use of limited and stated quantities of
 8 alcoholic liquor as follows:

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

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

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

16 (j) An airplane license shall permit the licensee to import
17 alcoholic liquors into this State from any point in the United
18 States outside this State and to store such alcoholic liquors
19 in this State; to make wholesale purchases of alcoholic liquors
20 directly from manufacturers, foreign importers, distributors
21 and importing distributors from within or outside this State;
22 and to store such alcoholic liquors in this State; provided
23 that the above powers may be exercised only in connection with
24 the importation, purchase or storage of alcoholic liquors to be
25 sold or dispensed on an airplane; and provided further, that
26 airplane licensees exercising the above powers shall be subject

1 to all provisions of Article VIII of this Act as applied to
2 importing distributors. An airplane licensee shall also permit
3 the sale or dispensing of alcoholic liquors on any passenger
4 airplane regularly operated by a common carrier in this State,
5 but shall not permit the sale for resale of any alcoholic
6 liquors to any licensee within this State. A single airplane
7 license shall be required of an airline company if liquor
8 service is provided on board aircraft in this State. The annual
9 fee for such license shall be as determined in Section 5-3.

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

23 (l) (i) A broker's license shall be required of all persons
24 who solicit orders for, offer to sell or offer to supply
25 alcoholic liquor to retailers in the State of Illinois, or who
26 offer to retailers to ship or cause to be shipped or to make

1 contact with distillers, rectifiers, brewers or manufacturers
2 or any other party within or without the State of Illinois in
3 order that alcoholic liquors be shipped to a distributor,
4 importing distributor or foreign importer, whether such
5 solicitation or offer is consummated within or without the
6 State of Illinois.

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

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

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

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

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

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

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

26 (n) A brew pub license shall allow the licensee to

1 manufacture beer only on the premises specified in the license,
2 to make sales of the beer manufactured on the premises to
3 importing distributors, distributors, and to non-licensees for
4 use and consumption, to store the beer upon the premises, and
5 to sell and offer for sale at retail from the licensed
6 premises, provided that a brew pub licensee shall not sell for
7 off-premises consumption more than 50,000 gallons per year.

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

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

21 (q) A special use permit license shall allow an Illinois
22 licensed retailer to transfer a portion of its alcoholic liquor
23 inventory from its retail licensed premises to the premises
24 specified in the license hereby created, and to sell or offer
25 for sale at retail, only in the premises specified in the
26 license hereby created, the transferred alcoholic liquor for

1 use or consumption, but not for resale in any form. A special
2 use permit license may be granted for the following time
3 periods: one day or less; 2 or more days to a maximum of 15 days
4 per location in any 12 month period. An applicant for the
5 special use permit license must also submit with the
6 application proof satisfactory to the State Commission that the
7 applicant will provide dram shop liability insurance to the
8 maximum limits and have local authority approval.

9 (r) A winery shipper's license shall allow a person with a
10 first-class or second-class wine manufacturer's license, a
11 first-class or second-class wine-maker's license, or a limited
12 wine manufacturer's license or who is licensed to make wine
13 under the laws of another state to ship wine made by that
14 licensee directly to a resident of this State who is 21 years
15 of age or older for that resident's personal use and not for
16 resale. Prior to receiving a winery shipper's license, an
17 applicant for the license must provide the Commission with a
18 true copy of its current license in any state in which it is
19 licensed as a manufacturer of wine. An applicant for a winery
20 shipper's license must also complete an application form that
21 provides any other information the Commission deems necessary.
22 The application form shall include an acknowledgement
23 consenting to the jurisdiction of the Commission, the Illinois
24 Department of Revenue, and the courts of this State concerning
25 the enforcement of this Act and any related laws, rules, and
26 regulations, including authorizing the Department of Revenue

1 and the Commission to conduct audits for the purpose of
2 ensuring compliance with this amendatory Act.

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

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

1 amendatory Act.

2 (Source: P.A. 92-105, eff. 1-1-02; 92-378, eff. 8-16-01;
 3 92-651, eff. 7-11-02; 92-672, eff. 7-16-02; 93-923, eff.
 4 8-12-04; 93-1057, eff. 12-2-04; revised 12-6-04.)

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

6 Sec. 5-3. License fees. Except as otherwise provided
 7 herein, at the time application is made to the State Commission
 8 for a license of any class, the applicant shall pay to the
 9 State Commission the fee hereinafter provided for the kind of
 10 license applied for.

11 The fee for licenses issued by the State Commission shall
 12 be as follows:

13 For a manufacturer's license:

14	Class 1. Distiller	\$3,600
15	Class 2. Rectifier	3,600
16	Class 3. Brewer	900
17	Class 4. First-class Wine Manufacturer	600
18	Class 5. Second-class	
19	Wine Manufacturer	1,200
20	Class 6. First-class wine-maker	600
21	Class 7. Second-class wine-maker	1200
22	Class 8. Limited Wine Manufacturer	120
23	For a Brew Pub License	1,050
24	For a caterer retailer's license	200
25	For a foreign importer's license	25

1	For an importing distributor's license	25
2	For a distributor's license	270
3	For a non-resident dealer's license	
4	(500,000 gallons or over)	270
5	For a non-resident dealer's license	
6	(under 500,000 gallons)	90
7	For a wine-maker's premises license	100
8	<u>For a winery shipper's license</u>	
9	<u>(under 250,000 gallons)</u>	<u>150</u>
10	<u>For a winery shipper's license</u>	
11	<u>(250,000 or over, but under 500,000 gallons)</u>	<u>500</u>
12	<u>For a winery shipper's license</u>	
13	<u>(500,000 gallons or over)</u>	<u>1,000</u>
14	For a wine-maker's premises license,	
15	second location	350
16	For a wine-maker's premises license,	
17	third location	350
18	For a retailer's license	500
19	For a special event retailer's license,	
20	(not-for-profit)	25
21	For a special use permit license,	
22	one day only	50
23	2 days or more	100
24	For a railroad license	60
25	For a boat license	180
26	For an airplane license, times the	

1 licensee's maximum number of aircraft
 2 in flight, serving liquor over the
 3 State at any given time, which either
 4 originate, terminate, or make
 5 an intermediate stop in the State 60

6 For a non-beverage user's license:

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

12 For a broker's license 600

13 For an auction liquor license 50

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

1 accumulated to the aggregate fees paid by all licensees during
2 that period.

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

5 (a) Hospitals, sanitariums, or clinics when their use
6 of alcoholic liquor is exclusively medicinal, mechanical
7 or scientific.

8 (b) Universities, colleges of learning or schools when
9 their use of alcoholic liquor is exclusively medicinal,
10 mechanical or scientific.

11 (c) Laboratories when their use is exclusively for the
12 purpose of scientific research.

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

14 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

15 Sec. 6-4. (a) No person licensed by any licensing authority
16 as a distiller, or a wine manufacturer, or any subsidiary or
17 affiliate thereof, or any officer, associate, member, partner,
18 representative, employee, agent or shareholder owning more
19 than 5% of the outstanding shares of such person shall be
20 issued an importing distributor's or distributor's license,
21 nor shall any person licensed by any licensing authority as an
22 importing distributor, distributor or retailer, or any
23 subsidiary or affiliate thereof, or any officer or associate,
24 member, partner, representative, employee, agent or
25 shareholder owning more than 5% of the outstanding shares of

1 such person be issued a distiller's license or a wine
2 manufacturer's license; and no person or persons licensed as a
3 distiller by any licensing authority shall have any interest,
4 directly or indirectly, with such distributor or importing
5 distributor.

6 However, an importing distributor or distributor, which on
7 January 1, 1985 is owned by a brewer, or any subsidiary or
8 affiliate thereof or any officer, associate, member, partner,
9 representative, employee, agent or shareholder owning more
10 than 5% of the outstanding shares of the importing distributor
11 or distributor referred to in this paragraph, may own or
12 acquire an ownership interest of more than 5% of the
13 outstanding shares of a wine manufacturer and be issued a wine
14 manufacturer's license by any licensing authority.

15 (b) The foregoing provisions shall not apply to any person
16 licensed by any licensing authority as a distiller or wine
17 manufacturer, or to any subsidiary or affiliate of any
18 distiller or wine manufacturer who shall have been heretofore
19 licensed by the State Commission as either an importing
20 distributor or distributor during the annual licensing period
21 expiring June 30, 1947, and shall actually have made sales
22 regularly to retailers.

23 (c) Provided, however, that in such instances where a
24 distributor's or importing distributor's license has been
25 issued to any distiller or wine manufacturer or to any
26 subsidiary or affiliate of any distiller or wine manufacturer

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

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

1 distiller, or subsidiaries or affiliates of such distiller.

2 (e) Any person having been licensed as a manufacturer shall
3 be permitted to receive one retailer's license for the premises
4 in which he actually conducts such business, permitting the
5 sale of beer only on such premises, but no such person shall be
6 entitled to more than one retailer's license in any event, and,
7 other than a manufacturer of beer as stated above, no
8 manufacturer or distributor or importing distributor,
9 excluding airplane licensees exercising powers provided in
10 paragraph (i) of Section 5-1 of this Act, or any subsidiary or
11 affiliate thereof, or any officer, associate, member, partner,
12 representative, employee or agent, or shareholder shall be
13 issued a retailer's license, nor shall any person having a
14 retailer's license, excluding airplane licensees exercising
15 powers provided in paragraph (i) of Section 5-1 of this Act, or
16 any subsidiary or affiliate thereof, or any officer, associate,
17 member, partner, representative or agent, or shareholder be
18 issued a manufacturer's license, importing distributor's
19 license.

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

23 (i) to any hotel, motel or restaurant whose principal
24 business is not the sale of alcoholic liquors if said
25 retailer's sales of any alcoholic liquors manufactured, sold,
26 distributed or controlled, directly or indirectly, by any

1 affiliate, subsidiary, officer, associate, member, partner,
2 representative, employee, agent or shareholder owning more
3 than 5% of the outstanding shares of such person does not
4 exceed 10% of the total alcoholic liquor sales of said retail
5 licensee; and

6 (ii) where the Commission determines, having considered
7 the public welfare, the economic impact upon the State and the
8 entirety of the facts and circumstances involved, that the
9 purpose and intent of this Section would not be violated by
10 granting an exemption.

11 (g) Notwithstanding any of the foregoing prohibitions, a
12 limited wine manufacturer may sell at retail at its
13 manufacturing site for on or off premises consumption and may
14 sell to distributors. A limited wine manufacturer licensee
15 shall secure liquor liability insurance coverage in an amount
16 at least equal to the maximum liability amounts set forth in
17 subsection (a) of Section 6-21 of this Act.

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

19 (235 ILCS 5/6-29) (from Ch. 43, par. 144e)

20 Sec. 6-29. Winery shipper's license. ~~Interstate reciprocal~~
21 ~~wine shipments.~~

22 (a) The General Assembly declares that the following is the
23 intent of this Section:

24 (1) To authorize direct shipment of wine by an
25 out-of-state maker of wine on the same basis permitted an

1 in-state maker of wine pursuant to the authority of the
2 State under the provisions of Section 2 of the Twenty-First
3 Amendment to the United States Constitution and in
4 conformance with the United States Supreme Court decision
5 decided on May 16, 2005 in Granholm v. Heald.

6 (2) To reaffirm that the General Assembly's findings
7 and declarations that selling alcoholic liquor through
8 various direct marketing means such as catalogs,
9 newspapers, mailings, and the Internet directly to
10 consumers of this State poses a serious threat to the
11 State's efforts to further temperance and prevent youth
12 from accessing alcoholic liquor and the expansion of youth
13 access to additional types of alcoholic liquors.

14 (3) To maintain the State's broad powers granted by
15 Section 2 of the Twenty-First Amendment to the United
16 States Constitution to control the importation or sale of
17 alcoholic liquor and its right to structure its alcoholic
18 liquor distribution system.

19 (4) To ensure that the General Assembly, by authorizing
20 limited direct shipment of wine to meet the directives of
21 the United States Supreme Court, does not intend to impair
22 or modify the State's distribution of wine through
23 distributors or importing distributors, but only to permit
24 limited shipment of wine for personal use.

25 (5) To provide that, in the event that a court of
26 competent jurisdiction declares or finds that this

1 Section, which is enacted to conform Illinois law to the
2 United States Supreme Court decision, is invalid or
3 unconstitutional, the Illinois General Assembly at its
4 earliest general session shall conduct hearings and study
5 methods to conform to any directive or order of the court
6 consistent with the temperance and revenue collection
7 purposes of this Act.

8 (b) Notwithstanding any other provision of law, a wine
9 shipper licensee may ship, for personal use and not for resale,
10 not more than 12 cases of wine per year to any resident of this
11 State who is 21 years of age or older.

12 (b-3) Notwithstanding any other provision of law, sale and
13 shipment by a winery shipper licensee pursuant to this Section
14 shall be deemed to constitute a sale in this State.

15 (b-5) The shipping container of any wine shipped under this
16 Section shall be clearly labeled with the following words:
17 "CONTAINS ALCOHOL. SIGNATURE OF A PERSON 21 YEARS OF AGE OR
18 OLDER REQUIRED FOR DELIVERY. PROOF OF AGE AND IDENTITY MUST BE
19 SHOWN BEFORE DELIVERY.". This warning must be prominently
20 displayed on the packaging. A licensee shall require the
21 transporter or common carrier that delivers the wine to obtain
22 the signature of a person 21 years of age or older at the
23 delivery address at the time of delivery. At the expense of the
24 licensee, the licensee shall receive a delivery confirmation
25 from the express company, common carrier, or contract carrier
26 indicating the location of the delivery, time of delivery, and

1 the name and signature of the individual 21 years of age or
2 older who accepts delivery. The Commission shall design and
3 create a label or approve a label that must be affixed to the
4 shipping container by the licensee.

5 ~~(a) Notwithstanding any other provision of law, an adult~~
6 ~~resident or holder of an alcoholic beverage license in a state~~
7 ~~which affords Illinois licensees or adult residents an equal~~
8 ~~reciprocal shipping privilege may ship, for personal use and~~
9 ~~not for resale, not more than 2 cases of wine (each case~~
10 ~~containing not more than 9 liters) per year to any adult~~
11 ~~resident of this State. Delivery of a shipment pursuant to this~~
12 ~~Section shall not be deemed to constitute a sale in this State.~~

13 ~~(b) The shipping container of any wine sent into or out of~~
14 ~~this State under this Section shall be clearly labeled to~~
15 ~~indicate that the package cannot be delivered to a person under~~
16 ~~the age of 21 years.~~

17 (c) No broker within this State shall solicit consumers to
18 engage in direct interstate reciprocal wine shipments under
19 this Section. ~~No shipper located outside this State may~~
20 ~~advertise such interstate reciprocal wine shipments in this~~
21 ~~State.~~

22 (d) It is not the intent of this Section to impair the
23 distribution of wine through distributors or importing
24 distributors, but only to permit shipments of wine for personal
25 use.

26 (Source: P.A. 86-1483.)

1 (235 ILCS 5/6-29.1)

2 Sec. 6-29.1. Direct shipments of alcoholic liquor.

3 (a) The General Assembly makes the following findings:

4 (1) The General Assembly of Illinois, having reviewed
5 this Act in light of the United States Supreme Court's 2005
6 decision in Granholm v. Heald, has determined to conform
7 that law to the constitutional principles enunciated by the
8 Court in a manner that best preserves the temperance,
9 revenue, and orderly distribution values of this Act.

10 (2) Minimizing automobile accidents and fatalities,
11 domestic violence, health problems, loss of productivity,
12 unemployment, and other social problems associated with
13 dependency and improvident, use of alcoholic beverages
14 remains the policy of Illinois.

15 (3) To the maximum extent constitutionally feasible,
16 Illinois desires to collect sufficient revenue from excise
17 and use taxes on alcoholic beverages for the purpose of
18 responding to such social problems.

19 (4) Combined with family education and individual
20 discipline, retail validation of age, and assessment of the
21 capacity of the consumer remains the best pre-sale social
22 protection against the problems associated with the abuse
23 of alcoholic liquor.

24 (5) Therefore, the paramount purpose of this
25 amendatory Act is to continue to carefully limit direct

1 shipment sales of wine produced by makers of wine and to
2 continue to prohibit such direct shipment sales for spirits
3 and beer.

4 For these reasons, the Commission shall establish a system
5 to notify the out-of-state trade of this prohibition and to
6 detect violations. The Commission shall request the Attorney
7 General to extradite any offender.

8 (b) Pursuant to the Twenty-First Amendment of the United
9 States Constitution allowing states to regulate the
10 distribution and sale of alcoholic liquor and pursuant to the
11 federal Webb-Kenyon Act declaring that alcoholic liquor
12 shipped in interstate commerce must comply with state laws, the
13 General Assembly hereby finds and declares that selling
14 alcoholic liquor from a point outside this State through
15 various direct marketing means, such as catalogs, newspapers,
16 mailers, and the Internet, directly to residents of this State
17 poses a serious threat to the State's efforts to prevent youths
18 from accessing alcoholic liquor; to State revenue collections;
19 and to the economy of this State.

20 Any person manufacturing, distributing, or selling
21 alcoholic liquor who knowingly ships or transports or causes
22 the shipping or transportation of any alcoholic liquor from a
23 point outside this State to a person in this State who does not
24 hold a manufacturer's, distributor's, importing distributor's,
25 or non-resident dealer's license issued by the Liquor Control
26 Commission, other than a shipment of sacramental wine to a bona

1 fide religious organization, a shipment authorized by Section
2 6-29, subparagraph (17) of Section 3-12, or any other shipment
3 authorized by this Act, is in violation of this Act.

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

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

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

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

24 Section 90. Severability. The General Assembly recognizes
25 that courts established pursuant to the Constitution of the

1 United States and the Constitution of the State of Illinois
2 construe statutory provisions dealing with judicial
3 interpretation, severability, and partial invalidity by
4 determining whether the legislative intent was to enforce the
5 remainder of the law enacted in the event of a judicial
6 determination of partial invalidity. For the purpose of
7 explaining such intent, if any provision, application,
8 exemption, exception, or authorization of this amendatory Act,
9 the Retailer's Occupation Tax Act, Section 3-7 of the Uniform
10 Penalty and Interest Act, or the Liquor Control Act of 1934 is
11 held invalid, then all other constitutional provisions,
12 exemptions, exceptions, and authorizations of this amendatory
13 Act are severable and shall be given effect.