



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB4486

by Rep. Michael J. Zalewski

SYNOPSIS AS INTRODUCED:

235 ILCS 5/1-3.35

235 ILCS 5/5-1

235 ILCS 5/6-4

from Ch. 43, par. 115

from Ch. 43, par. 121

Amends the Liquor Control Act of 1934. Provides that a craft distiller license allows the manufacture of up to 100,000 gallons (instead of 35,000 gallons) of spirits by distillation per year and the storage of those spirits. Provides that a craft distiller licensee that is not affiliated with any other manufacturer may sell up to 5,000 gallons (instead of 2,500 gallons) of spirits to non-licensees. Authorizes a craft distiller to obtain a special use permit license. Makes conforming changes. Effective immediately.

LRB099 15765 RPS 40069 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 1-3.35, 5-1, and 6-4 as follows:

6 (235 ILCS 5/1-3.35)

7 Sec. 1-3.35. Special use permit license. "Special use
8 permit license" means a license for use by a retailer or craft
9 distiller to allow for the transfer of alcoholic beverages from
10 an existing licensed retail premises to a designated site for a
11 specific event.

12 (Source: P.A. 88-91; 89-250, eff. 1-1-96.)

13 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

16 (a) Manufacturer's license - Class 1. Distiller, Class 2.
17 Rectifier, Class 3. Brewer, Class 4. First Class Wine
18 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
19 First Class Winemaker, Class 7. Second Class Winemaker, Class
20 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class
21 10. Class 1 Brewer, Class 11. Class 2 Brewer,

22 (b) Distributor's license,

- 1 (c) Importing Distributor's license,
- 2 (d) Retailer's license,
- 3 (e) Special Event Retailer's license (not-for-profit),
- 4 (f) Railroad license,
- 5 (g) Boat license,
- 6 (h) Non-Beverage User's license,
- 7 (i) Wine-maker's premises license,
- 8 (j) Airplane license,
- 9 (k) Foreign importer's license,
- 10 (l) Broker's license,
- 11 (m) Non-resident dealer's license,
- 12 (n) Brew Pub license,
- 13 (o) Auction liquor license,
- 14 (p) Caterer retailer license,
- 15 (q) Special use permit license,
- 16 (r) Winery shipper's license.

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

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

25 Class 1. A Distiller may make sales and deliveries of
26 alcoholic liquor to distillers, rectifiers, importing

1 distributors, distributors and non-beverage users and to no
2 other licensees.

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

7 Class 3. A Brewer may make sales and deliveries of beer to
8 importing distributors and distributors and may make sales as
9 authorized under subsection (e) of Section 6-4 of this Act.

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

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

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

1 practice on or before July 1, 2008 in compliance with Public
2 Act 95-634 ~~this amendatory Act of the 95th General Assembly.~~

3 Class 7. A second-class wine-maker's license shall allow
4 the manufacture of between 50,000 and 150,000 gallons of wine
5 per year, and the storage and sale of such wine to distributors
6 in this State and to persons without the State, as may be
7 permitted by law. A person who, prior to June 1, 2008 (the
8 effective date of Public Act 95-634) ~~this amendatory Act of the~~
9 ~~95th General Assembly,~~ is a holder of a second-class
10 wine-maker's license and annually produces more than 25,000
11 gallons of its own wine and who distributes its wine to
12 licensed retailers shall cease this practice on or before July
13 1, 2008 in compliance with Public Act 95-634 ~~this amendatory~~
14 ~~Act of the 95th General Assembly.~~

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

19 Class 9. A craft distiller license shall allow the
20 manufacture of up to 100,000 ~~30,000~~ gallons of spirits by
21 ~~distillation for one year after the effective date of this~~
22 ~~amendatory Act of the 97th General Assembly and up to 35,000~~
23 gallons of spirits by distillation per year ~~thereafter~~ and the
24 storage of such spirits. If a craft distiller licensee is not
25 affiliated with any other manufacturer, then the craft
26 distiller licensee may sell such spirits to distributors in

1 this State and up to 5,000 ~~2,500~~ gallons of such spirits to
2 non-licensees to the extent permitted by any exemption approved
3 by the Commission pursuant to Section 6-4 of this Act.

4 Any craft distiller licensed under this Act who on July 28,
5 2010 (the effective date of Public Act 96-1367) ~~this amendatory~~
6 ~~Act of the 96th General Assembly~~ was licensed as a distiller
7 and manufactured no more spirits than permitted by this Section
8 shall not be required to pay the initial licensing fee.

9 Class 10. A class 1 brewer license, which may only be
10 issued to a licensed brewer or licensed non-resident dealer,
11 shall allow the manufacture of up to 930,000 gallons of beer
12 per year provided that the class 1 brewer licensee does not
13 manufacture more than a combined 930,000 gallons of beer per
14 year and is not a member of or affiliated with, directly or
15 indirectly, a manufacturer that produces more than 930,000
16 gallons of beer per year or any other alcoholic liquor. A class
17 1 brewer licensee may make sales and deliveries to importing
18 distributors and distributors and to retail licensees in
19 accordance with the conditions set forth in paragraph (18) of
20 subsection (a) of Section 3-12 of this Act.

21 Class 11. A class 2 brewer license, which may only be
22 issued to a licensed brewer or licensed non-resident dealer,
23 shall allow the manufacture of up to 3,720,000 gallons of beer
24 per year provided that the class 2 brewer licensee does not
25 manufacture more than a combined 3,720,000 gallons of beer per
26 year and is not a member of or affiliated with, directly or

1 indirectly, a manufacturer that produces more than 3,720,000
2 gallons of beer per year or any other alcoholic liquor. A class
3 2 brewer licensee may make sales and deliveries to importing
4 distributors and distributors, but shall not make sales or
5 deliveries to any other licensee. If the State Commission
6 provides prior approval, a class 2 brewer licensee may annually
7 transfer up to 3,720,000 gallons of beer manufactured by that
8 class 2 brewer licensee to the premises of a licensed class 2
9 brewer wholly owned and operated by the same licensee.

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

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

1 fact under oath in an application is guilty of a Class B
2 misdemeanor. Fraud, misrepresentation, false statements,
3 misleading statements, evasions, or suppression of material
4 facts in the securing of a registration are grounds for
5 suspension or revocation of the registration. The State
6 Commission shall post a list of registered agents on the
7 Commission's website.

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

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

1 purchase alcoholic liquor from Illinois licensed non-resident
2 dealers and foreign importers only.

3 (d) A retailer's license shall allow the licensee to sell
4 and offer for sale at retail, only in the premises specified in
5 the license, alcoholic liquor for use or consumption, but not
6 for resale in any form. Nothing in Public Act 95-634 ~~this~~
7 ~~amendatory Act of the 95th General Assembly~~ shall deny, limit,
8 remove, or restrict the ability of a holder of a retailer's
9 license to transfer, deliver, or ship alcoholic liquor to the
10 purchaser for use or consumption subject to any applicable
11 local law or ordinance. Any retail license issued to a
12 manufacturer shall only permit the manufacturer to sell beer at
13 retail on the premises actually occupied by the manufacturer.
14 For the purpose of further describing the type of business
15 conducted at a retail licensed premises, a retailer's licensee
16 may be designated by the State Commission as (i) an on premise
17 consumption retailer, (ii) an off premise sale retailer, or
18 (iii) a combined on premise consumption and off premise sale
19 retailer.

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

24 (e) A special event retailer's license (not-for-profit)
25 shall permit the licensee to purchase alcoholic liquors from an
26 Illinois licensed distributor (unless the licensee purchases

1 less than \$500 of alcoholic liquors for the special event, in
2 which case the licensee may purchase the alcoholic liquors from
3 a licensed retailer) and shall allow the licensee to sell and
4 offer for sale, at retail, alcoholic liquors for use or
5 consumption, but not for resale in any form and only at the
6 location and on the specific dates designated for the special
7 event in the license. An applicant for a special event retailer
8 license must (i) furnish with the application: (A) a resale
9 number issued under Section 2c of the Retailers' Occupation Tax
10 Act or evidence that the applicant is registered under Section
11 2a of the Retailers' Occupation Tax Act, (B) a current, valid
12 exemption identification number issued under Section 1g of the
13 Retailers' Occupation Tax Act, and a certification to the
14 Commission that the purchase of alcoholic liquors will be a
15 tax-exempt purchase, or (C) a statement that the applicant is
16 not registered under Section 2a of the Retailers' Occupation
17 Tax Act, does not hold a resale number under Section 2c of the
18 Retailers' Occupation Tax Act, and does not hold an exemption
19 number under Section 1g of the Retailers' Occupation Tax Act,
20 in which event the Commission shall set forth on the special
21 event retailer's license a statement to that effect; (ii)
22 submit with the application proof satisfactory to the State
23 Commission that the applicant will provide dram shop liability
24 insurance in the maximum limits; and (iii) show proof
25 satisfactory to the State Commission that the applicant has
26 obtained local authority approval.

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

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

1 thereon.

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

- 12 Class 1, not to exceed 500 gallons
- 13 Class 2, not to exceed 1,000 gallons
- 14 Class 3, not to exceed 5,000 gallons
- 15 Class 4, not to exceed 10,000 gallons
- 16 Class 5, not to exceed 50,000 gallons

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

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

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

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

13 (k) A foreign importer's license shall permit such licensee
14 to purchase alcoholic liquor from Illinois licensed
15 non-resident dealers only, and to import alcoholic liquor other
16 than in bulk from any point outside the United States and to
17 sell such alcoholic liquor to Illinois licensed importing
18 distributors and to no one else in Illinois; provided that (i)
19 the foreign importer registers with the State Commission every
20 brand of alcoholic liquor that it proposes to sell to Illinois
21 licensees during the license period, (ii) the foreign importer
22 complies with all of the provisions of Section 6-9 of this Act
23 with respect to registration of such Illinois licensees as may
24 be granted the right to sell such brands at wholesale, and
25 (iii) the foreign importer complies with the provisions of
26 Sections 6-5 and 6-6 of this Act to the same extent that these

1 provisions apply to manufacturers.

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

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

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

23 (ii) A broker's license shall be required of a person
24 within this State, other than a retail licensee, who, for a fee
25 or commission, promotes, solicits, or accepts orders for
26 alcoholic liquor, for use or consumption and not for resale, to

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

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

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

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

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

1 licensees during the license period, (ii) it shall comply with
2 all of the provisions of Section 6-9 hereof with respect to
3 registration of such Illinois licensees as may be granted the
4 right to sell such brands at wholesale, and (iii) the
5 non-resident dealer shall comply with the provisions of
6 Sections 6-5 and 6-6 of this Act to the same extent that these
7 provisions apply to manufacturers.

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

26 A brew pub licensee shall not under any circumstance sell

1 or offer for sale beer manufactured by the brew pub licensee to
2 retail licensees.

3 A person who holds a class 2 brewer license may
4 simultaneously hold a brew pub license if the class 2 brewer
5 (i) does not, under any circumstance, sell or offer for sale
6 beer manufactured by the class 2 brewer to retail licensees;
7 (ii) does not hold more than 3 brew pub licenses in this State;
8 (iii) does not manufacture more than a combined 3,720,000
9 gallons of beer per year, including the beer manufactured at
10 the brew pub; and (iv) is not a member of or affiliated with,
11 directly or indirectly, a manufacturer that produces more than
12 3,720,000 gallons of beer per year or any other alcoholic
13 liquor.

14 Notwithstanding any other provision of this Act, a licensed
15 brewer, class 2 brewer, or non-resident dealer who before July
16 1, 2015 manufactured less than ~~than~~ 3,720,000 gallons of beer
17 per year and held a brew pub license on or before July 1, 2015
18 may (i) continue to qualify for and hold that brew pub license
19 for the licensed premises and (ii) manufacture more than
20 3,720,000 gallons of beer per year and continue to qualify for
21 and hold that brew pub license if that brewer, class 2 brewer,
22 or non-resident dealer does not simultaneously hold a class 1
23 brewer license and is not a member of or affiliated with,
24 directly or indirectly, a manufacturer that produces more than
25 3,720,000 gallons of beer per year or that produces any other
26 alcoholic liquor.

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

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

14 (q) A special use permit license shall allow an Illinois
15 licensed retailer or craft distiller to transfer a portion of
16 its alcoholic liquor inventory from its retail licensed
17 premises to the premises specified in the license hereby
18 created, and to sell or offer for sale at retail, only in the
19 premises specified in the license hereby created, the
20 transferred alcoholic liquor for use or consumption, but not
21 for resale in any form. A special use permit license may be
22 granted for the following time periods: one day or less; 2 or
23 more days to a maximum of 15 days per location in any 12 month
24 period. An applicant for the special use permit license must
25 also submit with the application proof satisfactory to the
26 State Commission that the applicant will provide dram shop

1 liability insurance to the maximum limits and have local
2 authority approval.

3 (r) A winery shipper's license shall allow a person with a
4 first-class or second-class wine manufacturer's license, a
5 first-class or second-class wine-maker's license, or a limited
6 wine manufacturer's license or who is licensed to make wine
7 under the laws of another state to ship wine made by that
8 licensee directly to a resident of this State who is 21 years
9 of age or older for that resident's personal use and not for
10 resale. Prior to receiving a winery shipper's license, an
11 applicant for the license must provide the Commission with a
12 true copy of its current license in any state in which it is
13 licensed as a manufacturer of wine. An applicant for a winery
14 shipper's license must also complete an application form that
15 provides any other information the Commission deems necessary.
16 The application form shall include an acknowledgement
17 consenting to the jurisdiction of the Commission, the Illinois
18 Department of Revenue, and the courts of this State concerning
19 the enforcement of this Act and any related laws, rules, and
20 regulations, including authorizing the Department of Revenue
21 and the Commission to conduct audits for the purpose of
22 ensuring compliance with Public Act 95-634 ~~this amendatory Act.~~

23 A winery shipper licensee must pay to the Department of
24 Revenue the State liquor gallonage tax under Section 8-1 for
25 all wine that is sold by the licensee and shipped to a person
26 in this State. For the purposes of Section 8-1, a winery

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

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

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

26 (Source: P.A. 98-394, eff. 8-16-13; 98-401, eff. 8-16-13;

1 98-756, eff. 7-16-14; 99-448, eff. 8-24-15; revised 10-27-15.)

2 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

3 Sec. 6-4. (a) No person licensed by any licensing authority
4 as a distiller, or a wine manufacturer, or any subsidiary or
5 affiliate thereof, or any officer, associate, member, partner,
6 representative, employee, agent or shareholder owning more
7 than 5% of the outstanding shares of such person shall be
8 issued an importing distributor's or distributor's license,
9 nor shall any person licensed by any licensing authority as an
10 importing distributor, distributor or retailer, or any
11 subsidiary or affiliate thereof, or any officer or associate,
12 member, partner, representative, employee, agent or
13 shareholder owning more than 5% of the outstanding shares of
14 such person be issued a distiller's license or a wine
15 manufacturer's license; and no person or persons licensed as a
16 distiller by any licensing authority shall have any interest,
17 directly or indirectly, with such distributor or importing
18 distributor.

19 However, an importing distributor or distributor, which on
20 January 1, 1985 is owned by a brewer, or any subsidiary or
21 affiliate thereof or any officer, associate, member, partner,
22 representative, employee, agent or shareholder owning more
23 than 5% of the outstanding shares of the importing distributor
24 or distributor referred to in this paragraph, may own or
25 acquire an ownership interest of more than 5% of the

1 outstanding shares of a wine manufacturer and be issued a wine
2 manufacturer's license by any licensing authority.

3 (b) The foregoing provisions shall not apply to any person
4 licensed by any licensing authority as a distiller or wine
5 manufacturer, or to any subsidiary or affiliate of any
6 distiller or wine manufacturer who shall have been heretofore
7 licensed by the State Commission as either an importing
8 distributor or distributor during the annual licensing period
9 expiring June 30, 1947, and shall actually have made sales
10 regularly to retailers.

11 (c) Provided, however, that in such instances where a
12 distributor's or importing distributor's license has been
13 issued to any distiller or wine manufacturer or to any
14 subsidiary or affiliate of any distiller or wine manufacturer
15 who has, during the licensing period ending June 30, 1947, sold
16 or distributed as such licensed distributor or importing
17 distributor alcoholic liquors and wines to retailers, such
18 distiller or wine manufacturer or any subsidiary or affiliate
19 of any distiller or wine manufacturer holding such
20 distributor's or importing distributor's license may continue
21 to sell or distribute to retailers such alcoholic liquors and
22 wines which are manufactured, distilled, processed or marketed
23 by distillers and wine manufacturers whose products it sold or
24 distributed to retailers during the whole or any part of its
25 licensing periods; and such additional brands and additional
26 products may be added to the line of such distributor or

1 importing distributor, provided, that such brands and such
2 products were not sold or distributed by any distributor or
3 importing distributor licensed by the State Commission during
4 the licensing period ending June 30, 1947, but can not sell or
5 distribute to retailers any other alcoholic liquors or wines.

6 (d) It shall be unlawful for any distiller licensed
7 anywhere to have any stock ownership or interest in any
8 distributor's or importing distributor's license wherein any
9 other person has an interest therein who is not a distiller and
10 does not own more than 5% of any stock in any distillery.
11 Nothing herein contained shall apply to such distillers or
12 their subsidiaries or affiliates, who had a distributor's or
13 importing distributor's license during the licensing period
14 ending June 30, 1947, which license was owned in whole by such
15 distiller, or subsidiaries or affiliates of such distiller.

16 (e) Any person licensed as a brewer, class 1 brewer, or
17 class 2 brewer shall be permitted to sell on the licensed
18 premises to non-licensees for on or off-premises consumption
19 for the premises in which he or she actually conducts such
20 business beer manufactured by the brewer, class 1 brewer, or
21 class 2 brewer. Such sales shall be limited to on-premises,
22 in-person sales only, for lawful consumption on or off
23 premises. Such authorization shall be considered a privilege
24 granted by the brewer license and, other than a manufacturer of
25 beer as stated above, no manufacturer or distributor or
26 importing distributor, excluding airplane licensees exercising

1 powers provided in paragraph (i) of Section 5-1 of this Act, or
2 any subsidiary or affiliate thereof, or any officer, associate,
3 member, partner, representative, employee or agent, or
4 shareholder shall be issued a retailer's license, nor shall any
5 person having a retailer's license, excluding airplane
6 licensees exercising powers provided in paragraph (i) of
7 Section 5-1 of this Act, or any subsidiary or affiliate
8 thereof, or any officer, associate, member, partner,
9 representative or agent, or shareholder be issued a
10 manufacturer's license or importing distributor's license.

11 A person who holds a class 1 or class 2 brewer license and
12 is authorized by this Section to sell beer to non-licensees
13 shall not sell beer to non-licensees from more than 3 total
14 brewer or commonly owned brew pub licensed locations in this
15 State. The class 1 or class 2 brewer shall designate to the
16 State Commission the brewer or brew pub locations from which it
17 will sell beer to non-licensees.

18 A person licensed as a craft distiller not affiliated with
19 any other person manufacturing spirits may be authorized by the
20 Commission to sell up to 5,000 ~~2,500~~ gallons of spirits
21 produced by the person to non-licensees for on or off-premises
22 consumption for the premises in which he or she actually
23 conducts business permitting only the retail sale of spirits
24 manufactured at such premises. Such sales shall be limited to
25 on-premises, in-person sales only, for lawful consumption on or
26 off premises, and such authorization shall be considered a

1 privilege granted by the craft distiller license. A craft
2 distiller licensed for retail sale shall secure liquor
3 liability insurance coverage in an amount at least equal to the
4 maximum liability amounts set forth in subsection (a) of
5 Section 6-21 of this Act.

6 (f) (Blank).

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

14 (h) The changes made to this Section by Public Act 99-47
15 ~~this amendatory Act of the 99th General Assembly~~ shall not
16 diminish or impair the rights of any person, whether a
17 distiller, wine manufacturer, agent, or affiliate thereof, who
18 requested in writing and submitted documentation to the State
19 Commission on or before February 18, 2015 to be approved for a
20 retail license pursuant to what has heretofore been subsection
21 (f); provided that, on or before that date, the State
22 Commission considered the intent of that person to apply for
23 the retail license under that subsection and, by recorded vote,
24 the State Commission approved a resolution indicating that such
25 a license application could be lawfully approved upon that
26 person duly filing a formal application for a retail license

1 and if that person, within 90 days of the State Commission
2 appearance and recorded vote, first filed an application with
3 the appropriate local commission, which application was
4 subsequently approved by the appropriate local commission
5 prior to consideration by the State Commission of that person's
6 application for a retail license. It is further provided that
7 the State Commission may approve the person's application for a
8 retail license or renewals of such license if such person
9 continues to diligently adhere to all representations made in
10 writing to the State Commission on or before February 18, 2015,
11 or thereafter, or in the affidavit filed by that person with
12 the State Commission to support the issuance of a retail
13 license and to abide by all applicable laws and duly adopted
14 rules.

15 (Source: P.A. 99-47, eff. 7-15-15; 99-448, eff. 8-24-15;
16 revised 10-30-15.)

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.