

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 Alcoholism and Other Drug Abuse and
5 Dependency Act is amended by changing Section 10-15 as follows:

6 (20 ILCS 301/10-15)

7 Sec. 10-15. Qualification and appointment of members. The
8 membership of the Illinois Advisory Council shall consist of:

9 (a) A State's Attorney designated by the President of
10 the Illinois State's Attorneys Association.

11 (b) A judge designated by the Chief Justice of the
12 Illinois Supreme Court.

13 (c) A Public Defender appointed by the President of the
14 Illinois Public Defenders Association.

15 (d) A local law enforcement officer appointed by the
16 Governor.

17 (e) A labor representative appointed by the Governor.

18 (f) An educator appointed by the Governor.

19 (g) A physician licensed to practice medicine in all
20 its branches appointed by the Governor with due regard for
21 the appointee's knowledge of the field of alcoholism and
22 other drug abuse and dependency.

23 (h) 4 members of the Illinois House of Representatives,

1 2 each appointed by the Speaker and Minority Leader.

2 (i) 4 members of the Illinois Senate, 2 each appointed
3 by the President and Minority Leader.

4 (j) The President of the Illinois Alcoholism and Drug
5 Dependence Association.

6 (k) An advocate for the needs of youth appointed by the
7 Governor.

8 (l) The President of the Illinois State Medical Society
9 or his or her designee.

10 (m) The President of the Illinois Hospital Association
11 or his or her designee.

12 (n) The President of the Illinois Nurses Association or
13 a registered nurse designated by the President.

14 (o) The President of the Illinois Pharmacists
15 Association or a licensed pharmacist designated by the
16 President.

17 (p) The President of the Illinois Chapter of the
18 Association of Labor Management Administrators and
19 Consultants on Alcoholism.

20 (p-1) The President of the Community Behavioral
21 Healthcare Association of Illinois or his or her designee.

22 (q) The Attorney General or his or her designee.

23 (r) The State Comptroller or his or her designee.

24 (s) 20 public members, 8 appointed by the Governor, 3
25 of whom shall be representatives of alcoholism or other
26 drug abuse and dependency treatment programs and one of

1 whom shall be a representative of a manufacturer or
2 ~~importing~~ distributor of alcoholic liquor licensed by the
3 State of Illinois, and 3 public members appointed by each
4 of the President and Minority Leader of the Senate and the
5 Speaker and Minority Leader of the House.

6 (t) The Director, Secretary, or other chief
7 administrative officer, ex officio, or his or her designee,
8 of each of the following: the Department on Aging, the
9 Department of Children and Family Services, the Department
10 of Corrections, the Department of Juvenile Justice, the
11 Department of Healthcare and Family Services, the
12 Department of Revenue, the Department of Public Health, the
13 Department of Financial and Professional Regulation, the
14 Department of State Police, the Administrative Office of
15 the Illinois Courts, the Criminal Justice Information
16 Authority, and the Department of Transportation.

17 (u) Each of the following, ex officio, or his or her
18 designee: the Secretary of State, the State Superintendent
19 of Education, and the Chairman of the Board of Higher
20 Education.

21 The public members may not be officers or employees of the
22 executive branch of State government; however, the public
23 members may be officers or employees of a State college or
24 university or of any law enforcement agency. In appointing
25 members, due consideration shall be given to the experience of
26 appointees in the fields of medicine, law, prevention,

1 correctional activities, and social welfare. Vacancies in the
2 public membership shall be filled for the unexpired term by
3 appointment in like manner as for original appointments, and
4 the appointive members shall serve until their successors are
5 appointed and have qualified. Vacancies among the public
6 members appointed by the legislative leaders shall be filled by
7 the leader of the same house and of the same political party as
8 the leader who originally appointed the member.

9 Each non-appointive member may designate a representative
10 to serve in his place by written notice to the Department. All
11 General Assembly members shall serve until their respective
12 successors are appointed or until termination of their
13 legislative service, whichever occurs first. The terms of
14 office for each of the members appointed by the Governor shall
15 be for 3 years, except that of the members first appointed, 3
16 shall be appointed for a term of one year, and 4 shall be
17 appointed for a term of 2 years. The terms of office of each of
18 the public members appointed by the legislative leaders shall
19 be for 2 years.

20 (Source: P.A. 94-1033, eff. 7-1-07.)

21 Section 10. The Retailers' Occupation Tax Act is amended by
22 changing Section 3 as follows:

23 (35 ILCS 120/3) (from Ch. 120, par. 442)

24 Sec. 3. Except as provided in this Section, on or before

1 the twentieth day of each calendar month, every person engaged
2 in the business of selling tangible personal property at retail
3 in this State during the preceding calendar month shall file a
4 return with the Department, stating:

5 1. The name of the seller;

6 2. His residence address and the address of his
7 principal place of business and the address of the
8 principal place of business (if that is a different
9 address) from which he engages in the business of selling
10 tangible personal property at retail in this State;

11 3. Total amount of receipts received by him during the
12 preceding calendar month or quarter, as the case may be,
13 from sales of tangible personal property, and from services
14 furnished, by him during such preceding calendar month or
15 quarter;

16 4. Total amount received by him during the preceding
17 calendar month or quarter on charge and time sales of
18 tangible personal property, and from services furnished,
19 by him prior to the month or quarter for which the return
20 is filed;

21 5. Deductions allowed by law;

22 6. Gross receipts which were received by him during the
23 preceding calendar month or quarter and upon the basis of
24 which the tax is imposed;

25 7. The amount of credit provided in Section 2d of this
26 Act;

- 1 8. The amount of tax due;
- 2 9. The signature of the taxpayer; and
- 3 10. Such other reasonable information as the
- 4 Department may require.

5 If a taxpayer fails to sign a return within 30 days after
6 the proper notice and demand for signature by the Department,
7 the return shall be considered valid and any amount shown to be
8 due on the return shall be deemed assessed.

9 Each return shall be accompanied by the statement of
10 prepaid tax issued pursuant to Section 2e for which credit is
11 claimed.

12 Prior to October 1, 2003, and on and after September 1,
13 2004 a retailer may accept a Manufacturer's Purchase Credit
14 certification from a purchaser in satisfaction of Use Tax as
15 provided in Section 3-85 of the Use Tax Act if the purchaser
16 provides the appropriate documentation as required by Section
17 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
18 certification, accepted by a retailer prior to October 1, 2003
19 and on and after September 1, 2004 as provided in Section 3-85
20 of the Use Tax Act, may be used by that retailer to satisfy
21 Retailers' Occupation Tax liability in the amount claimed in
22 the certification, not to exceed 6.25% of the receipts subject
23 to tax from a qualifying purchase. A Manufacturer's Purchase
24 Credit reported on any original or amended return filed under
25 this Act after October 20, 2003 for reporting periods prior to
26 September 1, 2004 shall be disallowed. Manufacturer's

1 Purchaser Credit reported on annual returns due on or after
2 January 1, 2005 will be disallowed for periods prior to
3 September 1, 2004. No Manufacturer's Purchase Credit may be
4 used after September 30, 2003 through August 31, 2004 to
5 satisfy any tax liability imposed under this Act, including any
6 audit liability.

7 The Department may require returns to be filed on a
8 quarterly basis. If so required, a return for each calendar
9 quarter shall be filed on or before the twentieth day of the
10 calendar month following the end of such calendar quarter. The
11 taxpayer shall also file a return with the Department for each
12 of the first two months of each calendar quarter, on or before
13 the twentieth day of the following calendar month, stating:

14 1. The name of the seller;

15 2. The address of the principal place of business from
16 which he engages in the business of selling tangible
17 personal property at retail in this State;

18 3. The total amount of taxable receipts received by him
19 during the preceding calendar month from sales of tangible
20 personal property by him during such preceding calendar
21 month, including receipts from charge and time sales, but
22 less all deductions allowed by law;

23 4. The amount of credit provided in Section 2d of this
24 Act;

25 5. The amount of tax due; and

26 6. Such other reasonable information as the Department

1 may require.

2 Beginning on October 1, 2003, any person who is not a
3 licensed distributor,~~importing distributor~~, or manufacturer,
4 as defined in the Liquor Control Act of 1934, but is engaged in
5 the business of selling, at retail, alcoholic liquor shall file
6 a statement with the Department of Revenue, in a format and at
7 a time prescribed by the Department, showing the total amount
8 paid for alcoholic liquor purchased during the preceding month
9 and such other information as is reasonably required by the
10 Department. The Department may adopt rules to require that this
11 statement be filed in an electronic or telephonic format. Such
12 rules may provide for exceptions from the filing requirements
13 of this paragraph. For the purposes of this paragraph, the term
14 "alcoholic liquor" shall have the meaning prescribed in the
15 Liquor Control Act of 1934.

16 Beginning on October 1, 2003, every distributor,~~importing~~
17 ~~distributor~~, and manufacturer of alcoholic liquor as defined in
18 the Liquor Control Act of 1934, shall file a statement with the
19 Department of Revenue, no later than the 10th day of the month
20 for the preceding month during which transactions occurred, by
21 electronic means, showing the total amount of gross receipts
22 from the sale of alcoholic liquor sold or distributed during
23 the preceding month to purchasers; identifying the purchaser to
24 whom it was sold or distributed; the purchaser's tax
25 registration number; and such other information reasonably
26 required by the Department. A distributor,~~importing~~

1 ~~distributor,~~ or manufacturer of alcoholic liquor must
2 personally deliver, mail, or provide by electronic means to
3 each retailer listed on the monthly statement a report
4 containing a cumulative total of that distributor's, ~~importing~~
5 ~~distributor's,~~ or manufacturer's total sales of alcoholic
6 liquor to that retailer no later than the 10th day of the month
7 for the preceding month during which the transaction occurred.
8 The distributor, ~~importing distributor,~~ or manufacturer shall
9 notify the retailer as to the method by which the distributor,
10 ~~importing distributor,~~ or manufacturer will provide the sales
11 information. If the retailer is unable to receive the sales
12 information by electronic means, the distributor, ~~importing~~
13 ~~distributor,~~ or manufacturer shall furnish the sales
14 information by personal delivery or by mail. For purposes of
15 this paragraph, the term "electronic means" includes, but is
16 not limited to, the use of a secure Internet website, e-mail,
17 or facsimile.

18 If a total amount of less than \$1 is payable, refundable or
19 creditable, such amount shall be disregarded if it is less than
20 50 cents and shall be increased to \$1 if it is 50 cents or more.

21 Beginning October 1, 1993, a taxpayer who has an average
22 monthly tax liability of \$150,000 or more shall make all
23 payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 1994, a taxpayer who has
25 an average monthly tax liability of \$100,000 or more shall make
26 all payments required by rules of the Department by electronic

1 funds transfer. Beginning October 1, 1995, a taxpayer who has
2 an average monthly tax liability of \$50,000 or more shall make
3 all payments required by rules of the Department by electronic
4 funds transfer. Beginning October 1, 2000, a taxpayer who has
5 an annual tax liability of \$200,000 or more shall make all
6 payments required by rules of the Department by electronic
7 funds transfer. The term "annual tax liability" shall be the
8 sum of the taxpayer's liabilities under this Act, and under all
9 other State and local occupation and use tax laws administered
10 by the Department, for the immediately preceding calendar year.
11 The term "average monthly tax liability" shall be the sum of
12 the taxpayer's liabilities under this Act, and under all other
13 State and local occupation and use tax laws administered by the
14 Department, for the immediately preceding calendar year
15 divided by 12. Beginning on October 1, 2002, a taxpayer who has
16 a tax liability in the amount set forth in subsection (b) of
17 Section 2505-210 of the Department of Revenue Law shall make
18 all payments required by rules of the Department by electronic
19 funds transfer.

20 Before August 1 of each year beginning in 1993, the
21 Department shall notify all taxpayers required to make payments
22 by electronic funds transfer. All taxpayers required to make
23 payments by electronic funds transfer shall make those payments
24 for a minimum of one year beginning on October 1.

25 Any taxpayer not required to make payments by electronic
26 funds transfer may make payments by electronic funds transfer

1 with the permission of the Department.

2 All taxpayers required to make payment by electronic funds
3 transfer and any taxpayers authorized to voluntarily make
4 payments by electronic funds transfer shall make those payments
5 in the manner authorized by the Department.

6 The Department shall adopt such rules as are necessary to
7 effectuate a program of electronic funds transfer and the
8 requirements of this Section.

9 Any amount which is required to be shown or reported on any
10 return or other document under this Act shall, if such amount
11 is not a whole-dollar amount, be increased to the nearest
12 whole-dollar amount in any case where the fractional part of a
13 dollar is 50 cents or more, and decreased to the nearest
14 whole-dollar amount where the fractional part of a dollar is
15 less than 50 cents.

16 If the retailer is otherwise required to file a monthly
17 return and if the retailer's average monthly tax liability to
18 the Department does not exceed \$200, the Department may
19 authorize his returns to be filed on a quarter annual basis,
20 with the return for January, February and March of a given year
21 being due by April 20 of such year; with the return for April,
22 May and June of a given year being due by July 20 of such year;
23 with the return for July, August and September of a given year
24 being due by October 20 of such year, and with the return for
25 October, November and December of a given year being due by
26 January 20 of the following year.

1 If the retailer is otherwise required to file a monthly or
2 quarterly return and if the retailer's average monthly tax
3 liability with the Department does not exceed \$50, the
4 Department may authorize his returns to be filed on an annual
5 basis, with the return for a given year being due by January 20
6 of the following year.

7 Such quarter annual and annual returns, as to form and
8 substance, shall be subject to the same requirements as monthly
9 returns.

10 Notwithstanding any other provision in this Act concerning
11 the time within which a retailer may file his return, in the
12 case of any retailer who ceases to engage in a kind of business
13 which makes him responsible for filing returns under this Act,
14 such retailer shall file a final return under this Act with the
15 Department not more than one month after discontinuing such
16 business.

17 Where the same person has more than one business registered
18 with the Department under separate registrations under this
19 Act, such person may not file each return that is due as a
20 single return covering all such registered businesses, but
21 shall file separate returns for each such registered business.

22 In addition, with respect to motor vehicles, watercraft,
23 aircraft, and trailers that are required to be registered with
24 an agency of this State, every retailer selling this kind of
25 tangible personal property shall file, with the Department,
26 upon a form to be prescribed and supplied by the Department, a

1 separate return for each such item of tangible personal
2 property which the retailer sells, except that if, in the same
3 transaction, (i) a retailer of aircraft, watercraft, motor
4 vehicles or trailers transfers more than one aircraft,
5 watercraft, motor vehicle or trailer to another aircraft,
6 watercraft, motor vehicle retailer or trailer retailer for the
7 purpose of resale or (ii) a retailer of aircraft, watercraft,
8 motor vehicles, or trailers transfers more than one aircraft,
9 watercraft, motor vehicle, or trailer to a purchaser for use as
10 a qualifying rolling stock as provided in Section 2-5 of this
11 Act, then that seller may report the transfer of all aircraft,
12 watercraft, motor vehicles or trailers involved in that
13 transaction to the Department on the same uniform
14 invoice-transaction reporting return form. For purposes of
15 this Section, "watercraft" means a Class 2, Class 3, or Class 4
16 watercraft as defined in Section 3-2 of the Boat Registration
17 and Safety Act, a personal watercraft, or any boat equipped
18 with an inboard motor.

19 Any retailer who sells only motor vehicles, watercraft,
20 aircraft, or trailers that are required to be registered with
21 an agency of this State, so that all retailers' occupation tax
22 liability is required to be reported, and is reported, on such
23 transaction reporting returns and who is not otherwise required
24 to file monthly or quarterly returns, need not file monthly or
25 quarterly returns. However, those retailers shall be required
26 to file returns on an annual basis.

1 The transaction reporting return, in the case of motor
2 vehicles or trailers that are required to be registered with an
3 agency of this State, shall be the same document as the Uniform
4 Invoice referred to in Section 5-402 of The Illinois Vehicle
5 Code and must show the name and address of the seller; the name
6 and address of the purchaser; the amount of the selling price
7 including the amount allowed by the retailer for traded-in
8 property, if any; the amount allowed by the retailer for the
9 traded-in tangible personal property, if any, to the extent to
10 which Section 1 of this Act allows an exemption for the value
11 of traded-in property; the balance payable after deducting such
12 trade-in allowance from the total selling price; the amount of
13 tax due from the retailer with respect to such transaction; the
14 amount of tax collected from the purchaser by the retailer on
15 such transaction (or satisfactory evidence that such tax is not
16 due in that particular instance, if that is claimed to be the
17 fact); the place and date of the sale; a sufficient
18 identification of the property sold; such other information as
19 is required in Section 5-402 of The Illinois Vehicle Code, and
20 such other information as the Department may reasonably
21 require.

22 The transaction reporting return in the case of watercraft
23 or aircraft must show the name and address of the seller; the
24 name and address of the purchaser; the amount of the selling
25 price including the amount allowed by the retailer for
26 traded-in property, if any; the amount allowed by the retailer

1 for the traded-in tangible personal property, if any, to the
2 extent to which Section 1 of this Act allows an exemption for
3 the value of traded-in property; the balance payable after
4 deducting such trade-in allowance from the total selling price;
5 the amount of tax due from the retailer with respect to such
6 transaction; the amount of tax collected from the purchaser by
7 the retailer on such transaction (or satisfactory evidence that
8 such tax is not due in that particular instance, if that is
9 claimed to be the fact); the place and date of the sale, a
10 sufficient identification of the property sold, and such other
11 information as the Department may reasonably require.

12 Such transaction reporting return shall be filed not later
13 than 20 days after the day of delivery of the item that is
14 being sold, but may be filed by the retailer at any time sooner
15 than that if he chooses to do so. The transaction reporting
16 return and tax remittance or proof of exemption from the
17 Illinois use tax may be transmitted to the Department by way of
18 the State agency with which, or State officer with whom the
19 tangible personal property must be titled or registered (if
20 titling or registration is required) if the Department and such
21 agency or State officer determine that this procedure will
22 expedite the processing of applications for title or
23 registration.

24 With each such transaction reporting return, the retailer
25 shall remit the proper amount of tax due (or shall submit
26 satisfactory evidence that the sale is not taxable if that is

1 the case), to the Department or its agents, whereupon the
2 Department shall issue, in the purchaser's name, a use tax
3 receipt (or a certificate of exemption if the Department is
4 satisfied that the particular sale is tax exempt) which such
5 purchaser may submit to the agency with which, or State officer
6 with whom, he must title or register the tangible personal
7 property that is involved (if titling or registration is
8 required) in support of such purchaser's application for an
9 Illinois certificate or other evidence of title or registration
10 to such tangible personal property.

11 No retailer's failure or refusal to remit tax under this
12 Act precludes a user, who has paid the proper tax to the
13 retailer, from obtaining his certificate of title or other
14 evidence of title or registration (if titling or registration
15 is required) upon satisfying the Department that such user has
16 paid the proper tax (if tax is due) to the retailer. The
17 Department shall adopt appropriate rules to carry out the
18 mandate of this paragraph.

19 If the user who would otherwise pay tax to the retailer
20 wants the transaction reporting return filed and the payment of
21 the tax or proof of exemption made to the Department before the
22 retailer is willing to take these actions and such user has not
23 paid the tax to the retailer, such user may certify to the fact
24 of such delay by the retailer and may (upon the Department
25 being satisfied of the truth of such certification) transmit
26 the information required by the transaction reporting return

1 and the remittance for tax or proof of exemption directly to
2 the Department and obtain his tax receipt or exemption
3 determination, in which event the transaction reporting return
4 and tax remittance (if a tax payment was required) shall be
5 credited by the Department to the proper retailer's account
6 with the Department, but without the 2.1% or 1.75% discount
7 provided for in this Section being allowed. When the user pays
8 the tax directly to the Department, he shall pay the tax in the
9 same amount and in the same form in which it would be remitted
10 if the tax had been remitted to the Department by the retailer.

11 Refunds made by the seller during the preceding return
12 period to purchasers, on account of tangible personal property
13 returned to the seller, shall be allowed as a deduction under
14 subdivision 5 of his monthly or quarterly return, as the case
15 may be, in case the seller had theretofore included the
16 receipts from the sale of such tangible personal property in a
17 return filed by him and had paid the tax imposed by this Act
18 with respect to such receipts.

19 Where the seller is a corporation, the return filed on
20 behalf of such corporation shall be signed by the president,
21 vice-president, secretary or treasurer or by the properly
22 accredited agent of such corporation.

23 Where the seller is a limited liability company, the return
24 filed on behalf of the limited liability company shall be
25 signed by a manager, member, or properly accredited agent of
26 the limited liability company.

1 Except as provided in this Section, the retailer filing the
2 return under this Section shall, at the time of filing such
3 return, pay to the Department the amount of tax imposed by this
4 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
5 on and after January 1, 1990, or \$5 per calendar year,
6 whichever is greater, which is allowed to reimburse the
7 retailer for the expenses incurred in keeping records,
8 preparing and filing returns, remitting the tax and supplying
9 data to the Department on request. Any prepayment made pursuant
10 to Section 2d of this Act shall be included in the amount on
11 which such 2.1% or 1.75% discount is computed. In the case of
12 retailers who report and pay the tax on a transaction by
13 transaction basis, as provided in this Section, such discount
14 shall be taken with each such tax remittance instead of when
15 such retailer files his periodic return. The Department may
16 disallow the discount for retailers whose certificate of
17 registration is revoked at the time the return is filed, but
18 only if the Department's decision to revoke the certificate of
19 registration has become final.

20 Before October 1, 2000, if the taxpayer's average monthly
21 tax liability to the Department under this Act, the Use Tax
22 Act, the Service Occupation Tax Act, and the Service Use Tax
23 Act, excluding any liability for prepaid sales tax to be
24 remitted in accordance with Section 2d of this Act, was \$10,000
25 or more during the preceding 4 complete calendar quarters, he
26 shall file a return with the Department each month by the 20th

1 day of the month next following the month during which such tax
2 liability is incurred and shall make payments to the Department
3 on or before the 7th, 15th, 22nd and last day of the month
4 during which such liability is incurred. On and after October
5 1, 2000, if the taxpayer's average monthly tax liability to the
6 Department under this Act, the Use Tax Act, the Service
7 Occupation Tax Act, and the Service Use Tax Act, excluding any
8 liability for prepaid sales tax to be remitted in accordance
9 with Section 2d of this Act, was \$20,000 or more during the
10 preceding 4 complete calendar quarters, he shall file a return
11 with the Department each month by the 20th day of the month
12 next following the month during which such tax liability is
13 incurred and shall make payment to the Department on or before
14 the 7th, 15th, 22nd and last day of the month during which such
15 liability is incurred. If the month during which such tax
16 liability is incurred began prior to January 1, 1985, each
17 payment shall be in an amount equal to 1/4 of the taxpayer's
18 actual liability for the month or an amount set by the
19 Department not to exceed 1/4 of the average monthly liability
20 of the taxpayer to the Department for the preceding 4 complete
21 calendar quarters (excluding the month of highest liability and
22 the month of lowest liability in such 4 quarter period). If the
23 month during which such tax liability is incurred begins on or
24 after January 1, 1985 and prior to January 1, 1987, each
25 payment shall be in an amount equal to 22.5% of the taxpayer's
26 actual liability for the month or 27.5% of the taxpayer's

1 liability for the same calendar month of the preceding year. If
2 the month during which such tax liability is incurred begins on
3 or after January 1, 1987 and prior to January 1, 1988, each
4 payment shall be in an amount equal to 22.5% of the taxpayer's
5 actual liability for the month or 26.25% of the taxpayer's
6 liability for the same calendar month of the preceding year. If
7 the month during which such tax liability is incurred begins on
8 or after January 1, 1988, and prior to January 1, 1989, or
9 begins on or after January 1, 1996, each payment shall be in an
10 amount equal to 22.5% of the taxpayer's actual liability for
11 the month or 25% of the taxpayer's liability for the same
12 calendar month of the preceding year. If the month during which
13 such tax liability is incurred begins on or after January 1,
14 1989, and prior to January 1, 1996, each payment shall be in an
15 amount equal to 22.5% of the taxpayer's actual liability for
16 the month or 25% of the taxpayer's liability for the same
17 calendar month of the preceding year or 100% of the taxpayer's
18 actual liability for the quarter monthly reporting period. The
19 amount of such quarter monthly payments shall be credited
20 against the final tax liability of the taxpayer's return for
21 that month. Before October 1, 2000, once applicable, the
22 requirement of the making of quarter monthly payments to the
23 Department by taxpayers having an average monthly tax liability
24 of \$10,000 or more as determined in the manner provided above
25 shall continue until such taxpayer's average monthly liability
26 to the Department during the preceding 4 complete calendar

1 quarters (excluding the month of highest liability and the
2 month of lowest liability) is less than \$9,000, or until such
3 taxpayer's average monthly liability to the Department as
4 computed for each calendar quarter of the 4 preceding complete
5 calendar quarter period is less than \$10,000. However, if a
6 taxpayer can show the Department that a substantial change in
7 the taxpayer's business has occurred which causes the taxpayer
8 to anticipate that his average monthly tax liability for the
9 reasonably foreseeable future will fall below the \$10,000
10 threshold stated above, then such taxpayer may petition the
11 Department for a change in such taxpayer's reporting status. On
12 and after October 1, 2000, once applicable, the requirement of
13 the making of quarter monthly payments to the Department by
14 taxpayers having an average monthly tax liability of \$20,000 or
15 more as determined in the manner provided above shall continue
16 until such taxpayer's average monthly liability to the
17 Department during the preceding 4 complete calendar quarters
18 (excluding the month of highest liability and the month of
19 lowest liability) is less than \$19,000 or until such taxpayer's
20 average monthly liability to the Department as computed for
21 each calendar quarter of the 4 preceding complete calendar
22 quarter period is less than \$20,000. However, if a taxpayer can
23 show the Department that a substantial change in the taxpayer's
24 business has occurred which causes the taxpayer to anticipate
25 that his average monthly tax liability for the reasonably
26 foreseeable future will fall below the \$20,000 threshold stated

1 above, then such taxpayer may petition the Department for a
2 change in such taxpayer's reporting status. The Department
3 shall change such taxpayer's reporting status unless it finds
4 that such change is seasonal in nature and not likely to be
5 long term. If any such quarter monthly payment is not paid at
6 the time or in the amount required by this Section, then the
7 taxpayer shall be liable for penalties and interest on the
8 difference between the minimum amount due as a payment and the
9 amount of such quarter monthly payment actually and timely
10 paid, except insofar as the taxpayer has previously made
11 payments for that month to the Department in excess of the
12 minimum payments previously due as provided in this Section.
13 The Department shall make reasonable rules and regulations to
14 govern the quarter monthly payment amount and quarter monthly
15 payment dates for taxpayers who file on other than a calendar
16 monthly basis.

17 The provisions of this paragraph apply before October 1,
18 2001. Without regard to whether a taxpayer is required to make
19 quarter monthly payments as specified above, any taxpayer who
20 is required by Section 2d of this Act to collect and remit
21 prepaid taxes and has collected prepaid taxes which average in
22 excess of \$25,000 per month during the preceding 2 complete
23 calendar quarters, shall file a return with the Department as
24 required by Section 2f and shall make payments to the
25 Department on or before the 7th, 15th, 22nd and last day of the
26 month during which such liability is incurred. If the month

1 during which such tax liability is incurred began prior to the
2 effective date of this amendatory Act of 1985, each payment
3 shall be in an amount not less than 22.5% of the taxpayer's
4 actual liability under Section 2d. If the month during which
5 such tax liability is incurred begins on or after January 1,
6 1986, each payment shall be in an amount equal to 22.5% of the
7 taxpayer's actual liability for the month or 27.5% of the
8 taxpayer's liability for the same calendar month of the
9 preceding calendar year. If the month during which such tax
10 liability is incurred begins on or after January 1, 1987, each
11 payment shall be in an amount equal to 22.5% of the taxpayer's
12 actual liability for the month or 26.25% of the taxpayer's
13 liability for the same calendar month of the preceding year.
14 The amount of such quarter monthly payments shall be credited
15 against the final tax liability of the taxpayer's return for
16 that month filed under this Section or Section 2f, as the case
17 may be. Once applicable, the requirement of the making of
18 quarter monthly payments to the Department pursuant to this
19 paragraph shall continue until such taxpayer's average monthly
20 prepaid tax collections during the preceding 2 complete
21 calendar quarters is \$25,000 or less. If any such quarter
22 monthly payment is not paid at the time or in the amount
23 required, the taxpayer shall be liable for penalties and
24 interest on such difference, except insofar as the taxpayer has
25 previously made payments for that month in excess of the
26 minimum payments previously due.

1 The provisions of this paragraph apply on and after October
2 1, 2001. Without regard to whether a taxpayer is required to
3 make quarter monthly payments as specified above, any taxpayer
4 who is required by Section 2d of this Act to collect and remit
5 prepaid taxes and has collected prepaid taxes that average in
6 excess of \$20,000 per month during the preceding 4 complete
7 calendar quarters shall file a return with the Department as
8 required by Section 2f and shall make payments to the
9 Department on or before the 7th, 15th, 22nd and last day of the
10 month during which the liability is incurred. Each payment
11 shall be in an amount equal to 22.5% of the taxpayer's actual
12 liability for the month or 25% of the taxpayer's liability for
13 the same calendar month of the preceding year. The amount of
14 the quarter monthly payments shall be credited against the
15 final tax liability of the taxpayer's return for that month
16 filed under this Section or Section 2f, as the case may be.
17 Once applicable, the requirement of the making of quarter
18 monthly payments to the Department pursuant to this paragraph
19 shall continue until the taxpayer's average monthly prepaid tax
20 collections during the preceding 4 complete calendar quarters
21 (excluding the month of highest liability and the month of
22 lowest liability) is less than \$19,000 or until such taxpayer's
23 average monthly liability to the Department as computed for
24 each calendar quarter of the 4 preceding complete calendar
25 quarters is less than \$20,000. If any such quarter monthly
26 payment is not paid at the time or in the amount required, the

1 taxpayer shall be liable for penalties and interest on such
2 difference, except insofar as the taxpayer has previously made
3 payments for that month in excess of the minimum payments
4 previously due.

5 If any payment provided for in this Section exceeds the
6 taxpayer's liabilities under this Act, the Use Tax Act, the
7 Service Occupation Tax Act and the Service Use Tax Act, as
8 shown on an original monthly return, the Department shall, if
9 requested by the taxpayer, issue to the taxpayer a credit
10 memorandum no later than 30 days after the date of payment. The
11 credit evidenced by such credit memorandum may be assigned by
12 the taxpayer to a similar taxpayer under this Act, the Use Tax
13 Act, the Service Occupation Tax Act or the Service Use Tax Act,
14 in accordance with reasonable rules and regulations to be
15 prescribed by the Department. If no such request is made, the
16 taxpayer may credit such excess payment against tax liability
17 subsequently to be remitted to the Department under this Act,
18 the Use Tax Act, the Service Occupation Tax Act or the Service
19 Use Tax Act, in accordance with reasonable rules and
20 regulations prescribed by the Department. If the Department
21 subsequently determined that all or any part of the credit
22 taken was not actually due to the taxpayer, the taxpayer's 2.1%
23 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
24 of the difference between the credit taken and that actually
25 due, and that taxpayer shall be liable for penalties and
26 interest on such difference.

1 If a retailer of motor fuel is entitled to a credit under
2 Section 2d of this Act which exceeds the taxpayer's liability
3 to the Department under this Act for the month which the
4 taxpayer is filing a return, the Department shall issue the
5 taxpayer a credit memorandum for the excess.

6 Beginning January 1, 1990, each month the Department shall
7 pay into the Local Government Tax Fund, a special fund in the
8 State treasury which is hereby created, the net revenue
9 realized for the preceding month from the 1% tax on sales of
10 food for human consumption which is to be consumed off the
11 premises where it is sold (other than alcoholic beverages, soft
12 drinks and food which has been prepared for immediate
13 consumption) and prescription and nonprescription medicines,
14 drugs, medical appliances and insulin, urine testing
15 materials, syringes and needles used by diabetics.

16 Beginning January 1, 1990, each month the Department shall
17 pay into the County and Mass Transit District Fund, a special
18 fund in the State treasury which is hereby created, 4% of the
19 net revenue realized for the preceding month from the 6.25%
20 general rate.

21 Beginning August 1, 2000, each month the Department shall
22 pay into the County and Mass Transit District Fund 20% of the
23 net revenue realized for the preceding month from the 1.25%
24 rate on the selling price of motor fuel and gasohol. Beginning
25 September 1, 2010, each month the Department shall pay into the
26 County and Mass Transit District Fund 20% of the net revenue

1 realized for the preceding month from the 1.25% rate on the
2 selling price of sales tax holiday items.

3 Beginning January 1, 1990, each month the Department shall
4 pay into the Local Government Tax Fund 16% of the net revenue
5 realized for the preceding month from the 6.25% general rate on
6 the selling price of tangible personal property.

7 Beginning August 1, 2000, each month the Department shall
8 pay into the Local Government Tax Fund 80% of the net revenue
9 realized for the preceding month from the 1.25% rate on the
10 selling price of motor fuel and gasohol. Beginning September 1,
11 2010, each month the Department shall pay into the Local
12 Government Tax Fund 80% of the net revenue realized for the
13 preceding month from the 1.25% rate on the selling price of
14 sales tax holiday items.

15 Beginning October 1, 2009, each month the Department shall
16 pay into the Capital Projects Fund an amount that is equal to
17 an amount estimated by the Department to represent 80% of the
18 net revenue realized for the preceding month from the sale of
19 candy, grooming and hygiene products, and soft drinks that had
20 been taxed at a rate of 1% prior to September 1, 2009 but that
21 are now taxed at 6.25%.

22 Beginning July 1, 2011, each month the Department shall pay
23 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue
24 realized for the preceding month from the 6.25% general rate on
25 the selling price of sorbents used in Illinois in the process
26 of sorbent injection as used to comply with the Environmental

1 Protection Act or the federal Clean Air Act, but the total
2 payment into the Clean Air Act (CAA) Permit Fund under this Act
3 and the Use Tax Act shall not exceed \$2,000,000 in any fiscal
4 year.

5 Beginning July 1, 2013, each month the Department shall pay
6 into the Underground Storage Tank Fund from the proceeds
7 collected under this Act, the Use Tax Act, the Service Use Tax
8 Act, and the Service Occupation Tax Act an amount equal to the
9 average monthly deficit in the Underground Storage Tank Fund
10 during the prior year, as certified annually by the Illinois
11 Environmental Protection Agency, but the total payment into the
12 Underground Storage Tank Fund under this Act, the Use Tax Act,
13 the Service Use Tax Act, and the Service Occupation Tax Act
14 shall not exceed \$18,000,000 in any State fiscal year. As used
15 in this paragraph, the "average monthly deficit" shall be equal
16 to the difference between the average monthly claims for
17 payment by the fund and the average monthly revenues deposited
18 into the fund, excluding payments made pursuant to this
19 paragraph.

20 Beginning July 1, 2015, of the remainder of the moneys
21 received by the Department under the Use Tax Act, the Service
22 Use Tax Act, the Service Occupation Tax Act, and this Act, each
23 month the Department shall deposit \$500,000 into the State
24 Crime Laboratory Fund.

25 Of the remainder of the moneys received by the Department
26 pursuant to this Act, (a) 1.75% thereof shall be paid into the

1 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
2 and after July 1, 1989, 3.8% thereof shall be paid into the
3 Build Illinois Fund; provided, however, that if in any fiscal
4 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
5 may be, of the moneys received by the Department and required
6 to be paid into the Build Illinois Fund pursuant to this Act,
7 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
8 Act, and Section 9 of the Service Occupation Tax Act, such Acts
9 being hereinafter called the "Tax Acts" and such aggregate of
10 2.2% or 3.8%, as the case may be, of moneys being hereinafter
11 called the "Tax Act Amount", and (2) the amount transferred to
12 the Build Illinois Fund from the State and Local Sales Tax
13 Reform Fund shall be less than the Annual Specified Amount (as
14 hereinafter defined), an amount equal to the difference shall
15 be immediately paid into the Build Illinois Fund from other
16 moneys received by the Department pursuant to the Tax Acts; the
17 "Annual Specified Amount" means the amounts specified below for
18 fiscal years 1986 through 1993:

19	Fiscal Year	Annual Specified Amount
20	1986	\$54,800,000
21	1987	\$76,650,000
22	1988	\$80,480,000
23	1989	\$88,510,000
24	1990	\$115,330,000
25	1991	\$145,470,000
26	1992	\$182,730,000

1 1993 \$206,520,000;

2 and means the Certified Annual Debt Service Requirement (as

3 defined in Section 13 of the Build Illinois Bond Act) or the

4 Tax Act Amount, whichever is greater, for fiscal year 1994 and

5 each fiscal year thereafter; and further provided, that if on

6 the last business day of any month the sum of (1) the Tax Act

7 Amount required to be deposited into the Build Illinois Bond

8 Account in the Build Illinois Fund during such month and (2)

9 the amount transferred to the Build Illinois Fund from the

10 State and Local Sales Tax Reform Fund shall have been less than

11 1/12 of the Annual Specified Amount, an amount equal to the

12 difference shall be immediately paid into the Build Illinois

13 Fund from other moneys received by the Department pursuant to

14 the Tax Acts; and, further provided, that in no event shall the

15 payments required under the preceding proviso result in

16 aggregate payments into the Build Illinois Fund pursuant to

17 this clause (b) for any fiscal year in excess of the greater of

18 (i) the Tax Act Amount or (ii) the Annual Specified Amount for

19 such fiscal year. The amounts payable into the Build Illinois

20 Fund under clause (b) of the first sentence in this paragraph

21 shall be payable only until such time as the aggregate amount

22 on deposit under each trust indenture securing Bonds issued and

23 outstanding pursuant to the Build Illinois Bond Act is

24 sufficient, taking into account any future investment income,

25 to fully provide, in accordance with such indenture, for the

26 defeasance of or the payment of the principal of, premium, if

1 any, and interest on the Bonds secured by such indenture and on
2 any Bonds expected to be issued thereafter and all fees and
3 costs payable with respect thereto, all as certified by the
4 Director of the Bureau of the Budget (now Governor's Office of
5 Management and Budget). If on the last business day of any
6 month in which Bonds are outstanding pursuant to the Build
7 Illinois Bond Act, the aggregate of moneys deposited in the
8 Build Illinois Bond Account in the Build Illinois Fund in such
9 month shall be less than the amount required to be transferred
10 in such month from the Build Illinois Bond Account to the Build
11 Illinois Bond Retirement and Interest Fund pursuant to Section
12 13 of the Build Illinois Bond Act, an amount equal to such
13 deficiency shall be immediately paid from other moneys received
14 by the Department pursuant to the Tax Acts to the Build
15 Illinois Fund; provided, however, that any amounts paid to the
16 Build Illinois Fund in any fiscal year pursuant to this
17 sentence shall be deemed to constitute payments pursuant to
18 clause (b) of the first sentence of this paragraph and shall
19 reduce the amount otherwise payable for such fiscal year
20 pursuant to that clause (b). The moneys received by the
21 Department pursuant to this Act and required to be deposited
22 into the Build Illinois Fund are subject to the pledge, claim
23 and charge set forth in Section 12 of the Build Illinois Bond
24 Act.

25 Subject to payment of amounts into the Build Illinois Fund
26 as provided in the preceding paragraph or in any amendment

1 thereto hereafter enacted, the following specified monthly
2 installment of the amount requested in the certificate of the
3 Chairman of the Metropolitan Pier and Exposition Authority
4 provided under Section 8.25f of the State Finance Act, but not
5 in excess of sums designated as "Total Deposit", shall be
6 deposited in the aggregate from collections under Section 9 of
7 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
8 9 of the Service Occupation Tax Act, and Section 3 of the
9 Retailers' Occupation Tax Act into the McCormick Place
10 Expansion Project Fund in the specified fiscal years.

		Total
	Fiscal Year	Deposit
11		
12	1993	\$0
13	1994	53,000,000
14	1995	58,000,000
15	1996	61,000,000
16	1997	64,000,000
17	1998	68,000,000
18	1999	71,000,000
19	2000	75,000,000
20	2001	80,000,000
21	2002	93,000,000
22	2003	99,000,000
23	2004	103,000,000
24	2005	108,000,000
25	2006	113,000,000

1	2007	119,000,000
2	2008	126,000,000
3	2009	132,000,000
4	2010	139,000,000
5	2011	146,000,000
6	2012	153,000,000
7	2013	161,000,000
8	2014	170,000,000
9	2015	179,000,000
10	2016	189,000,000
11	2017	199,000,000
12	2018	210,000,000
13	2019	221,000,000
14	2020	233,000,000
15	2021	246,000,000
16	2022	260,000,000
17	2023	275,000,000
18	2024	275,000,000
19	2025	275,000,000
20	2026	279,000,000
21	2027	292,000,000
22	2028	307,000,000
23	2029	322,000,000
24	2030	338,000,000
25	2031	350,000,000
26	2032	350,000,000

1 and
2 each fiscal year
3 thereafter that bonds
4 are outstanding under
5 Section 13.2 of the
6 Metropolitan Pier and
7 Exposition Authority Act,
8 but not after fiscal year 2060.

9 Beginning July 20, 1993 and in each month of each fiscal
10 year thereafter, one-eighth of the amount requested in the
11 certificate of the Chairman of the Metropolitan Pier and
12 Exposition Authority for that fiscal year, less the amount
13 deposited into the McCormick Place Expansion Project Fund by
14 the State Treasurer in the respective month under subsection
15 (g) of Section 13 of the Metropolitan Pier and Exposition
16 Authority Act, plus cumulative deficiencies in the deposits
17 required under this Section for previous months and years,
18 shall be deposited into the McCormick Place Expansion Project
19 Fund, until the full amount requested for the fiscal year, but
20 not in excess of the amount specified above as "Total Deposit",
21 has been deposited.

22 Subject to payment of amounts into the Build Illinois Fund
23 and the McCormick Place Expansion Project Fund pursuant to the
24 preceding paragraphs or in any amendments thereto hereafter
25 enacted, beginning July 1, 1993 and ending on September 30,
26 2013, the Department shall each month pay into the Illinois Tax

1 Increment Fund 0.27% of 80% of the net revenue realized for the
2 preceding month from the 6.25% general rate on the selling
3 price of tangible personal property.

4 Subject to payment of amounts into the Build Illinois Fund
5 and the McCormick Place Expansion Project Fund pursuant to the
6 preceding paragraphs or in any amendments thereto hereafter
7 enacted, beginning with the receipt of the first report of
8 taxes paid by an eligible business and continuing for a 25-year
9 period, the Department shall each month pay into the Energy
10 Infrastructure Fund 80% of the net revenue realized from the
11 6.25% general rate on the selling price of Illinois-mined coal
12 that was sold to an eligible business. For purposes of this
13 paragraph, the term "eligible business" means a new electric
14 generating facility certified pursuant to Section 605-332 of
15 the Department of Commerce and Economic Opportunity Law of the
16 Civil Administrative Code of Illinois.

17 Subject to payment of amounts into the Build Illinois Fund,
18 the McCormick Place Expansion Project Fund, the Illinois Tax
19 Increment Fund, and the Energy Infrastructure Fund pursuant to
20 the preceding paragraphs or in any amendments to this Section
21 hereafter enacted, beginning on the first day of the first
22 calendar month to occur on or after the effective date of this
23 amendatory Act of the 98th General Assembly, each month, from
24 the collections made under Section 9 of the Use Tax Act,
25 Section 9 of the Service Use Tax Act, Section 9 of the Service
26 Occupation Tax Act, and Section 3 of the Retailers' Occupation

1 Tax Act, the Department shall pay into the Tax Compliance and
2 Administration Fund, to be used, subject to appropriation, to
3 fund additional auditors and compliance personnel at the
4 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
5 the cash receipts collected during the preceding fiscal year by
6 the Audit Bureau of the Department under the Use Tax Act, the
7 Service Use Tax Act, the Service Occupation Tax Act, the
8 Retailers' Occupation Tax Act, and associated local occupation
9 and use taxes administered by the Department.

10 Of the remainder of the moneys received by the Department
11 pursuant to this Act, 75% thereof shall be paid into the State
12 Treasury and 25% shall be reserved in a special account and
13 used only for the transfer to the Common School Fund as part of
14 the monthly transfer from the General Revenue Fund in
15 accordance with Section 8a of the State Finance Act.

16 The Department may, upon separate written notice to a
17 taxpayer, require the taxpayer to prepare and file with the
18 Department on a form prescribed by the Department within not
19 less than 60 days after receipt of the notice an annual
20 information return for the tax year specified in the notice.
21 Such annual return to the Department shall include a statement
22 of gross receipts as shown by the retailer's last Federal
23 income tax return. If the total receipts of the business as
24 reported in the Federal income tax return do not agree with the
25 gross receipts reported to the Department of Revenue for the
26 same period, the retailer shall attach to his annual return a

1 schedule showing a reconciliation of the 2 amounts and the
2 reasons for the difference. The retailer's annual return to the
3 Department shall also disclose the cost of goods sold by the
4 retailer during the year covered by such return, opening and
5 closing inventories of such goods for such year, costs of goods
6 used from stock or taken from stock and given away by the
7 retailer during such year, payroll information of the
8 retailer's business during such year and any additional
9 reasonable information which the Department deems would be
10 helpful in determining the accuracy of the monthly, quarterly
11 or annual returns filed by such retailer as provided for in
12 this Section.

13 If the annual information return required by this Section
14 is not filed when and as required, the taxpayer shall be liable
15 as follows:

16 (i) Until January 1, 1994, the taxpayer shall be liable
17 for a penalty equal to 1/6 of 1% of the tax due from such
18 taxpayer under this Act during the period to be covered by
19 the annual return for each month or fraction of a month
20 until such return is filed as required, the penalty to be
21 assessed and collected in the same manner as any other
22 penalty provided for in this Act.

23 (ii) On and after January 1, 1994, the taxpayer shall
24 be liable for a penalty as described in Section 3-4 of the
25 Uniform Penalty and Interest Act.

26 The chief executive officer, proprietor, owner or highest

1 ranking manager shall sign the annual return to certify the
2 accuracy of the information contained therein. Any person who
3 willfully signs the annual return containing false or
4 inaccurate information shall be guilty of perjury and punished
5 accordingly. The annual return form prescribed by the
6 Department shall include a warning that the person signing the
7 return may be liable for perjury.

8 The provisions of this Section concerning the filing of an
9 annual information return do not apply to a retailer who is not
10 required to file an income tax return with the United States
11 Government.

12 As soon as possible after the first day of each month, upon
13 certification of the Department of Revenue, the Comptroller
14 shall order transferred and the Treasurer shall transfer from
15 the General Revenue Fund to the Motor Fuel Tax Fund an amount
16 equal to 1.7% of 80% of the net revenue realized under this Act
17 for the second preceding month. Beginning April 1, 2000, this
18 transfer is no longer required and shall not be made.

19 Net revenue realized for a month shall be the revenue
20 collected by the State pursuant to this Act, less the amount
21 paid out during that month as refunds to taxpayers for
22 overpayment of liability.

23 For greater simplicity of administration, manufacturers,
24 importers and wholesalers whose products are sold at retail in
25 Illinois by numerous retailers, and who wish to do so, may
26 assume the responsibility for accounting and paying to the

1 Department all tax accruing under this Act with respect to such
2 sales, if the retailers who are affected do not make written
3 objection to the Department to this arrangement.

4 Any person who promotes, organizes, provides retail
5 selling space for concessionaires or other types of sellers at
6 the Illinois State Fair, DuQuoin State Fair, county fairs,
7 local fairs, art shows, flea markets and similar exhibitions or
8 events, including any transient merchant as defined by Section
9 2 of the Transient Merchant Act of 1987, is required to file a
10 report with the Department providing the name of the merchant's
11 business, the name of the person or persons engaged in
12 merchant's business, the permanent address and Illinois
13 Retailers Occupation Tax Registration Number of the merchant,
14 the dates and location of the event and other reasonable
15 information that the Department may require. The report must be
16 filed not later than the 20th day of the month next following
17 the month during which the event with retail sales was held.
18 Any person who fails to file a report required by this Section
19 commits a business offense and is subject to a fine not to
20 exceed \$250.

21 Any person engaged in the business of selling tangible
22 personal property at retail as a concessionaire or other type
23 of seller at the Illinois State Fair, county fairs, art shows,
24 flea markets and similar exhibitions or events, or any
25 transient merchants, as defined by Section 2 of the Transient
26 Merchant Act of 1987, may be required to make a daily report of

1 the amount of such sales to the Department and to make a daily
2 payment of the full amount of tax due. The Department shall
3 impose this requirement when it finds that there is a
4 significant risk of loss of revenue to the State at such an
5 exhibition or event. Such a finding shall be based on evidence
6 that a substantial number of concessionaires or other sellers
7 who are not residents of Illinois will be engaging in the
8 business of selling tangible personal property at retail at the
9 exhibition or event, or other evidence of a significant risk of
10 loss of revenue to the State. The Department shall notify
11 concessionaires and other sellers affected by the imposition of
12 this requirement. In the absence of notification by the
13 Department, the concessionaires and other sellers shall file
14 their returns as otherwise required in this Section.

15 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
16 98-496, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1098, eff.
17 8-26-14; 99-352, eff. 8-12-15.)

18 Section 15. The Counties Code is amended by changing
19 Section 3-9007 as follows:

20 (55 ILCS 5/3-9007) (from Ch. 34, par. 3-9007)

21 Sec. 3-9007. Home rule unit liquor tax ordinance;
22 prosecutions. Where any county, municipality or other unit of
23 local government has adopted any ordinance or other regulation
24 imposing a tax upon the privilege of engaging in business as a

1 manufacturer, ~~importing distributor,~~ retailer, or distributor
2 of beer, alcohol or other spirits, pursuant to its home rule
3 powers under Article VII, Section 6 of the Constitution of the
4 State of Illinois, nothing shall prohibit a State's attorney
5 from prosecuting any offense under the Criminal Code of 1961 or
6 the Criminal Code of 2012 which may also constitute a violation
7 of the applicable ordinance or regulation.

8 (Source: P.A. 97-1150, eff. 1-25-13.)

9 Section 30. The Liquor Control Act of 1934 is amended by
10 changing Sections 1-3.05, 1-3.15, 1-3.21, 1-3.27, 1-3.29,
11 1-3.33, 1-3.38, 3-12, 3-14, 4-4, 5-1, 5-3, 6-2, 6-4, 6-4.5,
12 6-5, 6-6, 6-6.3, 6-6.5, 6-7, 6-8, 6-9, 6-17, 6-17.1, 6-22,
13 6-23, 6-27.1, 6-29, 6-29.1, 6-31, 7-1, 7-6, 8-1, 8-2, 8-5,
14 8-10, 9-13, 10-1, and 10-7.1 and by renumbering and changing
15 Section 1-3.40 as added by Public Act 99-448 as follows:

16 (235 ILCS 5/1-3.05) (from Ch. 43, par. 95.05)

17 Sec. 1-3.05. "Alcoholic liquor" includes alcohol, spirits,
18 wine and beer, and every liquid or solid, patented or not,
19 containing alcohol, spirits, wine or beer, and capable of being
20 consumed as a beverage by a human being. The provisions of this
21 Act shall not apply to alcohol used in the manufacture of
22 denatured alcohol produced in accordance with Acts of Congress
23 and regulations promulgated thereunder, nor to any liquid or
24 solid containing one-half of one per cent, or less, of alcohol

1 by volume. No tax provided for in Article VIII of this Act
2 shall apply to wine intended for use and used by any church or
3 religious organization for sacramental purposes, provided that
4 such wine shall be purchased from a licensed manufacturer or
5 ~~importing~~ distributor under this Act.

6 (Source: P.A. 82-783.)

7 (235 ILCS 5/1-3.15) (from Ch. 43, par. 95.15)

8 Sec. 1-3.15. "Distributor" means any person, other than a
9 manufacturer or non-resident dealer licensed under this Act,
10 who is engaged in this State in purchasing, storing, possessing
11 or warehousing any alcoholic liquors for resale or reselling at
12 wholesale, whether within or without this State. "Distributor"
13 also means any person other than a non-resident dealer licensed
14 under this Act who imports into this State, from any point in
15 the United States outside this State, whether for himself or
16 for another, any alcoholic liquors for sale or resale, or for
17 use in the manufacture, preparation or compounding of products
18 other than alcoholic liquors, or who imports into this State,
19 from any point in the United States outside this State, for
20 consumption in any one calendar year, more than one gallon of
21 such liquors.

22 (Source: P.A. 83-1254.)

23 (235 ILCS 5/1-3.21) (from Ch. 43, par. 95.21)

24 Sec. 1-3.21. "Sale" means any transfer, exchange or barter

1 in any manner, or by any means whatsoever, including the
2 transfer of alcoholic liquors by and through the transfer or
3 negotiation of warehouse receipts or certificates, and
4 includes and means all sales made by any person, whether
5 principal, proprietor, agent, servant or employee. The term
6 "sale" includes any transfer of alcoholic liquor from a foreign
7 importer's license to a ~~an importing~~ distributor's license even
8 if both licenses are held by the same person.

9 (Source: P.A. 82-783.)

10 (235 ILCS 5/1-3.27) (from Ch. 43, par. 95.27)

11 Sec. 1-3.27. "Foreign importer" means anyone other than a
12 non-resident dealer licensed under this Act who imports into
13 this State, from any point outside the United States, any
14 alcoholic liquors other than in bulk for sale to a licensed
15 ~~importing~~ distributor.

16 (Source: P.A. 83-1254.)

17 (235 ILCS 5/1-3.29) (from Ch. 43, par. 95.29)

18 Sec. 1-3.29. "Non-resident dealer" means any person, firm,
19 partnership, corporation or other legal business entity who or
20 which exports into this State, from any point outside of this
21 State, any alcoholic liquors for sale to Illinois licensed
22 foreign importers or ~~importing~~ distributors. Such license
23 shall be restricted to the actual manufacturer of such
24 alcoholic liquors or the primary United States importer of such

1 alcoholic liquors, if manufactured outside of the United
2 States, or the duly registered agent of such manufacturer or
3 importer. Registration of such agent with the State Commission,
4 in such manner and form as it may prescribe, shall be a
5 prerequisite to the issuance of such license to an agent.

6 Any licensed Illinois manufacturer of Class 1, Class 2, or
7 Class 3 may obtain a Non-Resident Dealer's License at no fee. A
8 manufacturer whose production of alcoholic liquor is less than
9 500,000 gallons per year may obtain a Non-Resident Dealer's
10 License for an annual fee of \$75.

11 (Source: P.A. 82-783.)

12 (235 ILCS 5/1-3.33)

13 Sec. 1-3.33. "Brew Pub" means a person who manufactures no
14 more than 155,000 gallons of beer per year only at a designated
15 licensed premises to make sales to ~~importing distributors,~~
16 ~~distributors,~~ and to non-licensees for use and consumption
17 only, who stores beer at the designated premises, and who is
18 allowed to sell at retail from the licensed premises, provided
19 that a brew pub licensee shall not sell for off-premises
20 consumption more than 155,000 gallons per year.

21 (Source: P.A. 99-448, eff. 8-24-15.)

22 (235 ILCS 5/1-3.38)

23 Sec. 1-3.38. Class 1 brewer. "Class 1 brewer" means a
24 person who is a holder of a brewer license or non-resident

1 dealer license who manufactures up to 930,000 gallons of beer
2 per year and who may make sales and deliveries to ~~importing~~
3 ~~distributors and~~ distributors and to retail licensees in
4 accordance with the conditions set forth in paragraph (18) of
5 subsection (a) of Section 3-12 of this Act.

6 (Source: P.A. 98-401, eff. 8-16-13; 99-448, eff. 8-24-15.)

7 (235 ILCS 5/1-3.42)

8 Sec. 1-3.42 ~~1-3.40~~. Class 2 brewer. "Class 2 brewer" means
9 a person who is a holder of a brewer license or non-resident
10 dealer license who manufactures up to 3,720,000 gallons of beer
11 per year for sale to a licensed ~~importing distributor or~~
12 distributor.

13 (Source: P.A. 99-448, eff. 8-24-15; revised 10-28-15.)

14 (235 ILCS 5/3-12)

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

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

18 (1) To receive applications and to issue licenses to
19 manufacturers, foreign importers, ~~importing distributors,~~
20 distributors, non-resident dealers, on premise consumption
21 retailers, off premise sale retailers, special event
22 retailer licensees, special use permit licenses, auction
23 liquor licenses, brew pubs, caterer retailers,
24 non-beverage users, railroads, including owners and

1 lessees of sleeping, dining and cafe cars, airplanes,
2 boats, brokers, and wine maker's premises licensees in
3 accordance with the provisions of this Act, and to suspend
4 or revoke such licenses upon the State commission's
5 determination, upon notice after hearing, that a licensee
6 has violated any provision of this Act or any rule or
7 regulation issued pursuant thereto and in effect for 30
8 days prior to such violation. Except in the case of an
9 action taken pursuant to a violation of Section 6-3, 6-5,
10 or 6-9, any action by the State Commission to suspend or
11 revoke a licensee's license may be limited to the license
12 for the specific premises where the violation occurred.

13 In lieu of suspending or revoking a license, the
14 commission may impose a fine, upon the State commission's
15 determination and notice after hearing, that a licensee has
16 violated any provision of this Act or any rule or
17 regulation issued pursuant thereto and in effect for 30
18 days prior to such violation.

19 For the purpose of this paragraph (1), when determining
20 multiple violations for the sale of alcohol to a person
21 under the age of 21, a second or subsequent violation for
22 the sale of alcohol to a person under the age of 21 shall
23 only be considered if it was committed within 5 years after
24 the date when a prior violation for the sale of alcohol to
25 a person under the age of 21 was committed.

26 The fine imposed under this paragraph may not exceed

1 \$500 for each violation. Each day that the activity, which
2 gave rise to the original fine, continues is a separate
3 violation. The maximum fine that may be levied against any
4 licensee, for the period of the license, shall not exceed
5 \$20,000. The maximum penalty that may be imposed on a
6 licensee for selling a bottle of alcoholic liquor with a
7 foreign object in it or serving from a bottle of alcoholic
8 liquor with a foreign object in it shall be the destruction
9 of that bottle of alcoholic liquor for the first 10 bottles
10 so sold or served from by the licensee. For the eleventh
11 bottle of alcoholic liquor and for each third bottle
12 thereafter sold or served from by the licensee with a
13 foreign object in it, the maximum penalty that may be
14 imposed on the licensee is the destruction of the bottle of
15 alcoholic liquor and a fine of up to \$50.

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

24 (3) To call upon other administrative departments of
25 the State, county and municipal governments, county and
26 city police departments and upon prosecuting officers for

1 such information and assistance as it deems necessary in
2 the performance of its duties.

3 (4) To recommend to local commissioners rules and
4 regulations, not inconsistent with the law, for the
5 distribution and sale of alcoholic liquors throughout the
6 State.

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

15 (5.1) Upon receipt of a complaint or upon having
16 knowledge that any person is engaged in business as a
17 manufacturer, ~~importing distributor,~~ distributor, or
18 retailer without a license or valid license, to notify the
19 local liquor authority, file a complaint with the State's
20 Attorney's Office of the county where the incident
21 occurred, or initiate an investigation with the
22 appropriate law enforcement officials.

23 (5.2) To issue a cease and desist notice to persons
24 shipping alcoholic liquor into this State from a point
25 outside of this State if the shipment is in violation of
26 this Act.

1 (5.3) To receive complaints from licensees, local
2 officials, law enforcement agencies, organizations, and
3 persons stating that any licensee has been or is violating
4 any provision of this Act or the rules and regulations
5 issued pursuant to this Act. Such complaints shall be in
6 writing, signed and sworn to by the person making the
7 complaint, and shall state with specificity the facts in
8 relation to the alleged violation. If the Commission has
9 reasonable grounds to believe that the complaint
10 substantially alleges a violation of this Act or rules and
11 regulations adopted pursuant to this Act, it shall conduct
12 an investigation. If, after conducting an investigation,
13 the Commission is satisfied that the alleged violation did
14 occur, it shall proceed with disciplinary action against
15 the licensee as provided in this Act.

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

22 (7) The commission shall establish uniform systems of
23 accounts to be kept by all retail licensees having more
24 than 4 employees, and for this purpose the commission may
25 classify all retail licensees having more than 4 employees
26 and establish a uniform system of accounts for each class

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

20 (8) In the conduct of any hearing authorized to be held
21 by the commission, to appoint, at the commission's
22 discretion, hearing officers to conduct hearings involving
23 complex issues or issues that will require a protracted
24 period of time to resolve, to examine, or cause to be
25 examined, under oath, any licensee, and to examine or cause
26 to be examined the books and records of such licensee; to

1 hear testimony and take proof material for its information
2 in the discharge of its duties hereunder; to administer or
3 cause to be administered oaths; for any such purpose to
4 issue subpoena or subpoenas to require the attendance of
5 witnesses and the production of books, which shall be
6 effective in any part of this State, and to adopt rules to
7 implement its powers under this paragraph (8).

8 Any Circuit Court may by order duly entered, require
9 the attendance of witnesses and the production of relevant
10 books subpoenaed by the State commission and the court may
11 compel obedience to its order by proceedings for contempt.

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

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

24 (11) To develop industry educational programs related
25 to responsible serving and selling, particularly in the
26 areas of overserving consumers and illegal underage

1 purchasing and consumption of alcoholic beverages.

2 (11.1) To license persons providing education and
3 training to alcohol beverage sellers and servers for
4 mandatory and non-mandatory training under the Beverage
5 Alcohol Sellers and Servers Education and Training
6 (BASSET) programs and to develop and administer a public
7 awareness program in Illinois to reduce or eliminate the
8 illegal purchase and consumption of alcoholic beverage
9 products by persons under the age of 21. Application for a
10 license shall be made on forms provided by the State
11 Commission.

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

14 (13) On or before January 15, 1994, the Commission
15 shall issue a written report to the Governor and General
16 Assembly that is to be based on a comprehensive study of
17 the impact on and implications for the State of Illinois of
18 Section 1926 of the Federal ADAMHA Reorganization Act of
19 1992 (Public Law 102-321). This study shall address the
20 extent to which Illinois currently complies with the
21 provisions of P.L. 102-321 and the rules promulgated
22 pursuant thereto.

23 As part of its report, the Commission shall provide the
24 following essential information:

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

1 (ii) the number of reported citations and
2 successful convictions, categorized by type and
3 location of retail distributor, for violation of the
4 Prevention of Tobacco Use by Minors and Sale and
5 Distribution of Tobacco Products Act and the Smokeless
6 Tobacco Limitation Act;

7 (iii) the extent and nature of organized
8 educational and governmental activities that are
9 intended to promote, encourage or otherwise secure
10 compliance with any Illinois laws that prohibit the
11 sale or distribution of tobacco products to minors; and

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

14 To obtain the data necessary to comply with the
15 provisions of P.L. 102-321 and the requirements of this
16 report, the Commission shall conduct random, unannounced
17 inspections of a geographically and scientifically
18 representative sample of the State's retail tobacco
19 distributors.

20 The Commission shall consult with the Department of
21 Public Health, the Department of Human Services, the
22 Illinois State Police and any other executive branch
23 agency, and private organizations that may have
24 information relevant to this report.

25 The Commission may contract with the Food and Drug
26 Administration of the U.S. Department of Health and Human

1 Services to conduct unannounced investigations of Illinois
2 tobacco vendors to determine compliance with federal laws
3 relating to the illegal sale of cigarettes and smokeless
4 tobacco products to persons under the age of 18.

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

14 (A) The amount of State excise and sales tax
15 revenues generated.

16 (B) The amount of licensing fees received.

17 (C) The number of cases of wine shipped from inside
18 and outside of this State directly to residents of this
19 State.

20 (D) The number of alcohol compliance operations
21 conducted.

22 (E) The number of winery shipper's licenses
23 issued.

24 (F) The number of each of the following: reported
25 violations; cease and desist notices issued by the
26 Commission; notices of violations issued by the

1 Commission and to the Department of Revenue; and
2 notices and complaints of violations to law
3 enforcement officials, including, without limitation,
4 the Illinois Attorney General and the U.S. Department
5 of Treasury's Alcohol and Tobacco Tax and Trade Bureau.

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

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

21 (17) (A) A person licensed to make wine under the laws
22 of another state who has a winery shipper's license under
23 this amendatory Act and annually produces less than 25,000
24 gallons of wine or a person who has a first-class or
25 second-class wine manufacturer's license, a first-class or
26 second-class wine-maker's license, or a limited wine

1 manufacturer's license under this Act and annually
2 produces less than 25,000 gallons of wine may make
3 application to the Commission for a self-distribution
4 exemption to allow the sale of not more than 5,000 gallons
5 of the exemption holder's wine to retail licensees per
6 year.

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

17 (C) The Commission shall approve the application
18 for a self-distribution exemption if such person: (1)
19 is in compliance with State revenue and liquor laws;
20 (2) is not a member of any affiliated group that
21 produces more than 25,000 gallons of wine per annum or
22 produces any other alcoholic liquor; (3) will not
23 annually produce for sale more than 25,000 gallons of
24 wine; and (4) will not annually sell more than 5,000
25 gallons of its wine to retail licensees.

26 (D) A self-distribution exemption holder shall

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

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

19 (F) The Commission shall issue regulations
20 governing self-distribution exemptions consistent with
21 this Section and this Act.

22 (G) Nothing in this subsection (17) shall prohibit
23 a self-distribution exemption holder from entering
24 into or simultaneously having a distribution agreement
25 with a licensed Illinois distributor.

26 (H) It is the intent of this subsection (17) to

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

13 (18) (A) A class 1 brewer licensee, who must also be
14 either a licensed brewer or licensed non-resident dealer
15 and annually manufacture less than 930,000 gallons of beer,
16 may make application to the State Commission for a
17 self-distribution exemption to allow the sale of not more
18 than 232,500 gallons of the exemption holder's beer to
19 retail licensees per year.

20 (B) In the application, which shall be sworn under
21 penalty of perjury, the class 1 brewer licensee shall
22 state (1) the date it was established; (2) its volume
23 of beer manufactured and sold for each year since its
24 establishment; (3) its efforts to establish
25 distributor relationships; (4) that a
26 self-distribution exemption is necessary to facilitate

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

5 (C) Any application submitted shall be posted on
6 the State Commission's website at least 45 days prior
7 to action by the State Commission. The State Commission
8 shall approve the application for a self-distribution
9 exemption if the class 1 brewer licensee: (1) is in
10 compliance with the State, revenue, and alcoholic
11 beverage laws; (2) is not a member of any affiliated
12 group that manufactures more than 930,000 gallons of
13 beer per annum or produces any other alcoholic
14 beverages; (3) shall not annually manufacture for sale
15 more than 930,000 gallons of beer; (4) shall not
16 annually sell more than 232,500 gallons of its beer to
17 retail licensees; and (5) has relinquished any brew pub
18 license held by the licensee, including any ownership
19 interest it held in the licensed brew pub.

20 (D) A self-distribution exemption holder shall
21 annually certify to the State Commission its
22 manufacture of beer during the previous 12 months and
23 its anticipated manufacture and sales of beer for the
24 next 12 months. The State Commission may fine, suspend,
25 or revoke a self-distribution exemption after a
26 hearing if it finds that the exemption holder has made

1 a material misrepresentation in its application,
2 violated a revenue or alcoholic beverage law of
3 Illinois, exceeded the manufacture of 930,000 gallons
4 of beer in any calendar year or became part of an
5 affiliated group manufacturing more than 930,000
6 gallons of beer or any other alcoholic beverage.

7 (E) The State Commission shall issue rules and
8 regulations governing self-distribution exemptions
9 consistent with this Act.

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

21 (G) It is the intent of this paragraph (18) to
22 promote and continue orderly markets. The General
23 Assembly finds that in order to preserve Illinois'
24 regulatory distribution system, it is necessary to
25 create an exception for smaller manufacturers in order
26 to afford and allow such smaller manufacturers of beer

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

4 (b) On or before April 30, 1999, the Commission shall
5 present a written report to the Governor and the General
6 Assembly that shall be based on a study of the impact of this
7 amendatory Act of 1998 on the business of soliciting, selling,
8 and shipping alcoholic liquor from outside of this State
9 directly to residents of this State.

10 As part of its report, the Commission shall provide the
11 following information:

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

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

16 (iii) the number of reported violations, the number of
17 cease and desist notices issued by the Commission, the
18 number of notices of violations issued to the Department of
19 Revenue, and the number of notices and complaints of
20 violations to law enforcement officials.

21 (Source: P.A. 98-401, eff. 8-16-13; 98-939, eff. 7-1-15;
22 98-941, eff. 1-1-15; 99-78, eff. 7-20-15; 99-448, eff.
23 8-24-15.)

24 (235 ILCS 5/3-14) (from Ch. 43, par. 109)

25 Sec. 3-14. Issuance of license by Commission. Nothing

1 contained in this Act shall, however, be construed to permit
2 the State Commission to issue any license, other than
3 manufacturer's, foreign importer's, ~~importing distributor's,~~
4 non-resident dealer's, and distributor's, broker's and
5 non-beverage user's license for any premises in any prohibited
6 territory, or to issue any license other than manufacturer's,
7 foreign importer's, ~~importing distributor's,~~ non-resident
8 dealer's, distributor's, railroad's, airplane's, boat's, or
9 broker's license, auction liquor license, or non-beverage
10 user's license, unless the person applying for such license
11 shall have obtained a local license for the same premises. For
12 purposes of this Section and only in regards to a hotel, the
13 local license issued for the same premises may include multiple
14 local licenses issued to a hotel operator for various portions
15 of the hotel building, structure, or adjacent property owned
16 and managed by the hotel operator in which alcoholic liquors
17 may be stored, offered for sale, and sold; however, all of
18 those portions of the hotel building, structure, or adjacent
19 property shall be considered the hotel premises for purposes of
20 the issuance of a retailer's license by the State Commission.
21 When such person has obtained a local license and has made
22 application to the State Commission in conformity with this Act
23 and paid the license fee provided, it shall be the duty of the
24 State Commission to issue a retailer's license to him;
25 provided, however, that the State Commission may refuse the
26 issuance or renewal of a retailer's license, upon notice and

1 after hearing, upon the grounds authorized in Section 6-3 of
2 this Act, and, provided further, that the issuance of such
3 license shall not prejudice the State Commission's action in
4 subsequently suspending or revoking such license if it is
5 determined by the State Commission, upon notice and after
6 hearing, that the licensee has, within the same or the
7 preceding license period, violated any provision of this Act or
8 any rule or regulation issued pursuant thereto and in effect
9 for 30 days prior to such violation. The Commission may also
10 refuse to renew a license if the licensee has failed to pay an
11 offer in compromise, pre-disciplinary settlement, or a fine
12 imposed by order.

13 (Source: P.A. 99-46, eff. 7-15-15.)

14 (235 ILCS 5/4-4) (from Ch. 43, par. 112)

15 Sec. 4-4. Each local liquor control commissioner shall also
16 have the following powers, functions and duties with respect to
17 licenses, other than licenses to manufacturers, ~~importing~~
18 ~~distributors,~~ distributors, foreign importers, non-resident
19 dealers, non-beverage users, brokers, railroads, airplanes and
20 boats.

21 1. To grant and or suspend for not more than thirty
22 days or revoke for cause all local licenses issued to
23 persons for premises within his jurisdiction;

24 2. To enter or to authorize any law enforcing officer
25 to enter at any time upon any premises licensed hereunder

1 to determine whether any of the provisions of this Act or
2 any rules or regulations adopted by him or by the State
3 Commission have been or are being violated, and at such
4 time to examine said premises of said licensee in
5 connection therewith;

6 3. To notify the Secretary of State where a club
7 incorporated under the General Not for Profit Corporation
8 Act of 1986 or a foreign corporation functioning as a club
9 in this State under a certificate of authority issued under
10 that Act has violated this Act by selling or offering for
11 sale at retail alcoholic liquors without a retailer's
12 license;

13 4. To receive complaint from any citizen within his
14 jurisdiction that any of the provisions of this Act, or any
15 rules or regulations adopted pursuant hereto, have been or
16 are being violated and to act upon such complaints in the
17 manner hereinafter provided;

18 5. To receive local license fees and pay the same
19 forthwith to the city, village, town or county treasurer as
20 the case may be.

21 Each local liquor commissioner also has the duty to notify
22 the Secretary of State of any convictions or dispositions of
23 court supervision for a violation of Section 6-20 of this Act
24 or a similar provision of a local ordinance.

25 In counties and municipalities, the local liquor control
26 commissioners shall also have the power to levy fines in

1 accordance with Section 7-5 of this Act.

2 (Source: P.A. 95-166, eff. 1-1-08.)

3 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

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

12 (b) Distributor's license,

13 (c) (Blank), ~~Importing Distributor's license,~~

14 (d) Retailer's license,

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

16 (f) Railroad license,

17 (g) Boat license,

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

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

20 (j) Airplane license,

21 (k) Foreign importer's license,

22 (l) Broker's license,

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

24 (n) Brew Pub license,

25 (o) Auction liquor license,

- 1 (p) Caterer retailer license,
2 (q) Special use permit license,
3 (r) Winery shipper's license.

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

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

12 Class 1. A Distiller may make sales and deliveries of
13 alcoholic liquor to distillers, rectifiers, ~~importing~~
14 ~~distributors,~~ distributors, and non-beverage users and to no
15 other licensees.

16 Class 2. A Rectifier, who is not a distiller, as defined
17 herein, may make sales and deliveries of alcoholic liquor to
18 rectifiers, ~~importing distributors,~~ distributors, retailers,
19 and non-beverage users and to no other licensees.

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

23 Class 4. A first class wine-manufacturer may make sales and
24 deliveries of up to 50,000 gallons of wine to manufacturers,
25 ~~importing distributors~~ and distributors, and to no other
26 licensees.

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

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

16 Class 7. A second-class wine-maker's license shall allow
17 the manufacture of between 50,000 and 150,000 gallons of wine
18 per year, and the storage and sale of such wine to distributors
19 in this State and to persons without the State, as may be
20 permitted by law. A person who, prior to June 1, 2008 (the
21 effective date of Public Act 95-634) ~~this amendatory Act of the~~
22 ~~95th General Assembly,~~ is a holder of a second-class
23 wine-maker's license and annually produces more than 25,000
24 gallons of its own wine and who distributes its wine to
25 licensed retailers shall cease this practice on or before July
26 1, 2008 in compliance with Public Act 95-634 ~~this amendatory~~

1 ~~Act of the 95th General Assembly.~~

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

6 Class 9. A craft distiller license shall allow the
7 manufacture of up to 30,000 gallons of spirits by distillation
8 for one year after March 1, 2013 (the effective date of Public
9 Act 97-1166) ~~this amendatory Act of the 97th General Assembly~~
10 and up to 35,000 gallons of spirits by distillation per year
11 thereafter and the storage of such spirits. If a craft
12 distiller licensee is not affiliated with any other
13 manufacturer, then the craft distiller licensee may sell such
14 spirits to distributors in this State and up to 2,500 gallons
15 of such spirits to non-licensees to the extent permitted by any
16 exemption approved by the Commission pursuant to Section 6-4 of
17 this Act.

18 Any craft distiller licensed under this Act who on July 28,
19 2010 (the effective date of Public Act 96-1367) ~~this amendatory~~
20 ~~Act of the 96th General Assembly~~ was licensed as a distiller
21 and manufactured no more spirits than permitted by this Section
22 shall not be required to pay the initial licensing fee.

23 Class 10. A class 1 brewer license, which may only be
24 issued to a licensed brewer or licensed non-resident dealer,
25 shall allow the manufacture of up to 930,000 gallons of beer
26 per year provided that the class 1 brewer licensee does not

1 manufacture more than a combined 930,000 gallons of beer per
2 year and is not a member of or affiliated with, directly or
3 indirectly, a manufacturer that produces more than 930,000
4 gallons of beer per year or any other alcoholic liquor. A class
5 1 brewer licensee may make sales and deliveries to ~~importing~~
6 ~~distributors~~ and distributors and to retail licensees in
7 accordance with the conditions set forth in paragraph (18) of
8 subsection (a) of Section 3-12 of this Act.

9 Class 11. A class 2 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 3,720,000 gallons of beer
12 per year provided that the class 2 brewer licensee does not
13 manufacture more than a combined 3,720,000 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 3,720,000
16 gallons of beer per year or any other alcoholic liquor. A class
17 2 brewer licensee may make sales and deliveries to ~~importing~~
18 ~~distributors~~ and distributors, but shall not make sales or
19 deliveries to any other licensee. If the State Commission
20 provides prior approval, a class 2 brewer licensee may annually
21 transfer up to 3,720,000 gallons of beer manufactured by that
22 class 2 brewer licensee to the premises of a licensed class 2
23 brewer wholly owned and operated by the same licensee.

24 (a-1) A manufacturer which is licensed in this State to
25 make sales or deliveries of alcoholic liquor to licensed
26 distributors ~~or importing distributors~~ and which enlists

1 agents, representatives, or individuals acting on its behalf
2 who contact licensed retailers on a regular and continual basis
3 in this State must register those agents, representatives, or
4 persons acting on its behalf with the State Commission.

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

22 (b) A distributor's license shall allow the wholesale
23 purchase and storage of alcoholic liquors and sale of alcoholic
24 liquors to licensees in this State and to persons without the
25 State, as may be permitted by law. A distributor's license
26 shall further allow the importation of alcoholic liquor by the

1 licensee into this State from any point in the United States
2 outside this State and the purchase of alcoholic liquor in
3 barrels, casks, or other bulk containers and the bottling of
4 such alcoholic liquors before resale thereof, but all bottles
5 or containers so filled shall be sealed, labeled, stamped, and
6 otherwise made to comply with all provisions, rules, and
7 regulations governing manufacturers in the preparation and
8 bottling of alcoholic liquors. The distributor's license shall
9 also permit such licensee to purchase alcoholic liquor from
10 Illinois licensed non-resident dealers, foreign importers, and
11 other sources as permitted by this Act. A distributor's license
12 may not be granted to any holder of a manufacturer's license,
13 as listed in subsection (a), or holder of a non-resident dealer
14 license.

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

1 ~~comply with all provisions, rules and regulations governing~~
2 ~~manufacturers in the preparation and bottling of alcoholic~~
3 ~~liquors. The importing distributor's license shall permit such~~
4 ~~licensee to purchase alcoholic liquor from Illinois licensed~~
5 ~~non resident dealers and foreign importers only.~~

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

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

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

1 insurance in the maximum limits; and (iii) show proof
2 satisfactory to the State Commission that the applicant has
3 obtained local authority approval.

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

25 (g) A boat license shall allow the sale of alcoholic liquor
26 in individual drinks, on any passenger boat regularly operated

1 as a common carrier on navigable waters in this State or on any
2 riverboat operated under the Riverboat Gambling Act, which boat
3 or riverboat maintains a public dining room or restaurant
4 thereon.

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

- 15 Class 1, not to exceed 500 gallons
- 16 Class 2, not to exceed 1,000 gallons
- 17 Class 3, not to exceed 5,000 gallons
- 18 Class 4, not to exceed 10,000 gallons
- 19 Class 5, not to exceed 50,000 gallons

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

1 a licensee who concurrently holds a second-class wine-maker's
2 license to sell and offer for sale at retail in the premises
3 specified in such license up to 100,000 gallons of the
4 second-class wine-maker's wine that is made at the second-class
5 wine-maker's licensed premises per year for use or consumption
6 but not for resale in any form. A wine-maker's premises license
7 shall allow a licensee that concurrently holds a first-class
8 wine-maker's license or a second-class wine-maker's license to
9 sell and offer for sale at retail at the premises specified in
10 the wine-maker's premises license, for use or consumption but
11 not for resale in any form, any beer, wine, and spirits
12 purchased from a licensed distributor. Upon approval from the
13 State Commission, a wine-maker's premises license shall allow
14 the licensee to sell and offer for sale at (i) the wine-maker's
15 licensed premises and (ii) at up to 2 additional locations for
16 use and consumption and not for resale. Each location shall
17 require additional licensing per location as specified in
18 Section 5-3 of this Act. A wine-maker's premises licensee shall
19 secure liquor liability insurance coverage in an amount at
20 least equal to the maximum liability amounts set forth in
21 subsection (a) of Section 6-21 of this Act.

22 (j) An airplane license shall permit the licensee to import
23 alcoholic liquors into this State from any point in the United
24 States outside this State and to store such alcoholic liquors
25 in this State; to make wholesale purchases of alcoholic liquors
26 directly from manufacturers, foreign importers, and

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

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

1 with respect to registration of such Illinois licensees as may
2 be granted the right to sell such brands at wholesale, and
3 (iii) the foreign importer complies with the provisions of
4 Sections 6-5 and 6-6 of this Act to the same extent that these
5 provisions apply to manufacturers.

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

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

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

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

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

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

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

23 (m) A non-resident dealer's license shall permit such
24 licensee to ship into and warehouse alcoholic liquor into this
25 State from any point outside of this State, and to sell such
26 alcoholic liquor to Illinois licensed foreign importers and

1 ~~importing~~ distributors and to no one else in this State;
2 provided that (i) said non-resident dealer shall register with
3 the Illinois Liquor Control Commission each and every brand of
4 alcoholic liquor which it proposes to sell to Illinois
5 licensees during the license period, (ii) it shall comply with
6 all of the provisions of Section 6-9 hereof with respect to
7 registration of such Illinois licensees as may be granted the
8 right to sell such brands at wholesale, and (iii) the
9 non-resident dealer shall comply with the provisions of
10 Sections 6-5 and 6-6 of this Act to the same extent that these
11 provisions apply to manufacturers.

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

1 Commission, annually transfer no more than 155,000 gallons of
2 beer manufactured on the premises to a licensed brew pub wholly
3 owned and operated by the same licensee.

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

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

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

1 brewer license and is not a member of or affiliated with,
2 directly or indirectly, a manufacturer that produces more than
3 3,720,000 gallons of beer per year or that produces any other
4 alcoholic liquor.

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

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

18 (q) A special use permit license shall allow an Illinois
19 licensed retailer to transfer a portion of its alcoholic liquor
20 inventory from its retail licensed premises to the premises
21 specified in the license hereby created, and to sell or offer
22 for sale at retail, only in the premises specified in the
23 license hereby created, the transferred alcoholic liquor for
24 use or consumption, but not for resale in any form. A special
25 use permit license may be granted for the following time
26 periods: one day or less; 2 or more days to a maximum of 15 days

1 per location in any 12 month period. An applicant for the
2 special use permit license must also submit with the
3 application proof satisfactory to the State Commission that the
4 applicant will provide dram shop liability insurance to the
5 maximum limits and have local authority approval.

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

26 A winery shipper licensee must pay to the Department of

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

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

25 Pursuant to paragraph (5.1) or (5.3) of subsection (a) of
26 Section 3-12, the State Commission may receive, respond to, and

1 investigate any complaint and impose any of the remedies
2 specified in paragraph (1) of subsection (a) of Section 3-12.

3 (Source: P.A. 98-394, eff. 8-16-13; 98-401, eff. 8-16-13;
4 98-756, eff. 7-16-14; 99-448, eff. 8-24-15; revised 10-27-15.)

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	Class 9. Craft Distiller	1,800
24	Class 10. Class 1 Brewer	25
25	Class 11. Class 2 Brewer	25

1	For a Brew Pub License	1,050
2	For a caterer retailer's license	200
3	For a foreign importer's license	25
4	For an importing distributor's license	25
5	For a distributor's license	270
6	For a non-resident dealer's license	
7	(500,000 gallons or over)	270
8	For a non-resident dealer's license	
9	(under 500,000 gallons)	90
10	For a wine-maker's premises license	100
11	For a winery shipper's license	
12	(under 250,000 gallons)	150
13	For a winery shipper's license	
14	(250,000 or over, but under 500,000 gallons)	500
15	For a winery shipper's license	
16	(500,000 gallons or over)	1,000
17	For a wine-maker's premises license,	
18	second location	350
19	For a wine-maker's premises license,	
20	third location	350
21	For a retailer's license	500
22	For a special event retailer's license,	
23	(not-for-profit)	25
24	For a special use permit license,	
25	one day only	50
26	2 days or more	100

1	For a railroad license	60
2	For a boat license	180
3	For an airplane license, times the	
4	licensee's maximum number of aircraft	
5	in flight, serving liquor over the	
6	State at any given time, which either	
7	originate, terminate, or make	
8	an intermediate stop in the State	60
9	For a non-beverage user's license:	
10	Class 1	24
11	Class 2	60
12	Class 3	120
13	Class 4	240
14	Class 5	600
15	For a broker's license	600
16	For an auction liquor license	50
17	For a homebrewer special event permit	25

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

1 following year. The amount credited to each licensee shall be a
2 proportion of the balance in the Dram Fund that is the same as
3 the proportion of the license fee paid by the licensee under
4 this Section for the period in which the balance was
5 accumulated to the aggregate fees paid by all licensees during
6 that period.

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

9 (a) Hospitals, sanitariums, or clinics when their use
10 of alcoholic liquor is exclusively medicinal, mechanical
11 or scientific.

12 (b) Universities, colleges of learning or schools when
13 their use of alcoholic liquor is exclusively medicinal,
14 mechanical or scientific.

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

17 (Source: P.A. 98-55, eff. 7-5-13; 99-448, eff. 8-24-15.)

18 (235 ILCS 5/6-2) (from Ch. 43, par. 120)

19 Sec. 6-2. Issuance of licenses to certain persons
20 prohibited.

21 (a) Except as otherwise provided in subsection (b) of this
22 Section and in paragraph (1) of subsection (a) of Section 3-12,
23 no license of any kind issued by the State Commission or any
24 local commission shall be issued to:

25 (1) A person who is not a resident of any city, village

1 or county in which the premises covered by the license are
2 located; except in case of railroad or boat licenses.

3 (2) A person who is not of good character and
4 reputation in the community in which he resides.

5 (3) A person who is not a citizen of the United States.

6 (4) A person who has been convicted of a felony under
7 any Federal or State law, unless the Commission determines
8 that such person has been sufficiently rehabilitated to
9 warrant the public trust after considering matters set
10 forth in such person's application and the Commission's
11 investigation. The burden of proof of sufficient
12 rehabilitation shall be on the applicant.

13 (5) A person who has been convicted of keeping a place
14 of prostitution or keeping a place of juvenile
15 prostitution, promoting prostitution that involves keeping
16 a place of prostitution, or promoting juvenile
17 prostitution that involves keeping a place of juvenile
18 prostitution.

19 (6) A person who has been convicted of pandering or
20 other crime or misdemeanor opposed to decency and morality.

21 (7) A person whose license issued under this Act has
22 been revoked for cause.

23 (8) A person who at the time of application for renewal
24 of any license issued hereunder would not be eligible for
25 such license upon a first application.

26 (9) A copartnership, if any general partnership

1 thereof, or any limited partnership thereof, owning more
2 than 5% of the aggregate limited partner interest in such
3 copartnership would not be eligible to receive a license
4 hereunder for any reason other than residence within the
5 political subdivision, unless residency is required by
6 local ordinance.

7 (10) A corporation or limited liability company, if any
8 member, officer, manager or director thereof, or any
9 stockholder or stockholders owning in the aggregate more
10 than 5% of the stock of such corporation, would not be
11 eligible to receive a license hereunder for any reason
12 other than citizenship and residence within the political
13 subdivision.

14 (10a) A corporation or limited liability company
15 unless it is incorporated or organized in Illinois, or
16 unless it is a foreign corporation or foreign limited
17 liability company which is qualified under the Business
18 Corporation Act of 1983 or the Limited Liability Company
19 Act to transact business in Illinois. The Commission shall
20 permit and accept from an applicant for a license under
21 this Act proof prepared from the Secretary of State's
22 website that the corporation or limited liability company
23 is in good standing and is qualified under the Business
24 Corporation Act of 1983 or the Limited Liability Company
25 Act to transact business in Illinois.

26 (11) A person whose place of business is conducted by a

1 manager or agent unless the manager or agent possesses the
2 same qualifications required by the licensee.

3 (12) A person who has been convicted of a violation of
4 any Federal or State law concerning the manufacture,
5 possession or sale of alcoholic liquor, subsequent to the
6 passage of this Act or has forfeited his bond to appear in
7 court to answer charges for any such violation.

8 (13) A person who does not beneficially own the
9 premises for which a license is sought, or does not have a
10 lease thereon for the full period for which the license is
11 to be issued.

12 (14) Any law enforcing public official, including
13 members of local liquor control commissions, any mayor,
14 alderman, or member of the city council or commission, any
15 president of the village board of trustees, any member of a
16 village board of trustees, or any president or member of a
17 county board; and no such official shall have a direct
18 interest in the manufacture, sale, or distribution of
19 alcoholic liquor, except that a license may be granted to
20 such official in relation to premises that are not located
21 within the territory subject to the jurisdiction of that
22 official if the issuance of such license is approved by the
23 State Liquor Control Commission and except that a license
24 may be granted, in a city or village with a population of
25 55,000 or less, to any alderman, member of a city council,
26 or member of a village board of trustees in relation to

1 premises that are located within the territory subject to
2 the jurisdiction of that official if (i) the sale of
3 alcoholic liquor pursuant to the license is incidental to
4 the selling of food, (ii) the issuance of the license is
5 approved by the State Commission, (iii) the issuance of the
6 license is in accordance with all applicable local
7 ordinances in effect where the premises are located, and
8 (iv) the official granted a license does not vote on
9 alcoholic liquor issues pending before the board or council
10 to which the license holder is elected. Notwithstanding any
11 provision of this paragraph (14) to the contrary, an
12 alderman or member of a city council or commission, a
13 member of a village board of trustees other than the
14 president of the village board of trustees, or a member of
15 a county board other than the president of a county board
16 may have a direct interest in the manufacture, sale, or
17 distribution of alcoholic liquor as long as he or she is
18 not a law enforcing public official, a mayor, a village
19 board president, or president of a county board. To prevent
20 any conflict of interest, the elected official with the
21 direct interest in the manufacture, sale, or distribution
22 of alcoholic liquor shall not participate in any meetings,
23 hearings, or decisions on matters impacting the
24 manufacture, sale, or distribution of alcoholic liquor.
25 Furthermore, the mayor of a city with a population of
26 55,000 or less or the president of a village with a

1 population of 55,000 or less may have an interest in the
2 manufacture, sale, or distribution of alcoholic liquor as
3 long as the council or board over which he or she presides
4 has made a local liquor control commissioner appointment
5 that complies with the requirements of Section 4-2 of this
6 Act.

7 (15) A person who is not a beneficial owner of the
8 business to be operated by the licensee.

9 (16) A person who has been convicted of a gambling
10 offense as proscribed by any of subsections (a) (3) through
11 (a) (11) of Section 28-1 of, or as proscribed by Section
12 28-1.1 or 28-3 of, the Criminal Code of 1961 or the
13 Criminal Code of 2012, or as proscribed by a statute
14 replaced by any of the aforesaid statutory provisions.

15 (17) A person or entity to whom a federal wagering
16 stamp has been issued by the federal government, unless the
17 person or entity is eligible to be issued a license under
18 the Raffles and Poker Runs Act or the Illinois Pull Tabs
19 and Jar Games Act.

20 (18) A person who intends to sell alcoholic liquors for
21 use or consumption on his or her licensed retail premises
22 who does not have liquor liability insurance coverage for
23 that premises in an amount that is at least equal to the
24 maximum liability amounts set out in subsection (a) of
25 Section 6-21.

26 (19) A person who is licensed by any licensing

1 authority as a manufacturer of beer, or any partnership,
2 corporation, limited liability company, or trust or any
3 subsidiary, affiliate, or agent thereof, or any other form
4 of business enterprise licensed as a manufacturer of beer,
5 having any legal, equitable, or beneficial interest,
6 directly or indirectly, in a person licensed in this State
7 as a distributor ~~or importing distributor~~. For purposes of
8 this paragraph (19), a person who is licensed by any
9 licensing authority as a "manufacturer of beer" shall also
10 mean a brewer and a non-resident dealer who is also a
11 manufacturer of beer, including a partnership,
12 corporation, limited liability company, or trust or any
13 subsidiary, affiliate, or agent thereof, or any other form
14 of business enterprise licensed as a manufacturer of beer.

15 (20) A person who is licensed in this State as a
16 distributor ~~or importing distributor~~, or any partnership,
17 corporation, limited liability company, or trust or any
18 subsidiary, affiliate, or agent thereof, or any other form
19 of business enterprise licensed in this State as a
20 distributor ~~or importing distributor~~ having any legal,
21 equitable, or beneficial interest, directly or indirectly,
22 in a person licensed as a manufacturer of beer by any
23 licensing authority, or any partnership, corporation,
24 limited liability company, or trust or any subsidiary,
25 affiliate, or agent thereof, or any other form of business
26 enterprise, except for a person who owns, on or after the

1 effective date of this amendatory Act of the 98th General
2 Assembly, no more than 5% of the outstanding shares of a
3 manufacturer of beer whose shares are publicly traded on an
4 exchange within the meaning of the Securities Exchange Act
5 of 1934. For the purposes of this paragraph (20), a person
6 who is licensed by any licensing authority as a
7 "manufacturer of beer" shall also mean a brewer and a
8 non-resident dealer who is also a manufacturer of beer,
9 including a partnership, corporation, limited liability
10 company, or trust or any subsidiary, affiliate, or agent
11 thereof, or any other form of business enterprise licensed
12 as a manufacturer of beer.

13 (b) A criminal conviction of a corporation is not grounds
14 for the denial, suspension, or revocation of a license applied
15 for or held by the corporation if the criminal conviction was
16 not the result of a violation of any federal or State law
17 concerning the manufacture, possession or sale of alcoholic
18 liquor, the offense that led to the conviction did not result
19 in any financial gain to the corporation and the corporation
20 has terminated its relationship with each director, officer,
21 employee, or controlling shareholder whose actions directly
22 contributed to the conviction of the corporation. The
23 Commission shall determine if all provisions of this subsection
24 (b) have been met before any action on the corporation's
25 license is initiated.

26 (Source: P.A. 97-1059, eff. 8-24-12; 97-1150, eff. 1-25-13;

1 98-10, eff. 5-6-13; 98-21, eff. 6-13-13; 98-644, eff. 6-10-14;
2 98-756, eff. 7-16-14.)

3 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

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

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

1 acquire an ownership interest of more than 5% of the
2 outstanding shares of a wine manufacturer and be issued a wine
3 manufacturer's license by any licensing authority.

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

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

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

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

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

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

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

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

1 authorization shall be considered a privilege granted by the
2 craft distiller license. A craft distiller licensed for retail
3 sale shall secure liquor liability insurance coverage in an
4 amount at least equal to the maximum liability amounts set
5 forth in subsection (a) of 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 (235 ILCS 5/6-4.5)

18 Sec. 6-4.5. Prohibited ownership interests in a
19 distributor, ~~importing distributor~~, manufacturer of beer, or
20 non-resident dealer.

21 (a) The General Assembly finds, consistent with Section
22 6-1.5, that the 3-tier regulatory system is designed to prevent
23 a manufacturer of beer as described in paragraph (19) of
24 subsection (a) of Section 6-2 from exercising vertical
25 integration between a manufacturer of beer and a distributor ~~or~~

1 ~~importing distributor~~ through any ownership interest, or
2 through control of the distributor ~~or importing distributor~~.
3 The General Assembly further finds, consistent with Section
4 6-1.5, that the 3-tier regulatory system is designed to prevent
5 a distributor ~~or importing distributor~~ as described in
6 paragraph (20) of subsection (a) of Section 6-2 from having any
7 ownership interest in a manufacturer of beer as described in
8 paragraph (20) of subsection (a) of Section 6-2 except for the
9 ownership of no more than 5% of the outstanding shares of a
10 manufacturer of beer whose shares are publicly traded on an
11 exchange within the meaning of the Securities Exchange Act of
12 1934. The General Assembly further finds that it is necessary
13 to have the State Commission undertake an expedited
14 investigation, in accordance with procedural due process, to
15 determine whether any existing manufacturer of beer described
16 in paragraph (19) of subsection (a) of Section 6-2 or any
17 existing distributor or importing distributor described in
18 paragraph (20) of subsection (a) of Section 6-2 owns a
19 prohibited ownership interest, and an orderly process by which
20 an existing manufacturer of beer, distributor, or importing
21 distributor may divest itself of or sever the prohibited
22 ownership interest by no later than January 1, 2015.

23 (b) Notwithstanding any provision of this Act to the
24 contrary, no person licensed as a manufacturer of beer as
25 described in paragraph (19) of subsection (a) of Section 6-2
26 shall have any prohibited ownership interest, directly or

1 indirectly, in a person licensed as a distributor ~~or importing~~
2 ~~distributor~~. Any person who holds a prohibited ownership
3 interest in a person licensed as a distributor or importing
4 distributor prior to this amendatory Act of the 98th General
5 Assembly shall, in accordance with paragraph (19) of subsection
6 (a) of Section 6-2, be ineligible to receive or hold any
7 license issued by the State Commission, unless that person
8 complies with the provisions of this Section.

9 (c) Notwithstanding any provision of this Act to the
10 contrary, no person licensed in this State as a distributor ~~or~~
11 ~~importing distributor~~ as described in paragraph (20) of
12 subsection (a) of Section 6-2 shall have any prohibited
13 ownership interest, directly or indirectly, in a person
14 licensed as a manufacturer of beer as described in paragraph
15 (20) of subsection (a) of Section 6-2. Any person who holds an
16 interest in a person licensed as a distributor or importing
17 distributor in this State prior to this amendatory Act of the
18 98th General Assembly shall, in accordance with paragraph (20)
19 of subsection (a) of Section 6-2, be ineligible to receive or
20 hold a license by the State Commission, unless the person
21 complies with the provisions of this Section. This subsection
22 (c) shall not apply to a person who owns, on or after the
23 effective date of this amendatory Act of the 98th General
24 Assembly, no more than 5% of the outstanding shares of a
25 manufacturer of beer whose shares are publicly traded on an
26 exchange within the meaning of the Securities Exchange Act of

1 1934.

2 (d) Within 30 days after the effective date of this
3 amendatory Act of the 98th General Assembly, the State
4 Commission shall notify in writing all persons licensed by the
5 State Commission as a manufacturer of beer, as described in
6 paragraph (19) of subsection (a) of Section 6-2 of the
7 prohibited ownership interest provision set forth in
8 subsection (b) of this Section and paragraph (19) of subsection
9 (a) of Section 6-2. Also within 30 days after the effective
10 date of this amendatory Act of the 98th General Assembly, the
11 State Commission shall notify in writing all persons licensed
12 by the State Commission as a distributor or importing
13 distributor of the prohibited ownership interest provision set
14 forth in subsection (c) of this Section and paragraph (20) of
15 subsection (a) of Section 6-2. The notice provided by the State
16 Commission shall also state for a manufacturer of beer, as
17 described in paragraph (19) of subsection (a) of Section 6-2,
18 that it is required to disclose in writing any ownership
19 interest it directly or indirectly possesses in a distributor
20 or importing distributor, as described in paragraph (20) of
21 subsection (a) of Section 6-2, the type and amount of ownership
22 interest possessed by it, the length of time the manufacturer
23 of beer has held the ownership interest in the distributor or
24 importing distributor, and any other information specified by
25 the State Commission in its written notice. The notice provided
26 by the State Commission shall also state for a distributor or

1 importing distributor, as described in paragraph (20) of
2 subsection (a) of Section 6-2, that it is required to disclose
3 in writing any ownership interest it directly or indirectly
4 possesses in a manufacturer of beer, as described in paragraph
5 (19) of subsection (a) of Section 6-2, the type and amount of
6 ownership interest possessed by it, the length of time the
7 manufacturer of beer has held the ownership interest in the
8 distributor or importing distributor, and any other
9 information specified by the State Commission in its written
10 notice.

11 (e) Within 60 days after the effective date of this
12 amendatory Act of the 98th General Assembly, each manufacturer
13 of beer, distributor, or importing distributor subject to
14 notification under subsection (d) of this Section shall
15 disclose in writing and under oath the relevant ownership
16 interest and other required information specified in the
17 notification provided by the State Commission pursuant to that
18 subsection. The written disclosure shall, as a mandatory
19 obligation, be tendered to the State Commission by either
20 personal service or via certified or registered mail at the
21 State Commission's Springfield or Chicago office on or before
22 the 60th day during regular business hours. Failure to tender
23 the required written disclosure shall result in the immediate
24 entry of an order by the State Commission suspending the
25 licensee's license within 5 days after the 60th day, and the
26 initiation of proceedings by the State Commission to enter an

1 order to permanently revoke the licensee's license no later
2 than 45 days after providing the licensee with notice and an
3 opportunity for a hearing. Whenever the State Commission has
4 reason to believe that a person has failed to comply with the
5 Commission notice under this Section, it shall notify the
6 Department of Revenue and the Attorney General, and shall file
7 a complaint with the State's Attorney of the county where the
8 alcoholic liquor was delivered or with appropriate law
9 enforcement officials. Failure to make the written disclosure
10 required under this subsection shall constitute a business
11 offense for which the person shall be fined not more than
12 \$5,000 for a first offense, not more than \$10,000 for a second
13 offense, and not more than \$15,000 for a third or subsequent
14 offense.

15 (f) Within 180 days after the effective date of this
16 amendatory Act of the 98th General Assembly, the State
17 Commission shall review each of the disclosures tendered to the
18 State Commission by licensees pursuant to subsection (e) and
19 enter an order determining whether or not each licensee is in
20 compliance with subsection (b) or (c) of this Section,
21 whichever is applicable, after providing each licensee with
22 notice and an opportunity for a hearing. As part of making its
23 determination, the State Commission shall also consider any
24 information otherwise admissible under Section 10-40 of the
25 Illinois Administrative Procedure Act.

26 (g) If the State Commission determines, based on a

1 preponderance of record evidence, that a manufacturer of beer,
2 distributor, or importing distributor has no prohibited
3 ownership interest in a licensee in violation of subsection (b)
4 or (c) of this Section, then the State Commission shall enter
5 an order finding that the manufacturer of beer, distributor, or
6 importing distributor is in compliance with this Section,
7 record the matter as closed, and serve a copy of the order of
8 compliance on the licensee and each person with an ownership
9 interest in the licensee.

10 If the State Commission determines, based on a
11 preponderance of record evidence, that a manufacturer of beer,
12 as described in paragraph (19) of subsection (a) of Section
13 6-2, has a prohibited ownership interest as set forth in
14 subsection (b) of this Section, then the State Commission shall
15 enter an order finding that the manufacturer of beer is not in
16 compliance with this Section and that the manufacturer of beer
17 shall divest itself of that interest on or before January 1,
18 2015, subject to the State Commission's approval of the
19 successive owner pursuant to the State Commission's authority
20 provided in this Act. In addition, the State Commission shall
21 find that the relevant distributor or importing distributor is
22 not in compliance with this Section and that the distributor or
23 importing distributor is required to sever the prohibited
24 ownership interest possessed by the relevant manufacturer of
25 beer on or before January 1, 2015, subject to the State
26 Commission's approval of the successive owner pursuant to the

1 State Commission's authority provided in this Act.

2 If the State Commission determines, based on a
3 preponderance of record evidence, that a distributor or
4 importing distributor, as described in paragraph (20) of
5 subsection (a) of Section 6-2, has a prohibited ownership
6 interest as set forth in subsection (c) of this Section, then
7 the State Commission shall enter an order finding that the
8 relevant distributor or importing distributor is not in
9 compliance with this Section and that the relevant distributor
10 or importing distributor shall divest itself of that interest
11 on or before January 1, 2015, subject to the State Commission's
12 approval of the successive owner pursuant to the State
13 Commission's authority provided in this Act. In addition, the
14 State Commission shall find that the manufacturer of beer is
15 not in compliance with this Section and that the manufacturer
16 of beer shall sever the prohibited ownership interest possessed
17 by the distributor or importing distributor on or before
18 January 1, 2015, subject to the State Commission's approval of
19 the successive owner pursuant to the State Commission's
20 authority provided in this Act.

21 The State Commission's order shall further find that the
22 continued ownership of the prohibited ownership interest
23 beyond January 1, 2015 by the manufacturer of beer,
24 distributor, or importing distributor is against the public
25 interest and a violation of this Section and Section 6-1.5 of
26 the Act.

1 The State Commission's order shall further find for a
2 manufacturer of beer, as described in paragraph (19) of
3 subsection (a) of Section 6-2, found in non-compliance with
4 subsection (b) of this Section that its license is revoked on
5 January 16, 2015 as to the transport, transfer, or sale of any
6 alcoholic liquor to the relevant distributor or importing
7 distributor that the manufacturer of beer has a prohibited
8 ownership interest in if that interest is not properly divested
9 on January 1, 2015, subject to the State Commission's approval
10 of the successive owner pursuant to the State Commission's
11 authority provided in this Act. In addition, the State
12 Commission shall find that the license of a distributor or
13 importing distributor that is subject to the prohibited
14 ownership interest of the manufacturer of beer is revoked on
15 January 16, 2015 as to the transport, transfer, or sale of
16 alcoholic liquor from the relevant manufacturer of beer to any
17 retailer if that ownership interest is not properly severed on
18 January 1, 2015, subject to the State Commission's approval of
19 the successive owner pursuant to the State Commission's
20 authority provided in this Act.

21 The State Commission's order shall further find for a
22 distributor or importing distributor, as described in
23 paragraph (20) of subsection (a) of Section 6-2, found in
24 non-compliance with subsection (c) of this Section, that its
25 license is revoked on January 16, 2015 as to the transport,
26 transfer, or sale of any alcoholic liquor from the relevant

1 manufacturer of beer to any retailer if that prohibited
2 ownership interest in the manufacturer of beer is not properly
3 divested on January 1, 2015, subject to the State Commission's
4 approval of the successive owner pursuant to the State
5 Commission's authority provided in this Act. In addition, the
6 State Commission shall find that the license of the
7 manufacturer of beer that is subject to the prohibited
8 ownership interest of a distributor or importing distributor is
9 revoked on January 16, 2015 as to the transport, transfer, or
10 sale of alcoholic liquor to the distributor or importing
11 distributor if that ownership interest is not properly severed
12 on January 1, 2015, subject to the State Commission's approval
13 of the successive owner pursuant to the State Commission's
14 authority provided in this Act.

15 The State Commission shall serve a copy of the order of
16 non-compliance on the licensee and each person with an
17 ownership interest in the licensee.

18 (h) If a person with a prohibited ownership interest in a
19 licensee under subsection (b) or (c) of this Section succeeds
20 in divesting itself of or severing that interest and obtains
21 the State Commission's approval of the successive owner
22 pursuant to its authority provided in this Act on or before
23 January 1, 2015, then the State Commission shall enter an order
24 finding that the licensee is in compliance, record the matter
25 as closed, and serve a copy of the order of compliance on the
26 licensee and each person with an ownership interest in the

1 licensee.

2 If a person with a prohibited ownership interest in
3 violation of subsection (b) or (c) of this Section fails to
4 divest itself of or sever that interest and obtain the State
5 Commission's approval of the successive owner pursuant to the
6 State Commission's authority provided in this Act on or before
7 January 1, 2015, then the State Commission shall, after notice
8 and an opportunity for a hearing, revoke each licensee's
9 license as specified in subsection (g) of this Section on
10 January 16, 2015. The State Commission, when entering the
11 order, shall give notice to the person by certified mail to
12 cease and desist all shipments of alcoholic liquor into or
13 within this State and to withdraw from this State within 5
14 working days after receipt of the notice all shipments of
15 alcoholic liquor in transit. Whenever the State Commission has
16 reason to believe that a person has failed to comply with the
17 State Commission's notice under this Section, it shall notify
18 the Department of Revenue and the Attorney General, and shall
19 file a complaint with the State's Attorney of the county where
20 the alcoholic liquor was delivered, or with appropriate law
21 enforcement officials. Failure to comply with the notice issued
22 by the State Commission under this Section is against the
23 public interest and constitutes a business offense for which
24 the person shall be fined not more than \$5,000 for a first
25 offense, not more than \$10,000 for a second offense, and not
26 more than \$15,000 for a third or subsequent offense. Each

1 shipment or transfer of alcoholic liquor in violation of the
2 cease and desist notice shall constitute a separate offense.

3 (i) The power and authority granted to the State Commission
4 under this Section is in addition to any existing power or
5 authority the State Commission has under this Act and its
6 exercise shall be accorded precedence on the State Commission's
7 meeting agenda so as to fully accommodate the schedule for any
8 proceeding under the provisions of this Section. Nothing in
9 this Act shall be construed as limiting or otherwise impairing
10 the ability of the State Commission to conduct future
11 investigations and proceedings sua sponte or pursuant to a
12 complaint to ensure compliance with this Section or paragraph
13 (19) or (20) of subsection (a) of Section 6-2 of this Act. Any
14 future investigations and proceedings shall be conducted by the
15 State Commission on an expedited basis and pursuant to an
16 initiating order entered by the State Commission. The State
17 Commission shall enter its initiating order within 30 days
18 after the receipt of a complaint. The initiating order shall
19 set forth a schedule by which the required notices,
20 disclosures, determinations, or orders specified in
21 subsections (d), (e), (f), (g), and (h) shall be made or
22 entered, and the period of time by which a licensee shall
23 divest itself of or sever a prohibited ownership interest,
24 which shall be no later than 540 days after the entry of the
25 initiating order.

26 (j) Any association or non-profit corporation representing

1 beer distributors in this State shall have standing to
2 intervene and otherwise participate as a party in any
3 proceeding undertaken by the State Commission under this
4 Section to review and determine compliance or non-compliance
5 with this Section.

6 (k) For purposes of this Section, the term "ownership
7 interest" means a legal, equitable, or beneficial interest
8 recognized under Illinois law. The term "prohibited ownership
9 interest" means an ownership interest in a distributor,
10 ~~importing distributor,~~ or manufacturer of beer as specified in
11 this Section.

12 (Source: P.A. 98-21, eff. 6-13-13.)

13 (235 ILCS 5/6-5) (from Ch. 43, par. 122)

14 Sec. 6-5. Except as otherwise provided in this Section, it
15 is unlawful for any person having a retailer's license or any
16 officer, associate, member, representative or agent of such
17 licensee to accept, receive or borrow money, or anything else
18 of value, or accept or receive credit (other than merchandising
19 credit in the ordinary course of business for a period not to
20 exceed 30 days) directly or indirectly from any manufacturer,
21 ~~importing distributor~~ or distributor of alcoholic liquor, or
22 from any person connected with or in any way representing, or
23 from any member of the family of, such manufacturer, ~~importing~~
24 ~~distributor,~~ distributor or wholesaler, or from any
25 stockholders in any corporation engaged in manufacturing,

1 distributing or wholesaling of such liquor, or from any
2 officer, manager, agent or representative of said
3 manufacturer. Except as provided below, it is unlawful for any
4 manufacturer or distributor ~~or importing distributor~~ to give or
5 lend money or anything of value, or otherwise loan or extend
6 credit (except such merchandising credit) directly or
7 indirectly to any retail licensee or to the manager,
8 representative, agent, officer or director of such licensee. A
9 manufacturer or, distributor ~~or importing distributor~~ may
10 furnish free advertising, posters, signs, brochures,
11 hand-outs, or other promotional devices or materials to any
12 unit of government owning or operating any auditorium,
13 exhibition hall, recreation facility or other similar facility
14 holding a retailer's license, provided that the primary purpose
15 of such promotional devices or materials is to promote public
16 events being held at such facility. A unit of government owning
17 or operating such a facility holding a retailer's license may
18 accept such promotional devices or materials designed
19 primarily to promote public events held at the facility. No
20 retail licensee delinquent beyond the 30 day period specified
21 in this Section shall solicit, accept or receive credit,
22 purchase or acquire alcoholic liquors, directly or indirectly
23 from any other licensee, and no manufacturer or, distributor ~~or~~
24 ~~importing distributor~~ shall knowingly grant or extend credit,
25 sell, furnish or supply alcoholic liquors to any such
26 delinquent retail licensee; provided that the purchase price of

1 all beer sold to a retail licensee shall be paid by the retail
2 licensee in cash on or before delivery of the beer, and unless
3 the purchase price payable by a retail licensee for beer sold
4 to him in returnable bottles shall expressly include a charge
5 for the bottles and cases, the retail licensee shall, on or
6 before delivery of such beer, pay the seller in cash a deposit
7 in an amount not less than the deposit required to be paid by
8 the distributor to the brewer; but where the brewer sells
9 direct to the retailer, the deposit shall be an amount no less
10 than that required by the brewer from his own distributors; and
11 provided further, that in no instance shall this deposit be
12 less than 50 cents for each case of beer in pint or smaller
13 bottles and 60 cents for each case of beer in quart or
14 half-gallon bottles; and provided further, that the purchase
15 price of all beer sold to a ~~an importing distributor or~~
16 distributor shall be paid by such ~~importing distributor or~~
17 distributor in cash on or before the 15th day (Sundays and
18 holidays excepted) after delivery of such beer to such
19 purchaser; and unless the purchase price payable by such
20 ~~importing distributor or~~ distributor for beer sold in
21 returnable bottles and cases shall expressly include a charge
22 for the bottles and cases, such ~~importing distributor or~~
23 distributor shall, on or before the 15th day (Sundays and
24 holidays excepted) after delivery of such beer to such
25 purchaser, pay the seller in cash a required amount as a
26 deposit to assure the return of such bottles and cases. Nothing

1 herein contained shall prohibit any licensee from crediting or
2 refunding to a purchaser the actual amount of money paid for
3 bottles, cases, kegs or barrels returned by the purchaser to
4 the seller or paid by the purchaser as a deposit on bottles,
5 cases, kegs or barrels, when such containers or packages are
6 returned to the seller. Nothing herein contained shall prohibit
7 any manufacturer, ~~importing distributor~~ or distributor from
8 extending usual and customary credit for alcoholic liquor sold
9 to customers or purchasers who live in or maintain places of
10 business outside of this State when such alcoholic liquor is
11 actually transported and delivered to such points outside of
12 this State.

13 A manufacturer or distributor, ~~or importing distributor~~
14 may furnish free social media advertising to a retail licensee
15 if the social media advertisement does not contain the retail
16 price of any alcoholic liquor and the social media
17 advertisement complies with any applicable rules or
18 regulations issued by the Alcohol and Tobacco Tax and Trade
19 Bureau of the United States Department of the Treasury. A
20 manufacturer or distributor, ~~or importing distributor~~ may
21 list the names of one or more unaffiliated retailers in the
22 advertisement of alcoholic liquor through social media.
23 Nothing in this Section shall prohibit a retailer from
24 communicating with a manufacturer or distributor, ~~or~~
25 ~~importing distributor~~ on social media or sharing media on the
26 social media of a manufacturer or distributor, ~~or importing~~

1 ~~distributor~~. A retailer may request free social media
2 advertising from a manufacturer or distributor, ~~or importing~~
3 ~~distributor~~. Nothing in this Section shall prohibit a
4 manufacturer or distributor, ~~or importing distributor~~ from
5 sharing, reposting, or otherwise forwarding a social media post
6 by a retail licensee, so long as the sharing, reposting, or
7 forwarding of the social media post does not contain the retail
8 price of any alcoholic liquor. No manufacturer or distributor,
9 ~~or importing distributor~~ shall pay or reimburse a retailer,
10 directly or indirectly, for any social media advertising
11 services, except as specifically permitted in this Act. No
12 retailer shall accept any payment or reimbursement, directly or
13 indirectly, for any social media advertising services offered
14 by a manufacturer or distributor, ~~or importing distributor~~,
15 except as specifically permitted in this Act. For the purposes
16 of this Section, "social media" means a service, platform, or
17 site where users communicate with one another and share media,
18 such as pictures, videos, music, and blogs, with other users
19 free of charge.

20 No right of action shall exist for the collection of any
21 claim based upon credit extended to a distributor, ~~importing~~
22 ~~distributor~~ or retail licensee contrary to the provisions of
23 this Section.

24 Every manufacturer, ~~importing distributor~~ and distributor
25 shall submit or cause to be submitted, to the State Commission,
26 in triplicate, not later than Thursday of each calendar week, a

1 verified written list of the names and respective addresses of
2 each retail licensee purchasing spirits or wine from such
3 manufacturer,~~importing distributor~~ or distributor who, on the
4 first business day of that calendar week, was delinquent beyond
5 the above mentioned permissible merchandising credit period of
6 30 days; or, if such is the fact, a verified written statement
7 that no retail licensee purchasing spirits or wine was then
8 delinquent beyond such permissible merchandising credit period
9 of 30 days.

10 Every manufacturer,~~importing distributor~~ and distributor
11 shall submit or cause to be submitted, to the State Commission,
12 in triplicate, a verified written list of the names and
13 respective addresses of each previously reported delinquent
14 retail licensee who has cured such delinquency by payment,
15 which list shall be submitted not later than the close of the
16 second full business day following the day such delinquency was
17 so cured.

18 Such written verified reports required to be submitted by
19 this Section shall be posted by the State Commission in each of
20 its offices in places available for public inspection not later
21 than the day following receipt thereof by the Commission. The
22 reports so posted shall constitute notice to every
23 manufacturer,~~importing distributor~~ and distributor of the
24 information contained therein. Actual notice to manufacturers,~~7~~
25 ~~importing distributors~~ and distributors of the information
26 contained in any such posted reports, however received, shall

1 also constitute notice of such information.

2 The 30 day merchandising credit period allowed by this
3 Section shall commence with the day immediately following the
4 date of invoice and shall include all successive days including
5 Sundays and holidays to and including the 30th successive day.

6 In addition to other methods allowed by law, payment by
7 check during the period for which merchandising credit may be
8 extended under the provisions of this Section shall be
9 considered payment. All checks received in payment for
10 alcoholic liquor shall be promptly deposited for collection. A
11 post dated check or a check dishonored on presentation for
12 payment shall not be deemed payment.

13 A retail licensee shall not be deemed to be delinquent in
14 payment for any alleged sale to him of alcoholic liquor when
15 there exists a bona fide dispute between such retailer and a
16 manufacturer, ~~importing distributor~~ or distributor with
17 respect to the amount of indebtedness existing because of such
18 alleged sale.

19 A delinquent retail licensee who engages in the retail
20 liquor business at 2 or more locations shall be deemed to be
21 delinquent with respect to each such location.

22 The license of any person who violates any provision of
23 this Section shall be subject to suspension or revocation in
24 the manner provided by this Act.

25 If any part or provision of this Article or the application
26 thereof to any person or circumstances shall be adjudged

1 invalid by a court of competent jurisdiction, such judgment
2 shall be confined by its operation to the controversy in which
3 it was mentioned and shall not affect or invalidate the
4 remainder of this Article or the application thereof to any
5 other person or circumstance and to this and the provisions of
6 this Article are declared severable.

7 (Source: P.A. 99-448, eff. 8-24-15.)

8 (235 ILCS 5/6-6) (from Ch. 43, par. 123)

9 Sec. 6-6. Except as otherwise provided in this Act no
10 manufacturer or distributor ~~or importing distributor~~ shall,
11 directly or indirectly, sell, supply, furnish, give or pay for,
12 or loan or lease, any furnishing, fixture or equipment on the
13 premises of a place of business of another licensee authorized
14 under this Act to sell alcoholic liquor at retail, either for
15 consumption on or off the premises, nor shall he or she,
16 directly or indirectly, pay for any such license, or advance,
17 furnish, lend or give money for payment of such license, or
18 purchase or become the owner of any note, mortgage, or other
19 evidence of indebtedness of such licensee or any form of
20 security therefor, nor shall such manufacturer~~7~~ or
21 distributor, ~~or importing distributor,~~ directly or indirectly,
22 be interested in the ownership, conduct or operation of the
23 business of any licensee authorized to sell alcoholic liquor at
24 retail, nor shall any manufacturer~~7~~ or distributor~~7~~ ~~or~~
25 ~~importing distributor~~ be interested directly or indirectly or

1 as owner or part owner of said premises or as lessee or lessor
2 thereof, in any premises upon which alcoholic liquor is sold at
3 retail.

4 No manufacturer or distributor ~~or importing distributor~~
5 shall, directly or indirectly or through a subsidiary or
6 affiliate, or by any officer, director or firm of such
7 manufacturer or distributor ~~or importing distributor~~,
8 furnish, give, lend or rent, install, repair or maintain, to or
9 for any retail licensee in this State, any signs or inside
10 advertising materials except as provided in this Section and
11 Section 6-5. With respect to retail licensees, other than any
12 government owned or operated auditorium, exhibition hall,
13 recreation facility or other similar facility holding a
14 retailer's license as described in Section 6-5, a manufacturer
15 or distributor, ~~or importing distributor~~ may furnish, give,
16 lend or rent and erect, install, repair and maintain to or for
17 any retail licensee, for use at any one time in or about or in
18 connection with a retail establishment on which the products of
19 the manufacturer or distributor ~~or importing distributor~~ are
20 sold, the following signs and inside advertising materials as
21 authorized in subparts (i), (ii), (iii), and (iv):

22 (i) Permanent outside signs shall be limited to one
23 outside sign, per brand, in place and in use at any one
24 time, costing not more than \$893, exclusive of erection,
25 installation, repair and maintenance costs, and permit
26 fees and shall bear only the manufacturer's name, brand

1 name, trade name, slogans, markings, trademark, or other
2 symbols commonly associated with and generally used in
3 identifying the product including, but not limited to,
4 "cold beer", "on tap", "carry out", and "packaged liquor".

5 (ii) Temporary outside signs shall be limited to one
6 temporary outside sign per brand. Examples of temporary
7 outside signs are banners, flags, pennants, streamers, and
8 other items of a temporary and non-permanent nature. Each
9 temporary outside sign must include the manufacturer's
10 name, brand name, trade name, slogans, markings,
11 trademark, or other symbol commonly associated with and
12 generally used in identifying the product. Temporary
13 outside signs may also include, for example, the product,
14 price, packaging, date or dates of a promotion and an
15 announcement of a retail licensee's specific sponsored
16 event, if the temporary outside sign is intended to promote
17 a product, and provided that the announcement of the retail
18 licensee's event and the product promotion are held
19 simultaneously. However, temporary outside signs may not
20 include names, slogans, markings, or logos that relate to
21 the retailer. Nothing in this subpart (ii) shall prohibit a
22 distributor ~~or importing distributor~~ from bearing the cost
23 of creating or printing a temporary outside sign for the
24 retail licensee's specific sponsored event or from bearing
25 the cost of creating or printing a temporary sign for a
26 retail licensee containing, for example, community

1 goodwill expressions, regional sporting event
2 announcements, or seasonal messages, provided that the
3 primary purpose of the temporary outside sign is to
4 highlight, promote, or advertise the product. In addition,
5 temporary outside signs provided by the manufacturer to the
6 distributor ~~or importing distributor~~ may also include, for
7 example, subject to the limitations of this Section,
8 preprinted community goodwill expressions, sporting event
9 announcements, seasonal messages, and manufacturer
10 promotional announcements. However, a distributor ~~or~~
11 ~~importing distributor~~ shall not bear the cost of such
12 manufacturer preprinted signs.

13 (iii) Permanent inside signs, whether visible from the
14 outside or the inside of the premises, include, but are not
15 limited to: alcohol lists and menus that may include names,
16 slogans, markings, or logos that relate to the retailer;
17 neons; illuminated signs; clocks; table lamps; mirrors;
18 tap handles; decalcomanias; window painting; and window
19 trim. All permanent inside signs in place and in use at any
20 one time shall cost in the aggregate not more than \$2000
21 per manufacturer. A permanent inside sign must include the
22 manufacturer's name, brand name, trade name, slogans,
23 markings, trademark, or other symbol commonly associated
24 with and generally used in identifying the product.
25 However, permanent inside signs may not include names,
26 slogans, markings, or logos that relate to the retailer.

1 For the purpose of this subpart (iii), all permanent inside
2 signs may be displayed in an adjacent courtyard or patio
3 commonly referred to as a "beer garden" that is a part of
4 the retailer's licensed premises.

5 (iv) Temporary inside signs shall include, but are not
6 limited to, lighted chalk boards, acrylic table tent
7 beverage or hors d'oeuvre list holders, banners, flags,
8 pennants, streamers, and inside advertising materials such
9 as posters, placards, bowling sheets, table tents, inserts
10 for acrylic table tent beverage or hors d'oeuvre list
11 holders, sports schedules, or similar printed or
12 illustrated materials; however, such items, for example,
13 as coasters, trays, napkins, glassware and cups shall not
14 be deemed to be inside signs or advertising materials and
15 may only be sold to retailers. All temporary inside signs
16 and inside advertising materials in place and in use at any
17 one time shall cost in the aggregate not more than \$325 per
18 manufacturer. Nothing in this subpart (iv) prohibits a
19 distributor ~~or importing distributor~~ from paying the cost
20 of printing or creating any temporary inside banner or
21 inserts for acrylic table tent beverage or hors d'oeuvre
22 list holders for a retail licensee, provided that the
23 primary purpose for the banner or insert is to highlight,
24 promote, or advertise the product. For the purpose of this
25 subpart (iv), all temporary inside signs and inside
26 advertising materials may be displayed in an adjacent

1 courtyard or patio commonly referred to as a "beer garden"
2 that is a part of the retailer's licensed premises.

3 A "cost adjustment factor" shall be used to periodically
4 update the dollar limitations prescribed in subparts (i),
5 (iii), and (iv). The Commission shall establish the adjusted
6 dollar limitation on an annual basis beginning in January,
7 1997. The term "cost adjustment factor" means a percentage
8 equal to the change in the Bureau of Labor Statistics Consumer
9 Price Index or 5%, whichever is greater. The restrictions
10 contained in this Section 6-6 do not apply to signs, or
11 promotional or advertising materials furnished by
12 manufacturers or, distributors ~~or importing distributors~~ to a
13 government owned or operated facility holding a retailer's
14 license as described in Section 6-5.

15 No distributor ~~or importing distributor~~ shall directly or
16 indirectly or through a subsidiary or affiliate, or by any
17 officer, director or firm of such manufacturer or, distributor
18 ~~or importing distributor~~, furnish, give, lend or rent, install,
19 repair or maintain, to or for any retail licensee in this
20 State, any signs or inside advertising materials described in
21 subparts (i), (ii), (iii), or (iv) of this Section except as
22 the agent for or on behalf of a manufacturer, provided that the
23 total cost of any signs and inside advertising materials
24 including but not limited to labor, erection, installation and
25 permit fees shall be paid by the manufacturer whose product or
26 products said signs and inside advertising materials advertise

1 and except as follows:

2 A distributor ~~or importing distributor~~ may purchase from or
3 enter into a written agreement with a manufacturer or a
4 manufacturer's designated supplier and such manufacturer or
5 the manufacturer's designated supplier may sell or enter into
6 an agreement to sell to a distributor ~~or importing distributor~~
7 permitted signs and advertising materials described in
8 subparts (ii), (iii), or (iv) of this Section for the purpose
9 of furnishing, giving, lending, renting, installing,
10 repairing, or maintaining such signs or advertising materials
11 to or for any retail licensee in this State. Any purchase by a
12 distributor ~~or importing distributor~~ from a manufacturer or a
13 manufacturer's designated supplier shall be voluntary and the
14 manufacturer may not require the distributor ~~or the importing~~
15 ~~distributor~~ to purchase signs or advertising materials from the
16 manufacturer or the manufacturer's designated supplier.

17 A distributor ~~or importing distributor~~ shall be deemed the
18 owner of such signs or advertising materials purchased from a
19 manufacturer or a manufacturer's designated supplier.

20 The provisions of Public Act 90-373 concerning signs or
21 advertising materials delivered by a manufacturer to a
22 distributor or importing distributor shall apply only to signs
23 or advertising materials delivered on or after August 14, 1997.

24 A manufacturer or, distributor, ~~or importing distributor~~
25 may furnish free social media advertising to a retail licensee
26 if the social media advertisement does not contain the retail

1 price of any alcoholic liquor and the social media
2 advertisement complies with any applicable rules or
3 regulations issued by the Alcohol and Tobacco Tax and Trade
4 Bureau of the United States Department of the Treasury. A
5 manufacturer or distributor, ~~or importing distributor~~ may
6 list the names of one or more unaffiliated retailers in the
7 advertisement of alcoholic liquor through social media.
8 Nothing in this Section shall prohibit a retailer from
9 communicating with a manufacturer or distributor, ~~or~~
10 ~~importing distributor~~ on social media or sharing media on the
11 social media of a manufacturer or distributor, ~~or importing~~
12 ~~distributor~~. A retailer may request free social media
13 advertising from a manufacturer or distributor, ~~or importing~~
14 ~~distributor~~. Nothing in this Section shall prohibit a
15 manufacturer or distributor, ~~or importing distributor~~ from
16 sharing, reposting, or otherwise forwarding a social media post
17 by a retail licensee, so long as the sharing, reposting, or
18 forwarding of the social media post does not contain the retail
19 price of any alcoholic liquor. No manufacturer or distributor, ~~or~~
20 ~~importing distributor~~ shall pay or reimburse a retailer,
21 directly or indirectly, for any social media advertising
22 services, except as specifically permitted in this Act. No
23 retailer shall accept any payment or reimbursement, directly or
24 indirectly, for any social media advertising services offered
25 by a manufacturer or distributor, ~~or importing distributor,~~
26 except as specifically permitted in this Act. For the purposes

1 of this Section, "social media" means a service, platform, or
2 site where users communicate with one another and share media,
3 such as pictures, videos, music, and blogs, with other users
4 free of charge.

5 No person engaged in the business of manufacturing,
6 importing or distributing alcoholic liquors shall, directly or
7 indirectly, pay for, or advance, furnish, or lend money for the
8 payment of any license for another. Any licensee who shall
9 permit or assent, or be a party in any way to any violation or
10 infringement of the provisions of this Section shall be deemed
11 guilty of a violation of this Act, and any money loaned
12 contrary to a provision of this Act shall not be recovered
13 back, or any note, mortgage or other evidence of indebtedness,
14 or security, or any lease or contract obtained or made contrary
15 to this Act shall be unenforceable and void.

16 This Section shall not apply to airplane licensees
17 exercising powers provided in paragraph (i) of Section 5-1 of
18 this Act.

19 (Source: P.A. 98-756, eff. 7-16-14; 99-448, eff. 8-24-15.)

20 (235 ILCS 5/6-6.3)

21 Sec. 6-6.3. Non-alcoholic merchandise.

22 (a) Nothing in this Act shall authorize the Illinois Liquor
23 Control Commission to regulate or exercise jurisdiction over
24 any action, transaction, and business of manufacturers,
25 distributors, or retailers engaged in any transaction

1 involving the furnishing, selling, or offering for sale of
2 non-alcoholic merchandise by manufacturers, distributors, or
3 retailers, unless the transaction involves expressed or
4 implied agreements or understandings prohibited by this Act.

5 (b) Non-alcoholic merchandise may be sold by a manufacturer
6 class license holder, non-resident dealer, foreign importer,
7 ~~importing distributor,~~ or distributor to a retail licensee if:

8 (1) the manufacturer class license holder,
9 non-resident dealer, foreign importer, ~~importing~~
10 ~~distributor,~~ or distributor is also in business as a bona
11 fide producer or vendor of other merchandise;

12 (2) the merchandise is sold at its fair market value;

13 (3) the non-alcoholic merchandise is not sold in
14 combination with alcoholic liquor or conditioned on the
15 sale of alcoholic liquor;

16 (4) the manufacturer class license holder's,
17 non-resident dealer's, foreign importer's, ~~importing~~
18 ~~distributor's,~~ or distributor's acquisition or production
19 costs of the non-alcoholic merchandise appear on the
20 manufacturer class license holder's, non-resident
21 dealer's, foreign importer's, ~~importing distributor's,~~ or
22 distributor's purchase invoices or other records;

23 (5) the individual selling prices of the non-alcoholic
24 merchandise and alcoholic liquor sold in a single
25 transaction can be determined from commercial documents
26 covering the sales transaction if non-alcoholic

1 merchandise is sold in the same transaction as alcoholic
2 liquor; and

3 (6) the price is collected by the manufacturer class
4 license holder, non-resident dealer, foreign importer, or
5 distributor within 30 days of the date of the sale, unless
6 other terms are established in writing between the parties.

7 (c) The State Commission may not prohibit the sale of
8 non-alcoholic merchandise if it is sold in the manner in which
9 the non-alcoholic merchandise is sold by a manufacturer or
10 distributor that is not licensed by the State Commission;
11 provided, however, that all invoices for non-alcoholic
12 merchandise sold by a manufacturer class license holder,
13 non-resident dealer, foreign importer, ~~importing distributor,~~
14 or distributor that is also in business as a bona fide producer
15 or vendor of other merchandise must be in compliance with the
16 books and records requirements of 11 Ill. Adm. Code 100.130. If
17 the non-alcoholic merchandise is sold on the same invoice as an
18 alcoholic liquor product, the 30-day merchandising credit
19 provisions of Section 6-5 of this Act shall apply to the entire
20 transaction, including the non-alcoholic merchandise.

21 (d) Except as provided in subsection (f), a manufacturer
22 class license holder, non-resident dealer, foreign importer,
23 ~~importing distributor,~~ or distributor that is also in business
24 as a bona fide producer or vendor of non-alcoholic merchandise
25 shall not condition the sale of its alcoholic liquor on the
26 sale of its non-alcoholic merchandise and shall not combine the

1 sale of its alcoholic liquor with the sale of its non-alcoholic
2 merchandise. A manufacturer class license holder, non-resident
3 dealer, foreign importer, ~~importing distributor,~~ or
4 distributor that is also in business as a bona fide producer or
5 vendor of non-alcoholic merchandise may sell, market, and
6 promote non-alcoholic merchandise in the same manner in which
7 the non-alcoholic merchandise is sold, marketed, or promoted by
8 a manufacturer or distributor not licensed by the State
9 Commission.

10 (e) Notwithstanding the prohibited furnishing or providing
11 of fixtures, equipment, and furnishings to retailers as
12 contained in Section 6-6 of this Act, the act of a manufacturer
13 class license holder, non-resident dealer, foreign importer,
14 ~~importing distributor,~~ or distributor furnishing or providing
15 retailers with fixtures, equipment, or furnishings for the
16 limited purpose of storing, servicing, displaying,
17 advertising, furnishing, selling, or aiding in the sale of
18 non-alcoholic merchandise is permitted, only to the extent
19 allowed by this Section, and such fixtures, equipment, and
20 furnishings shall not be used by the retail licensee to store,
21 service, display, advertise, furnish, sell, or aid in the sale
22 of alcoholic liquors. All such fixtures, equipment, or
23 furnishings shall be identified by the retail licensee as being
24 furnished by a manufacturer class license holder, non-resident
25 dealer, foreign importer, ~~importing distributor,~~ or
26 distributor licensed by the State Commission and, if purchased

1 by the retail licensee and sold on the same invoice as
2 alcoholic liquor products, the price must be collected by the
3 manufacturer class license holder, non-resident dealer,
4 foreign importer, ~~importing distributor,~~ or distributor
5 selling the same within 30 days of the date of sale.

6 (f) Notwithstanding any provision of this Act to the
7 contrary, a manufacturer class license holder, non-resident
8 dealer, foreign importer, ~~importing distributor,~~ or
9 distributor may package and distribute alcoholic liquor in
10 combination with other non-alcoholic merchandise products if
11 the alcoholic liquor and non-alcoholic merchandise was
12 originally packaged together for ultimate sale to consumers by
13 the manufacturer or agent of the manufacturer as originally
14 packaged by the manufacturer or agent of the manufacturer for
15 ultimate sale to consumers.

16 (Source: P.A. 99-282, eff. 8-5-15.)

17 (235 ILCS 5/6-6.5)

18 Sec. 6-6.5. Sanitation. A manufacturer or distributor, ~~or~~
19 ~~importing distributor~~ may sell coil cleaning services to a
20 retail licensee at fair market cost.

21 A manufacturer or distributor, ~~or importing distributor~~
22 may sell dispensing accessories to retail licensees at a price
23 not less than the cost to the manufacturer or distributor, ~~or~~
24 ~~importing distributor~~ who initially purchased them. Dispensing
25 accessories include, but are not limited to, items such as

1 standards, faucets, cold plates, rods, vents, taps, tap
2 standards, hoses, washers, couplings, gas gauges, vent
3 tongues, shanks, and check valves.

4 Coil cleaning supplies consisting of detergents, cleaning
5 chemicals, brushes, or similar type cleaning devices may be
6 sold at a price not less than the cost to the manufacturer or
7 distributor, ~~or importing distributor~~.

8 (Source: P.A. 90-432, eff. 1-1-98.)

9 (235 ILCS 5/6-7) (from Ch. 43, par. 124)

10 Sec. 6-7. No manufacturer or distributor ~~or importing~~
11 ~~distributor~~ or foreign importer shall sell or deliver any
12 package containing alcoholic liquor manufactured or
13 distributed by him unless the same shall have affixed thereto
14 all cancelled revenue stamps which may be provided by Federal
15 law, and shall also bear thereon a clear and legible label
16 containing the name and address of the manufacturer, the kind
17 of alcoholic liquor contained therein, and in the case of
18 alcoholic liquor (other than beer and imported Scotch whiskey
19 and brandy 4 years old or more) the date when manufactured and
20 the minimum alcoholic content thereof. No person or persons,
21 corporation, partnership or firm shall label alcoholic liquor
22 as "whiskey" or "gin" or shall import for sale or shall sell in
23 this State alcoholic liquor labeled as "whiskey" or "gin"
24 unless the entire alcoholic content thereof, except flavoring
25 materials, is a distillate of fermented mash of grain or

1 mixture of grains. Alcoholic liquor of the type of whiskey or
2 gin not conforming to this requirement must be labeled
3 "imitation whiskey" or "imitation gin" (as the case may be). No
4 spirits shall contain any substance, compound or ingredient
5 which is injurious to health or deleterious for human
6 consumption. No package shall be delivered by any manufacturer
7 or distributor ~~or importing distributor~~ or foreign importer
8 unless the same shall be securely sealed so that the contents
9 thereof cannot be removed without breaking the seal so placed
10 thereon by said manufacturer, and no other licensee shall sell,
11 have in his possession, or use any package or container which
12 does not comply with this Section or does not bear evidence
13 that said package, when delivered to him, complied herewith.

14 (Source: P.A. 82-783.)

15 (235 ILCS 5/6-8) (from Ch. 43, par. 125)

16 Sec. 6-8. Each manufacturer ~~or importing distributor~~ or
17 foreign importer shall keep an accurate record of all alcoholic
18 liquors manufactured, distributed, sold, used, or delivered by
19 him in this State during each month, showing therein to whom
20 sold, and shall furnish a copy thereof or a report thereon to
21 the State Commission, as the State Commission may, request.

22 Each ~~importing~~ distributor or manufacturer to whom
23 alcoholic liquors imported into this State have been consigned
24 shall effect possession and physical control thereof by storing
25 such alcoholic liquors in the premises wherein such ~~importing~~

1 distributor or manufacturer is licensed to engage in such
2 business as a ~~an importing~~ distributor or manufacturer and to
3 make such alcoholic liquors together with accompanying
4 invoices, bills of lading and receiving tickets available for
5 inspection by an agent or representative of the Department of
6 Revenue and of the State Commission.

7 All alcoholic liquor imported into this State must be
8 off-loaded from the common carrier, vehicle, or mode of
9 transportation by which the alcoholic liquor was delivered into
10 this State. The alcoholic liquor shall be stored at the
11 licensed premises of the ~~importing~~ distributor before sale and
12 delivery to licensees in this State. A distributor ~~or importing~~
13 ~~distributor~~, upon application to the Commission, may secure a
14 waiver of the provisions of this Section for purposes of
15 delivering beer directly to a licensee holding or otherwise
16 participating in a special event sponsored by a unit of
17 government or a not-for-profit organization.

18 (Source: P.A. 88-535.)

19 (235 ILCS 5/6-9) (from Ch. 43, par. 126)

20 Sec. 6-9. Registration of trade marks; sale within
21 geographical area; delivery to authorized persons. The
22 Legislature hereby finds and declares that for purposes of
23 ensuring the preservation and enhancement of interbrand
24 competition in the alcoholic liquor industry within the State,
25 ensuring that importation and distribution of alcoholic liquor

1 in the State will be subject to thorough and inexpensive
2 monitoring by the State, reducing the importation of illicit or
3 untaxed alcoholic liquor into the State, excluding misbranded
4 alcoholic liquor products from the State, providing incentives
5 to distributors to service and sell to larger numbers of retail
6 licensees in the geographic area where such distributors are
7 engaged in business, and reducing the amount of spoiled and
8 overaged alcoholic liquor products sold to consumers, it is
9 necessary to restrict the purchase of alcoholic liquors at
10 wholesale in the State to those persons selected by the
11 manufacturer, distributor, ~~importing distributor~~ or foreign
12 importer who owns or controls the trade mark, brand or name of
13 the alcoholic liquor products sold to such persons, and to
14 restrict the geographic area or areas within which such persons
15 sell such alcoholic liquor at wholesale, as provided in this
16 Section.

17 Each manufacturer, non-resident dealer, distributor,
18 ~~importing distributor~~, or foreign importer who owns or controls
19 the trade mark, brand or name of any alcoholic liquor shall
20 register with the State Commission, in the Chicago office, on
21 or before the effective date, the name of each person to whom
22 such manufacturer, non-resident dealer, distributor, ~~importing~~
23 ~~distributor~~, or foreign importer grants the right to sell at
24 wholesale in this State any such alcoholic liquor, specifying
25 the particular trade mark, brand or name of alcoholic liquor as
26 to which such right is granted, the geographical area or areas

1 for which such right is granted and the period of time for
2 which such rights are granted to such person. Each
3 manufacturer, non-resident dealer, distributor ~~or importing~~
4 ~~distributor~~, or foreign importer who is required to register
5 under this Section must furnish a copy of the registration
6 statement at the time of appointment to the person who has been
7 granted the right to sell alcoholic liquor at wholesale.
8 However, if a person who has been appointed the right to sell
9 alcoholic liquor at wholesale does not receive a copy of the
10 registration statement as required under this Section, such
11 person may file a registration statement with the State
12 Commission, provided that the person furnishes a copy of that
13 registration statement to the manufacturer, non-resident
14 dealer, distributor, ~~importing distributor~~, or foreign
15 importer within 30 days of filing the registration statement.
16 The registration statement shall state:

- 17 (1) the name of the person appointed;
- 18 (2) the name of the manufacturer, non-resident dealer,
19 distributor, ~~importing distributor~~, or foreign importer from
20 whom the person received the right to sell alcoholic liquor;
- 21 (3) the particular trade mark, brand, or name of alcoholic
22 liquor as to which the right to sell at wholesale is granted;
23 and
- 24 (4) the geographical areas for which the right to sell at
25 wholesale is granted.

26 Such manufacturer, non-resident dealer, distributor,

1 ~~importing distributor,~~ or foreign importer may grant the right
2 to sell at wholesale any trade mark, brand or name of any
3 alcoholic liquor in any geographical area to more than one
4 person. If the registration is received after the effective
5 date, the Commission shall treat the date the registration was
6 received in the Chicago office as the effective date. Such
7 registration shall be made on a form prescribed by the State
8 Commission and the State Commission may require such
9 registration to be on a form provided by it.

10 A non-resident dealer or foreign importer who is not a
11 manufacturer shall file the registration statement jointly
12 with the manufacturer identifying the person authorized by the
13 manufacturer to sign the registration statement on behalf of
14 the manufacturer.

15 No such registration shall be made in any other manner than
16 as is provided in this Section and only those persons
17 registered by the manufacturer, non-resident dealer,
18 distributor, ~~importing distributor~~ or foreign importer, shall
19 have the right to sell at wholesale in this State, the brand of
20 alcoholic liquor specified on the registration form.

21 However, a licensed Illinois distributor who has not been
22 registered to sell a brand of alcoholic liquor, but for a
23 period of 2 years prior to November 8, 1979 has been engaged in
24 the purchase of a brand for resale from a licensed Illinois
25 distributor who has the right to sell that brand at wholesale,
26 may continue to purchase and resell the brand at wholesale, and

1 may purchase from the same distributor and resell at wholesale
2 any new brands of the same manufacturer, provided that:

3 (1) Within 60 days after November 8, 1979 he identifies
4 the brand which he so purchased to the State Commission and
5 the Commission within 30 days thereafter verifies that the
6 purchases have occurred;

7 (2) Thereafter, he notifies the State Commission in
8 writing of any brands of the same manufacturer which he
9 wishes to purchase from the same distributor that were not
10 available for distribution on or before November 8, 1979,
11 and that the Commission within 30 days of such notification
12 verifies that the brand is a new brand of the same
13 manufacturer, and that the same licensed Illinois
14 distributor has the right to sell the new brand at
15 wholesale;

16 (3) His licensed business address is within the
17 geographical area for which the licensed Illinois
18 distributor from whom the purchases are made has the right
19 to sell said brand or brands of alcoholic liquor; and

20 (4) His sales are made within the geographical area for
21 which the licensed Illinois distributor from whom the
22 purchases are made has the right to sell the brand or
23 brands of alcoholic liquor and only to retail licensees
24 whose licensed premises are located within the
25 aforementioned geographical area.

26 No person to whom such right is granted shall sell at

1 wholesale in this State any alcoholic liquor bearing such trade
2 mark, brand or name outside of the geographical area for which
3 such person holds such selling right, as registered with the
4 State Commission, nor shall he sell such alcoholic liquor
5 within such geographical area to a retail licensee if the
6 premises specified in such retailer's license are located
7 outside such geographical area. Any licensed Illinois
8 distributor who has not been granted the right to sell any
9 alcoholic liquor at wholesale and is purchasing alcoholic
10 liquor from a person who has been granted the right to sell at
11 wholesale may sell and deliver only to retail licensees whose
12 licensed premises are within the same geographical area as the
13 person who has been granted the right to sell at wholesale.

14 No manufacturer, ~~importing distributor,~~ distributor,
15 non-resident dealer, or foreign importer shall sell or deliver
16 any package containing alcoholic liquor manufactured or
17 distributed by him for resale, unless the person to whom such
18 package is sold or delivered is authorized to receive such
19 package in accordance with the provisions of this Act.

20 (Source: P.A. 96-482, eff. 8-14-09.)

21 (235 ILCS 5/6-17) (from Ch. 43, par. 133)

22 Sec. 6-17. (a) No licensee licensed under the provisions of
23 this Act shall deny or permit his agents and employees to deny
24 any person the full and equal enjoyment of the accommodations,
25 advantages, facilities and privileges of any premises in which

1 alcoholic liquors are authorized to be sold subject only to the
2 conditions and limitations established by law and applicable
3 alike to all citizens.

4 (b) A distributor ~~or an importing distributor~~ may refuse to
5 sell beer, brew, or similar beverages containing 0.5% or less
6 of alcohol by volume to a non-licensee.

7 (Source: P.A. 86-1469.)

8 (235 ILCS 5/6-17.1)

9 Sec. 6-17.1. Distributors; sales to retailers. The General
10 Assembly hereby finds and declares that for the purposes of
11 ensuring that all retail licensees have the opportunity to
12 receive alcoholic liquor, reducing the amount of spoiled and
13 overaged alcoholic liquor sold to customers, and maintaining
14 the distribution system and the State's ability to regulate
15 against illegal importation of alcoholic liquor, it is
16 necessary to prevent discrimination among retail licensees as
17 provided in this Section.

18 A distributor ~~or importing distributor~~ designated as a
19 distributor ~~or importing distributor~~ for alcoholic liquor
20 within a designated geographic area or areas under Section 6-9
21 of this Act shall use its best efforts to make available for
22 sale to retail licensees, in its designated geographic area or
23 areas, each brand of alcoholic liquor which the distributor ~~or~~
24 ~~the importing distributor~~ has been authorized to distribute.
25 Nothing in this Section prohibits a distributor ~~or importing~~

1 ~~distributor~~ from establishing purchase requirements unless the
2 requirements have the effect of excluding a majority of the
3 retail licensees in the designated geographic area or areas
4 from purchasing the alcoholic liquor.

5 (Source: P.A. 91-186, eff. 1-1-00.)

6 (235 ILCS 5/6-22) (from Ch. 43, par. 137)

7 Sec. 6-22. No person except a manufacturer or distributor~~7~~
8 ~~or importing distributor,~~ shall fill or refill, in whole or in
9 part, any original package of alcoholic liquor with the same or
10 any other kind or quality of alcoholic liquor, and it shall be
11 unlawful for any person to have in his possession for sale at
12 retail any bottles, casks or other containers containing
13 alcoholic liquor, except in original packages.

14 (Source: P.A. 82-783.)

15 (235 ILCS 5/6-23) (from Ch. 43, par. 138)

16 Sec. 6-23. No manufacturer or distributor ~~or importing~~
17 ~~distributor~~ or foreign importer shall enter into any contract
18 with any person licensed to sell at retail whereby such
19 licensee agrees not to sell any alcoholic liquors manufactured
20 or distributed by any other manufacturer or distributor ~~or~~
21 ~~importing distributor~~ or foreign importer, and any provision in
22 any contract violative of this Section shall render the whole
23 of such contract void and no action shall be brought thereon in
24 any court. However, nothing in this Section shall prohibit the

1 Department of Agriculture from entering into contracts for
2 exclusive facilities upon the State Fair Grounds on an equal
3 basis.

4 (Source: P.A. 85-142.)

5 (235 ILCS 5/6-27.1)

6 Sec. 6-27.1. Responsible alcohol service server training.

7 (a) Unless issued a valid server training certificate
8 between July 1, 2012 and July 1, 2015 by a certified Beverage
9 Alcohol Sellers and Servers Education and Training (BASSET)
10 trainer, all alcohol servers in Cook County are required to
11 obtain and complete training in basic responsible alcohol
12 service as outlined in 77 Ill. Adm. Code 3500, as those
13 provisions exist on July 1, 2015 (the effective date of Public
14 Act 98-939), by July 1, 2015 or within 120 days after the
15 alcohol server begins his or her employment, whichever is
16 later. All alcohol servers in a county, other than Cook County,
17 with a population of 200,000 inhabitants or more are required
18 to obtain and complete training in basic responsible alcohol
19 service as outlined in 77 Ill. Adm. Code 3500, as those
20 provisions exist on July 1, 2015 (the effective date of Public
21 Act 98-939), by July 1, 2016 or within 120 days after the
22 alcohol server begins his or her employment, whichever is
23 later. All alcohol servers in a county with a population of
24 more than 30,000 inhabitants and less than 200,000 inhabitants
25 are required to obtain and complete training in basic

1 responsible alcohol service as outlined in 77 Ill. Adm. Code
2 3500, as those provisions exist on July 1, 2015 (the effective
3 date of Public Act 98-939), by July 1, 2017 or within 120 days
4 after the alcohol server begins his or her employment,
5 whichever is later. All alcohol servers in counties with a
6 population of 30,000 inhabitants or less are required to obtain
7 and complete training in basic responsible alcohol service as
8 outlined in 77 Ill. Adm. Code 3500, as those provisions exist
9 on July 1, 2015 (the effective date of Public Act 98-939), by
10 July 1, 2018 or within 120 days after the alcohol server begins
11 his or her employment, whichever is later.

12 There is no limit to the amount of times a server may take
13 the training. A certificate of training belongs to the server,
14 and a server may transfer a certificate of training to a
15 different employer, but shall not transfer a certificate of
16 training to another server. Proof that an alcohol server has
17 been trained must be available upon reasonable request by State
18 law enforcement officials. For the purpose of this Section,
19 "alcohol servers" means persons who sell or serve open
20 containers of alcoholic beverages at retail and anyone whose
21 job description entails the checking of identification for the
22 purchase of open containers of alcoholic beverages at retail or
23 for entry into the licensed premises. The definition does not
24 include (i) a distributor ~~or importing distributor~~ conducting
25 product sampling as authorized in Section 6-31 of this Act or a
26 registered tasting representative, as provided in 11 Ill. Adm.

1 Code 100.40, conducting a tasting, as defined in 11 Ill. Adm.
2 Code 100.10; (ii) a volunteer serving alcoholic beverages at a
3 charitable function; or (iii) an instructor engaged in training
4 or educating on the proper technique for using a system that
5 dispenses alcoholic beverages.

6 (b) Responsible alcohol service training must cover and
7 assess knowledge of the topics noted in 77 Ill. Adm. Code
8 3500.155.

9 (c) Beginning on the effective date of this amendatory Act
10 of the 98th General Assembly, but no later than October 1,
11 2015, all existing BASSET trainers who are already BASSET
12 certified as of the effective date of this amendatory Act of
13 the 98th General Assembly shall be recertified by the State
14 Commission and be required to comply with the conditions for
15 server training set forth in this amendatory Act of the 98th
16 General Assembly.

17 (d) Training modules and certificate program plans must be
18 approved by the State Commission. All documents, materials, or
19 information related to responsible alcohol service training
20 program approval that are submitted to the State Commission are
21 confidential and shall not be open to public inspection or
22 dissemination and are exempt from disclosure.

23 The State Commission shall only approve programs that meet
24 the following criteria:

25 (1) the training course covers the content specified in
26 77 Ill. Adm. Code 3500.155;

1 (2) if the training course is classroom-based, the
2 classroom training is at least 4 hours, is available in
3 English and Spanish, and includes a test;

4 (3) if the training course is online or computer-based,
5 the course is designed in a way that ensures that no
6 content can be skipped, is interactive, has audio for
7 content for servers that have a disability, and includes a
8 test;

9 (4) training and testing is based on a job task
10 analysis that clearly identifies and focuses on the
11 knowledge, skills, and abilities needed to responsibly
12 serve alcoholic beverages and is developed using best
13 practices in instructional design and exam development to
14 ensure that the program is fair and legally defensible;

15 (5) training and testing is conducted by any means
16 available, including, but not limited to, online,
17 computer, classroom, or live trainers; and

18 (6) the program must provide access on a
19 24-hour-per-day, 7-days-per-week basis for certificate
20 verification for State Commission, State law enforcement
21 officials, and employers to be able to verify certificate
22 authenticity.

23 (e) Nothing in subsection (d) of this Section shall be
24 construed to require a program to use a test administrator or
25 proctor.

26 (f) A certificate issued from a BASSET-licensed training

1 program shall be accepted as meeting the training requirements
2 for all server license and permit laws and ordinances in the
3 State.

4 (g) A responsible alcohol service training certificate
5 from a BASSET-licensed program shall be valid for 3 years.

6 (h) The provisions of this Section shall apply beginning
7 July 1, 2015. From July 1, 2015 through December 31, 2015,
8 enforcement of the provisions of this Section shall be limited
9 to education and notification of the requirements to encourage
10 compliance.

11 (i) The provisions of this Section do not apply to a
12 special event retailer.

13 (Source: P.A. 98-939, eff. 7-1-15; 99-46, eff. 7-15-15.)

14 (235 ILCS 5/6-29) (from Ch. 43, par. 144e)

15 Sec. 6-29. Winery shipper's license.

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

18 (1) To authorize direct shipment of wine by an
19 out-of-state maker of wine on the same basis permitted an
20 in-state maker of wine pursuant to the authority of the
21 State under the provisions of Section 2 of the Twenty-First
22 Amendment to the United States Constitution and in
23 conformance with the United States Supreme Court decision
24 decided on May 16, 2005 in *Granholm v. Heald*.

25 (2) To reaffirm that the General Assembly's findings

1 and declarations that selling alcoholic liquor through
2 various direct marketing means such as catalogs,
3 newspapers, mailings, and the Internet directly to
4 consumers of this State poses a serious threat to the
5 State's efforts to further temperance and prevent youth
6 from accessing alcoholic liquor and the expansion of youth
7 access to additional types of alcoholic liquors.

8 (3) To maintain the State's broad powers granted by
9 Section 2 of the Twenty-First Amendment to the United
10 States Constitution to control the importation or sale of
11 alcoholic liquor and its right to structure its alcoholic
12 liquor distribution system.

13 (4) To ensure that the General Assembly, by authorizing
14 limited direct shipment of wine to meet the directives of
15 the United States Supreme Court, does not intend to impair
16 or modify the State's distribution of wine through
17 distributors ~~or importing distributors~~, but only to permit
18 limited shipment of wine for personal use.

19 (5) To provide that, in the event that a court of
20 competent jurisdiction declares or finds that this
21 Section, which is enacted to conform Illinois law to the
22 United States Supreme Court decision, is invalid or
23 unconstitutional, the Illinois General Assembly at its
24 earliest general session shall conduct hearings and study
25 methods to conform to any directive or order of the court
26 consistent with the temperance and revenue collection

1 purposes of this Act.

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

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

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

25 (c) No broker within this State shall solicit consumers to
26 engage in direct wine shipments under this Section.

1 (d) It is not the intent of this Section to impair the
2 distribution of wine through distributors ~~or importing~~
3 ~~distributors~~, but only to permit shipments of wine for personal
4 use.

5 (Source: P.A. 95-634, eff. 6-1-08.)

6 (235 ILCS 5/6-29.1)

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

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

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

15 (2) Minimizing automobile accidents and fatalities,
16 domestic violence, health problems, loss of productivity,
17 unemployment, and other social problems associated with
18 dependency and improvident use of alcoholic beverages
19 remains the policy of Illinois.

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

24 (4) Combined with family education and individual
25 discipline, retail validation of age, and assessment of the

1 capacity of the consumer remains the best pre-sale social
2 protection against the problems associated with the abuse
3 of alcoholic liquor.

4 (5) Therefore, the paramount purpose of this
5 amendatory Act is to continue to carefully limit direct
6 shipment sales of wine produced by makers of wine and to
7 continue to prohibit such direct shipment sales for spirits
8 and beer.

9 For these reasons, the Commission shall establish a system
10 to notify the out-of-state trade of this prohibition and to
11 detect violations. The Commission shall request the Attorney
12 General to extradite any offender.

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

25 Any person manufacturing, distributing, or selling
26 alcoholic liquor who knowingly ships or transports or causes

1 the shipping or transportation of any alcoholic liquor from a
2 point outside this State to a person in this State who does not
3 hold a manufacturer's, distributor's, ~~importing distributor's,~~
4 or non-resident dealer's license issued by the Liquor Control
5 Commission, other than a shipment of sacramental wine to a bona
6 fide religious organization, a shipment authorized by Section
7 6-29, subparagraph (17) of Section 3-12, or any other shipment
8 authorized by this Act, is in violation of this Act.

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

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

21 Failure to comply with the notice issued by the Commission
22 under this Section constitutes a business offense for which the
23 person shall be fined not more than \$1,000 for a first offense,
24 not more than \$5,000 for a second offense, and not more than
25 \$10,000 for a third or subsequent offense. Each shipment of
26 alcoholic liquor delivered in violation of the cease and desist

1 notice shall constitute a separate offense.

2 (Source: P.A. 95-634, eff. 6-1-08.)

3 (235 ILCS 5/6-31)

4 Sec. 6-31. Product sampling.

5 (a) Retailer, distributor, ~~importing distributor,~~
6 manufacturer, and nonresident dealer licensees may conduct
7 product sampling for consumption at a licensed retail location.
8 Up to 3 samples, consisting of no more than (i) 1/4 ounce of
9 distilled spirits, (ii) one ounce of wine, or (iii) 2 ounces of
10 beer may be served to a consumer in one day.

11 (b) Notwithstanding the provisions of subsection (a), an
12 on-premises retail licensee may offer for sale and serve more
13 than one drink per person for sampling purposes. In any event,
14 all provisions of Section 6-28 shall apply to an on-premises
15 retail licensee that conducts product sampling.

16 (Source: P.A. 99-46, eff. 7-15-15.)

17 (235 ILCS 5/7-1) (from Ch. 43, par. 145)

18 Sec. 7-1. An applicant for a retail license from the State
19 Commission shall submit to the State Commission an application
20 in writing under oath stating:

- 21 (1) The applicant's name and mailing address;
- 22 (2) The name and address of the applicant's business;
- 23 (3) If applicable, the date of the filing of the
24 "assumed name" of the business with the County Clerk;

1 (4) In case of a copartnership, the date of the
2 formation of the partnership; in the case of an Illinois
3 corporation, the date of its incorporation; or in the case
4 of a foreign corporation, the State where it was
5 incorporated and the date of its becoming qualified under
6 the Business Corporation Act of 1983 to transact business
7 in the State of Illinois;

8 (5) The number, the date of issuance and the date of
9 expiration of the applicant's current local retail liquor
10 license;

11 (6) The name of the city, village, or county that
12 issued the local retail liquor license;

13 (7) The name and address of the landlord if the
14 premises are leased;

15 (8) The date of the applicant's first request for a
16 State liquor license and whether it was granted, denied or
17 withdrawn;

18 (9) The address of the applicant when the first
19 application for a State liquor license was made;

20 (10) The applicant's current State liquor license
21 number;

22 (11) The date the applicant began liquor sales at his
23 place of business;

24 (12) The address of the applicant's warehouse if he
25 warehouses liquor;

26 (13) The applicant's Retailers' Occupation Tax (ROT)

1 Registration Number;

2 (14) The applicant's document locator number on his
3 Federal Special Tax Stamp;

4 (15) Whether the applicant is delinquent in the payment
5 of the Retailers' Occupation Tax (Sales Tax), and if so,
6 the reasons therefor;

7 (16) Whether the applicant is delinquent under the cash
8 beer law, and if so, the reasons therefor;

9 (17) In the case of a retailer, whether he is
10 delinquent under the 30-day credit law, and if so, the
11 reasons therefor;

12 (18) In the case of a distributor, whether he is
13 delinquent under the 15-day credit law, and if so, the
14 reasons therefor;

15 (19) Whether the applicant has made an application for
16 a liquor license which has been denied, and if so, the
17 reasons therefor;

18 (20) Whether the applicant has ever had any previous
19 liquor license suspended or revoked, and if so, the reasons
20 therefor;

21 (21) Whether the applicant has ever been convicted of a
22 gambling offense or felony, and if so, the particulars
23 thereof;

24 (22) Whether the applicant possesses a current Federal
25 Wagering Stamp, and if so, the reasons therefor;

26 (23) Whether the applicant, or any other person,

1 directly in his place of business is a public official, and
2 if so, the particulars thereof;

3 (24) The applicant's name, sex, date of birth, social
4 security number, position and percentage of ownership in
5 the business; and the name, sex, date of birth, social
6 security number, position and percentage of ownership in
7 the business of every sole owner, partner, corporate
8 officer, director, manager and any person who owns 5% or
9 more of the shares of the applicant business entity or
10 parent corporations of the applicant business entity; and

11 (25) That he has not received or borrowed money or
12 anything else of value, and that he will not receive or
13 borrow money or anything else of value (other than
14 merchandising credit in the ordinary course of business for
15 a period not to exceed 90 days as herein expressly
16 permitted under Section 6-5 hereof), directly or
17 indirectly, from any manufacturer, ~~importing distributor~~
18 or distributor or from any representative of any such
19 manufacturer, ~~importing distributor~~ or distributor, nor be
20 a party in any way, directly or indirectly, to any
21 violation by a manufacturer or distributor ~~or importing~~
22 ~~distributor~~ of Section 6-6 of this Act.

23 In addition to any other requirement of this Section, an
24 applicant for a special use permit license and a special event
25 retailer's license shall also submit (A) proof satisfactory to
26 the Commission that the applicant has a resale number issued

1 under Section 2c of the Retailers' Occupation Tax Act or that
2 the applicant is registered under Section 2a of the Retailers'
3 Occupation Tax Act, (B) proof satisfactory to the Commission
4 that the applicant has a current, valid exemption
5 identification number issued under Section 1g of the Retailers'
6 Occupation Tax Act and a certification to the Commission that
7 the purchase of alcoholic liquors will be a tax-exempt
8 purchase, or (C) a statement that the applicant is not
9 registered under Section 2a of the Retailers' Occupation Tax
10 Act, does not hold a resale number under Section 2c of the
11 Retailers' Occupation Tax Act, and does not hold an exemption
12 number under Section 1g of the Retailers' Occupation Tax Act.
13 The applicant shall also submit proof of adequate dram shop
14 insurance for the special event prior to being issued a
15 license.

16 In addition to the foregoing information, such application
17 shall contain such other and further information as the State
18 Commission and the local commission may, by rule or regulation
19 not inconsistent with law, prescribe.

20 If the applicant reports a felony conviction as required
21 under paragraph (21) of this Section, such conviction may be
22 considered by the Commission in determining qualifications for
23 licensing, but shall not operate as a bar to licensing.

24 If said application is made in behalf of a partnership,
25 firm, association, club or corporation, then the same shall be
26 signed by one member of such partnership or the president or

1 secretary of such corporation or an authorized agent of said
2 partnership or corporation.

3 All other applications shall be on forms prescribed by the
4 State Commission, and which may exclude any of the above
5 requirements which the State Commission rules to be
6 inapplicable.

7 (Source: P.A. 98-756, eff. 7-16-14.)

8 (235 ILCS 5/7-6) (from Ch. 43, par. 150)

9 Sec. 7-6. All proceedings for the revocation or suspension
10 of licenses of manufacturers, distributors, ~~importing~~
11 ~~distributors,~~ non-resident dealers, foreign importers,
12 non-beverage users, railroads, airplanes and boats shall be
13 before the State Commission. All such proceedings and all
14 proceedings for the revocation or suspension of a retailer's
15 license before the State commission shall be in accordance with
16 rules and regulations established by it not inconsistent with
17 law. However, no such license shall be so revoked or suspended
18 except after a hearing by the State commission with reasonable
19 notice to the licensee served by registered or certified mail
20 with return receipt requested at least 10 days prior to the
21 hearings at the last known place of business of the licensee
22 and after an opportunity to appear and defend. Such notice
23 shall specify the time and place of the hearing, the nature of
24 the charges, the specific provisions of the Act and rules
25 violated, and the specific facts supporting the charges or

1 violation. The findings of the Commission shall be predicated
2 upon competent evidence. The revocation of a local license
3 shall automatically result in the revocation of a State
4 license. Upon notification by the Illinois Department of
5 Revenue, the State Commission, in accordance with Section 3-12,
6 may refuse the issuance or renewal of a license, fine a
7 licensee, or suspend or revoke any license issued by the State
8 Commission if the licensee or license applicant has violated
9 the provisions of Section 3 of the Retailers' Occupation Tax
10 Act. All procedures for the suspension or revocation of a
11 license, as enumerated above, are applicable to the levying of
12 fines for violations of this Act or any rule or regulation
13 issued pursuant thereto.

14 (Source: P.A. 95-331, eff. 8-21-07.)

15 (235 ILCS 5/8-1)

16 Sec. 8-1. A tax is imposed upon the privilege of engaging
17 in business as a manufacturer ~~or as an importing distributor~~ of
18 alcoholic liquor other than beer at the rate of ~~\$0.185 per~~
19 ~~gallon until September 1, 2009~~ and \$0.231 per gallon ~~beginning~~
20 ~~September 1, 2009~~ for cider containing not less than 0.5%
21 alcohol by volume nor more than 7% alcohol by volume, ~~\$0.73 per~~
22 ~~gallon until September 1, 2009~~ and \$1.39 per gallon ~~beginning~~
23 ~~September 1, 2009~~ for wine other than cider containing less
24 than 7% alcohol by volume, ~~and \$4.50 per gallon until September~~
25 ~~1, 2009~~ and \$8.55 per gallon ~~beginning September 1, 2009~~ on

1 alcohol and spirits manufactured and sold or used by such
2 manufacturer, or as agent for any other person, ~~or sold or used~~
3 ~~by such importing distributor, or as agent for any other~~
4 ~~person.~~ A tax is imposed upon the privilege of engaging in
5 business as a manufacturer of beer ~~or as an importing~~
6 ~~distributor of beer~~ at the rate of ~~\$0.185 per gallon until~~
7 ~~September 1, 2009 and \$0.231 per gallon beginning September 1,~~
8 ~~2009~~ on all beer manufactured and sold or used by such
9 manufacturer, or as agent for any other person, ~~or sold or used~~
10 ~~by such importing distributor, or as agent for any other~~
11 ~~person.~~ Any brewer manufacturing beer in this State shall be
12 entitled to and given a credit or refund of 75% of the tax
13 imposed on each gallon of beer up to 4.9 million gallons per
14 year in any given calendar year for tax paid or payable on beer
15 produced and sold in the State of Illinois.

16 For the purpose of this Section, "cider" means any
17 alcoholic beverage obtained by the alcohol fermentation of the
18 juice of apples or pears including, but not limited to,
19 flavored, sparkling, or carbonated cider.

20 The credit or refund created by this Act shall apply to all
21 beer taxes in the calendar years 1982 through 1986.

22 The increases made by this amendatory Act of the 91st
23 General Assembly in the rates of taxes imposed under this
24 Section shall apply beginning on July 1, 1999.

25 A tax at the rate of 1¢ per gallon on beer and 48¢ per
26 gallon on alcohol and spirits is also imposed upon the

1 privilege of engaging in business as a retailer or as a
2 distributor ~~who is not also an importing distributor~~ with
3 respect to all beer and all alcohol and spirits owned or
4 possessed by such retailer or distributor when this amendatory
5 Act of 1969 becomes effective, and with respect to which the
6 additional tax imposed by this amendatory Act upon
7 manufacturers ~~and importing distributors~~ does not apply.
8 Retailers and distributors who are subject to the additional
9 tax imposed by this paragraph of this Section shall be required
10 to inventory such alcoholic liquor and to pay this additional
11 tax in a manner prescribed by the Department.

12 The provisions of this Section shall be construed to apply
13 to any ~~importing~~ distributor engaging in business in this
14 State, whether licensed or not.

15 However, such tax is not imposed upon any such business as
16 to any alcoholic liquor shipped outside Illinois by an Illinois
17 licensed manufacturer or ~~importing~~ distributor, nor as to any
18 alcoholic liquor delivered in Illinois by an Illinois licensed
19 manufacturer or ~~importing~~ distributor to a purchaser for
20 immediate transportation by the purchaser to another state into
21 which the purchaser has a legal right, under the laws of such
22 state, to import such alcoholic liquor, nor as to any alcoholic
23 liquor other than beer sold by one Illinois licensed
24 manufacturer or ~~importing~~ distributor to another Illinois
25 licensed manufacturer or ~~importing~~ distributor to the extent to
26 which the sale of alcoholic liquor other than beer by one

1 Illinois licensed manufacturer or ~~importing~~ distributor to
2 another Illinois licensed manufacturer or ~~importing~~
3 distributor is authorized by the licensing provisions of this
4 Act, nor to alcoholic liquor whether manufactured in or
5 imported into this State when sold to a "non-beverage user"
6 licensed by the State for use in the manufacture of any of the
7 following when they are unfit for beverage purposes:

8 Patent and proprietary medicines and medicinal,
9 antiseptic, culinary and toilet preparations;

10 Flavoring extracts and syrups and food products;

11 Scientific, industrial and chemical products, excepting
12 denatured alcohol;

13 Or for scientific, chemical, experimental or mechanical
14 purposes;

15 Nor is the tax imposed upon the privilege of engaging in
16 any business in interstate commerce or otherwise, which
17 business may not, under the Constitution and Statutes of the
18 United States, be made the subject of taxation by this State.

19 The tax herein imposed shall be in addition to all other
20 occupation or privilege taxes imposed by the State of Illinois
21 or political subdivision thereof.

22 If any alcoholic liquor manufactured in or imported into
23 this State is sold to a licensed manufacturer or ~~importing~~
24 distributor by a licensed manufacturer or ~~importing~~
25 distributor to be used solely as an ingredient in the
26 manufacture of any beverage for human consumption, the tax

1 imposed upon such purchasing manufacturer or ~~importing~~
2 distributor shall be reduced by the amount of the taxes which
3 have been paid by the selling manufacturer or ~~importing~~
4 distributor under this Act as to such alcoholic liquor so used
5 to the Department of Revenue.

6 If any person received any alcoholic liquors from a
7 manufacturer or ~~importing~~ distributor, with respect to which
8 alcoholic liquors no tax is imposed under this Article, and
9 such alcoholic liquor shall thereafter be disposed of in such
10 manner or under such circumstances as may cause the same to
11 become the base for the tax imposed by this Article, such
12 person shall make the same reports and returns, pay the same
13 taxes and be subject to all other provisions of this Article
14 relating to manufacturers and ~~importing~~ distributors.

15 Nothing in this Article shall be construed to require the
16 payment to the Department of the taxes imposed by this Article
17 more than once with respect to any quantity of alcoholic liquor
18 sold or used within this State.

19 No tax is imposed by this Act on sales of alcoholic liquor
20 by Illinois licensed foreign importers to Illinois licensed
21 ~~importing~~ distributors.

22 All of the proceeds of the additional tax imposed by Public
23 Act 96-34 shall be deposited by the Department into the Capital
24 Projects Fund. The remainder of the tax imposed by this Act
25 shall be deposited by the Department into the General Revenue
26 Fund.

1 The provisions of this Section 8-1 are severable under
2 Section 1.31 of the Statute on Statutes.

3 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
4 eff. 7-13-09; 96-1000, eff. 7-2-10.)

5 (235 ILCS 5/8-2) (from Ch. 43, par. 159)

6 Sec. 8-2. It is the duty of each manufacturer with respect
7 to alcoholic liquor produced or imported by such manufacturer,
8 or purchased tax-free by such manufacturer from another
9 manufacturer or ~~importing~~ distributor, and of each ~~importing~~
10 distributor as to alcoholic liquor purchased by such ~~importing~~
11 distributor from foreign importers or from anyone from any
12 point in the United States outside of this State or purchased
13 tax-free from another manufacturer or ~~importing~~ distributor,
14 to pay the tax imposed by Section 8-1 to the Department of
15 Revenue on or before the 15th day of the calendar month
16 following the calendar month in which such alcoholic liquor is
17 sold or used by such manufacturer or by such ~~importing~~
18 distributor other than in an authorized tax-free manner or to
19 pay that tax electronically as provided in this Section.

20 Each manufacturer and each ~~importing~~ distributor shall
21 make payment under one of the following methods: (1) on or
22 before the 15th day of each calendar month, file in person or
23 by United States first-class mail, postage pre-paid, with the
24 Department of Revenue, on forms prescribed and furnished by the
25 Department, a report in writing in such form as may be required

1 by the Department in order to compute, and assure the accuracy
2 of, the tax due on all taxable sales and uses of alcoholic
3 liquor occurring during the preceding month. Payment of the tax
4 in the amount disclosed by the report shall accompany the
5 report or, (2) on or before the 15th day of each calendar
6 month, electronically file with the Department of Revenue, on
7 forms prescribed and furnished by the Department, an electronic
8 report in such form as may be required by the Department in
9 order to compute, and assure the accuracy of, the tax due on
10 all taxable sales and uses of alcoholic liquor occurring during
11 the preceding month. An electronic payment of the tax in the
12 amount disclosed by the report shall accompany the report. A
13 manufacturer or distributor who files an electronic report and
14 electronically pays the tax imposed pursuant to Section 8-1 to
15 the Department of Revenue on or before the 15th day of the
16 calendar month following the calendar month in which such
17 alcoholic liquor is sold or used by that manufacturer or
18 ~~importing~~ distributor other than in an authorized tax-free
19 manner shall pay to the Department the amount of the tax
20 imposed pursuant to Section 8-1, less a discount which is
21 allowed to reimburse the manufacturer or ~~importing~~ distributor
22 for the expenses incurred in keeping and maintaining records,
23 preparing and filing the electronic returns, remitting the tax,
24 and supplying data to the Department upon request.

25 The discount shall be in an amount as follows:

26 (1) For original returns due on or after January 1,

1 2003 through September 30, 2003, the discount shall be
2 1.75% or \$1,250 per return, whichever is less;

3 (2) For original returns due on or after October 1,
4 2003 through September 30, 2004, the discount shall be 2%
5 or \$3,000 per return, whichever is less; and

6 (3) For original returns due on or after October 1,
7 2004, the discount shall be 2% or \$2,000 per return,
8 whichever is less.

9 The Department may, if it deems it necessary in order to
10 insure the payment of the tax imposed by this Article, require
11 returns to be made more frequently than and covering periods of
12 less than a month. Such return shall contain such further
13 information as the Department may reasonably require.

14 It shall be presumed that all alcoholic liquors acquired or
15 made by any ~~importing~~ distributor or manufacturer have been
16 sold or used by him in this State and are the basis for the tax
17 imposed by this Article unless proven, to the satisfaction of
18 the Department, that such alcoholic liquors are (1) still in
19 the possession of such ~~importing~~ distributor or manufacturer,
20 or (2) prior to the termination of possession have been lost by
21 theft or through unintentional destruction, or (3) that such
22 alcoholic liquors are otherwise exempt from taxation under this
23 Act.

24 The Department may require any foreign importer to file
25 monthly information returns, by the 15th day of the month
26 following the month which any such return covers, if the

1 Department determines this to be necessary to the proper
2 performance of the Department's functions and duties under this
3 Act. Such return shall contain such information as the
4 Department may reasonably require.

5 Every manufacturer and ~~importing~~ distributor shall also
6 file, with the Department, a bond in an amount not less than
7 \$1,000 and not to exceed \$100,000 on a form to be approved by,
8 and with a surety or sureties satisfactory to, the Department.
9 Such bond shall be conditioned upon the manufacturer or
10 ~~importing~~ distributor paying to the Department all monies
11 becoming due from such manufacturer or ~~importing~~ distributor
12 under this Article. The Department shall fix the penalty of
13 such bond in each case, taking into consideration the amount of
14 alcoholic liquor expected to be sold and used by such
15 manufacturer or ~~importing~~ distributor, and the penalty fixed by
16 the Department shall be sufficient, in the Department's
17 opinion, to protect the State of Illinois against failure to
18 pay any amount due under this Article, but the amount of the
19 penalty fixed by the Department shall not exceed twice the
20 amount of tax liability of a monthly return, nor shall the
21 amount of such penalty be less than \$1,000. The Department
22 shall notify the Commission of the Department's approval or
23 disapproval of any such manufacturer's or ~~importing~~
24 distributor's bond, or of the termination or cancellation of
25 any such bond, or of the Department's direction to a
26 manufacturer or ~~importing~~ distributor that he must file

1 additional bond in order to comply with this Section. The
2 Commission shall not issue a license to any applicant for a
3 manufacturer's or ~~importing~~ distributor's license unless the
4 Commission has received a notification from the Department
5 showing that such applicant has filed a satisfactory bond with
6 the Department hereunder and that such bond has been approved
7 by the Department. Failure by any licensed manufacturer or
8 ~~importing~~ distributor to keep a satisfactory bond in effect
9 with the Department or to furnish additional bond to the
10 Department, when required hereunder by the Department to do so,
11 shall be grounds for the revocation or suspension of such
12 manufacturer's or ~~importing~~ distributor's license by the
13 Commission. If a manufacturer or ~~importing~~ distributor fails to
14 pay any amount due under this Article, his bond with the
15 Department shall be deemed forfeited, and the Department may
16 institute a suit in its own name on such bond.

17 After notice and opportunity for a hearing the State
18 Commission may revoke or suspend the license of any
19 manufacturer or ~~importing~~ distributor who fails to comply with
20 the provisions of this Section. Notice of such hearing and the
21 time and place thereof shall be in writing and shall contain a
22 statement of the charges against the licensee. Such notice may
23 be given by United States registered or certified mail with
24 return receipt requested, addressed to the person concerned at
25 his last known address and shall be given not less than 7 days
26 prior to the date fixed for the hearing. An order revoking or

1 suspending a license under the provisions of this Section may
2 be reviewed in the manner provided in Section 7-10 of this Act.
3 No new license shall be granted to a person whose license has
4 been revoked for a violation of this Section or, in case of
5 suspension, shall such suspension be terminated until he has
6 paid to the Department all taxes and penalties which he owes
7 the State under the provisions of this Act.

8 Every manufacturer or ~~importing~~ distributor who has, as
9 verified by the Department, continuously complied with the
10 conditions of the bond under this Act for a period of 2 years
11 shall be considered to be a prior continuous compliance
12 taxpayer. In determining the consecutive period of time for
13 qualification as a prior continuous compliance taxpayer, any
14 consecutive period of time of qualifying compliance
15 immediately prior to the effective date of this amendatory Act
16 of 1987 shall be credited to any manufacturer or importing
17 distributor.

18 A manufacturer or ~~importing~~ distributor that is a prior
19 continuous compliance taxpayer under this Section and becomes a
20 successor as the result of an acquisition, merger, or
21 consolidation of a manufacturer or ~~importing~~ distributor shall
22 be deemed to be a prior continuous compliance taxpayer with
23 respect to the acquired, merged, or consolidated entity.

24 Every prior continuous compliance taxpayer shall be exempt
25 from the bond requirements of this Act until the Department has
26 determined the taxpayer to be delinquent in the filing of any

1 return or deficient in the payment of any tax under this Act.
2 Any taxpayer who fails to pay an admitted or established
3 liability under this Act may also be required to post bond or
4 other acceptable security with the Department guaranteeing the
5 payment of such admitted or established liability.

6 The Department shall discharge any surety and shall release
7 and return any bond or security deposit assigned, pledged or
8 otherwise provided to it by a taxpayer under this Section
9 within 30 days after: (1) such taxpayer becomes a prior
10 continuous compliance taxpayer; or (2) such taxpayer has ceased
11 to collect receipts on which he is required to remit tax to the
12 Department, has filed a final tax return, and has paid to the
13 Department an amount sufficient to discharge his remaining tax
14 liability as determined by the Department under this Act.

15 (Source: P.A. 95-769, eff. 7-29-08.)

16 (235 ILCS 5/8-5) (from Ch. 43, par. 163a)

17 Sec. 8-5. As soon as practicable after any return is filed,
18 the Department shall examine such return and shall correct such
19 return according to its best judgment and information, which
20 return so corrected by the Department shall be prima facie
21 correct and shall be prima facie evidence of the correctness of
22 the amount of tax due, as shown therein. Instead of requiring
23 the licensee to file an amended return, the Department may
24 simply notify the licensee of the correction or corrections it
25 has made. Proof of such correction by the Department, or of the

1 determination of the amount of tax due as provided in Sections
2 8-4 and 8-10, may be made at any hearing before the Department
3 or in any legal proceeding by a reproduced copy of the
4 Department's record relating thereto in the name of the
5 Department under the certificate of the Director of Revenue.
6 Such reproduced copy shall, without further proof, be admitted
7 into evidence before the Department or in any legal proceeding
8 and shall be prima facie proof of the correctness of the amount
9 of tax due, as shown therein. If the return so corrected by the
10 Department discloses the sale or use, by a licensed
11 manufacturer or ~~importing~~ distributor, of alcoholic liquors as
12 to which the tax provided for in this Article should have been
13 paid, but has not been paid, in excess of the alcoholic liquors
14 reported as being taxable by the licensee, and as to which the
15 proper tax was paid the Department shall notify the licensee
16 that it shall issue the taxpayer a notice of tax liability for
17 the amount of tax claimed by the Department to be due, together
18 with penalties at the rates prescribed by Sections 3-3, 3-5 and
19 3-6 of the Uniform Penalty and Interest Act, which amount of
20 tax shall be equivalent to the amount of tax which, at the
21 prescribed rate per gallon, should have been paid with respect
22 to the alcoholic liquors disposed of in excess of those
23 reported as being taxable. In a case where no return has been
24 filed, the Department shall determine the amount of tax due
25 according to its best judgment and information and shall issue
26 the taxpayer a notice of tax liability for the amount of tax

1 claimed by the Department to be due as herein provided together
2 with penalties at the rates prescribed by Sections 3-3, 3-5 and
3 3-6 of the Uniform Penalty and Interest Act. If, in
4 administering the provisions of this Act, a comparison of a
5 licensee's return or returns with the books, records and
6 physical inventories of such licensee discloses a deficiency
7 which cannot be allocated by the Department to a particular
8 month or months, the Department shall issue the taxpayer a
9 notice of tax liability for the amount of tax claimed by the
10 Department to be due for a given period, but without any
11 obligation upon the Department to allocate such deficiency to
12 any particular month or months, together with penalties at the
13 rates prescribed by Sections 3-3, 3-5 and 3-6 of the Uniform
14 Penalty and Interest Act, which amount of tax shall be
15 equivalent to the amount of tax which, at the prescribed rate
16 per gallon, should have been paid with respect to the alcoholic
17 liquors disposed of in excess of those reported being taxable,
18 with the tax thereon having been paid under which circumstances
19 the aforesaid notice of tax liability shall be prima facie
20 correct and shall be prima facie evidence of the correctness of
21 the amount of tax due as shown therein; and proof of such
22 correctness may be made in accordance with, and the
23 admissibility of a reproduced copy of such notice of the
24 Department's notice of tax liability shall be governed by, all
25 the provisions of this Act applicable to corrected returns.

26 If the licensee dies or becomes a person under legal

1 disability at any time before the Department issues its notice
2 of tax liability, such notice shall be issued to the
3 administrator, executor or other legal representative, as
4 such, of the deceased or licensee who is under legal
5 disability.

6 If such licensee or legal representative, within 60 days
7 after such notice of tax liability, files a protest to such
8 notice of tax liability and requests a hearing thereon, the
9 Department shall give at least 7 days' notice to such licensee
10 or legal representative, as the case may be, of the time and
11 place fixed for such hearing and shall hold a hearing in
12 conformity with the provisions of this Act, and pursuant
13 thereto shall issue a final assessment to such licensee or
14 legal representative for the amount found to be due as a result
15 of such hearing.

16 If a protest to the notice of tax liability and a request
17 for a hearing thereon is not filed within 60 days after such
18 notice of tax liability, such notice of tax liability shall
19 become final without the necessity of a final assessment being
20 issued and shall be deemed to be a final assessment.

21 In case of failure to pay the tax, or any portion thereof,
22 or any penalty provided for herein, when due, the Department
23 may recover the amount of such tax, or portion thereof, or
24 penalty in a civil action; or if the licensee dies or becomes a
25 person under legal disability, by filing a claim therefor
26 against his or her estate; provided that no such claim shall be

1 filed against the estate of any deceased or of the licensee who
2 is under legal disability for any tax or penalty or portion
3 thereof except in the manner prescribed and within the time
4 limited by the Probate Act of 1975, as amended.

5 The collection of any such tax and penalty, or either, by
6 any means provided for herein, shall not be a bar to any
7 prosecution under this Act.

8 In addition to any other penalty provided for in this
9 Article, any licensee who fails to pay any tax within the time
10 required by this Article shall be subject to assessment of
11 penalties and interest at rates set forth in the Uniform
12 Penalty and Interest Act.

13 (Source: P.A. 87-205; 87-879.)

14 (235 ILCS 5/8-10) (from Ch. 43, par. 164)

15 Sec. 8-10. It is the duty of each manufacturer, ~~importing~~
16 distributor and foreign importer to keep, at his licensed
17 address or place of business, complete and accurate records of
18 all sales or other dispositions of alcoholic liquor, and
19 complete and accurate records of all alcoholic liquor produced,
20 manufactured, compounded or imported, whether for himself or
21 for another, together with a physical inventory made as of the
22 close of each period for which a return is required, covering
23 all alcoholic liquors on hand. However, the Department of
24 Revenue may grant a ~~an importing~~ distributor a waiver to permit
25 such records to be kept at a central business location within

1 the State upon written request by the ~~importing~~ distributor.
2 The central business location shall be located at a licensed
3 ~~importing~~ distributor's premises. The Department of Revenue
4 may in its discretion prescribe reasonable and uniform methods
5 for keeping such records by manufacturers and ~~importing~~
6 distributors and foreign importers.

7 In case of failure by manufacturers and ~~importing~~
8 distributors to keep such records or to make them available to
9 the Department on demand, the Department shall determine the
10 amount of tax due according to its best judgment and
11 information, which amount so determined by the Department shall
12 be prima facie correct, and the Department's notice of tax
13 liability shall be given, and protest thereto and demand for a
14 hearing may be made and final assessments arrived at, in
15 accordance with the provisions of Section 8-5 hereof.

16 It is the duty of each manufacturer, ~~importing~~ distributor,
17 and foreign importer, who imports alcoholic liquor into the
18 State, and each non-resident dealer who ships alcoholic liquor
19 into the State, to mail to the Department one duplicate
20 invoice, together with a bill of lading, covering such shipment
21 and stating the quantity and, except in the case of alcoholic
22 liquor imported in bulk to be bottled by an authorized licensee
23 in this State using his own label and brand, the invoice shall
24 also state the brand, labels and size of containers.

25 It is the duty of each manufacturer, ~~importing~~ distributor,
26 and foreign importer, who imports spirits into the State, and

1 each non-resident dealer who ships spirits into the State, to
2 mail to the State Commission monthly a report containing a
3 compilation of the information required to be furnished to the
4 Department by the preceding paragraph, except that information
5 concerning spirits imported in bulk need not be included. The
6 report shall include all information mailed to the Department
7 during the preceding month.

8 All books and records, which manufacturers, ~~importing~~
9 distributors, non-resident dealers, and foreign importers are
10 required by this Section to keep, shall be preserved for a
11 period of 3 years, unless the Department, in writing,
12 authorizes their destruction or disposal at an earlier date.

13 (Source: P.A. 98-394, eff. 8-16-13.)

14 (235 ILCS 5/9-13) (from Ch. 43, par. 176)

15 Sec. 9-13. It is unlawful to sell alcoholic liquor at
16 retail or to grant or issue, or cause to be granted or issued,
17 any license to sell alcoholic liquor at retail within the
18 limits of any political subdivision or precinct or at any
19 premises while the prohibition against such sales is in effect,
20 or to sell at retail alcoholic liquor other than beer
21 containing not more than 4% of alcohol by weight, or to grant
22 or issue or cause to be granted any license to sell such
23 alcoholic liquor at retail within the limits of such political
24 subdivision or precinct while the prohibition against such
25 sales is in effect, or to sell at retail alcoholic liquor

1 containing more than 4% of alcohol by weight except in the
2 original package and not for consumption on the premises, or to
3 grant or issue or cause to be granted or issued any license to
4 sell such alcoholic liquor at retail within the limits of such
5 political subdivision or precinct while the prohibition
6 against such sales is in effect. If any such license be granted
7 or issued in violation of this section, the license shall be
8 void. This section shall not prohibit the issuance of and
9 operation under a manufacturer's or distributor's ~~or importing~~
10 ~~distributor's~~ license in accordance with law.

11 (Source: P.A. 86-861.)

12 (235 ILCS 5/10-1) (from Ch. 43, par. 183)

13 Sec. 10-1. Violations; penalties. Whereas a substantial
14 threat to the sound and careful control, regulation, and
15 taxation of the manufacture, sale, and distribution of
16 alcoholic liquors exists by virtue of individuals who
17 manufacture, import, distribute, or sell alcoholic liquors
18 within the State without having first obtained a valid license
19 to do so, and whereas such threat is especially serious along
20 the borders of this State, and whereas such threat requires
21 immediate correction by this Act, by active investigation and
22 prosecution by law enforcement officials and prosecutors, and
23 by prompt and strict enforcement through the courts of this
24 State to punish violators and to deter such conduct in the
25 future:

1 (a) Any person who manufactures, imports for distribution
2 or use, or distributes or sells alcoholic liquor at any place
3 within the State without having first obtained a valid license
4 to do so under the provisions of this Act shall be guilty of a
5 business offense and fined not more than \$1,000 for the first
6 such offense and shall be guilty of a Class 4 felony for each
7 subsequent offense.

8 (b) (1) Any retailer, licensed in this State, who knowingly
9 causes to furnish, give, sell, or otherwise being within the
10 State, any alcoholic liquor destined to be used, distributed,
11 consumed or sold in another state, unless such alcoholic liquor
12 was received in this State by a duly licensed distributor, ~~or~~
13 ~~importing distributors~~ shall have his license suspended for 7
14 days for the first offense and for the second offense, shall
15 have his license revoked by the Commission.

16 (2) In the event the Commission receives a certified copy
17 of a final order from a foreign jurisdiction that an Illinois
18 retail licensee has been found to have violated that foreign
19 jurisdiction's laws, rules, or regulations concerning the
20 importation of alcoholic liquor into that foreign
21 jurisdiction, the violation may be grounds for the Commission
22 to revoke, suspend, or refuse to issue or renew a license, to
23 impose a fine, or to take any additional action provided by
24 this Act with respect to the Illinois retail license or
25 licensee. Any such action on the part of the Commission shall
26 be in accordance with this Act and implementing rules.

1 For the purposes of paragraph (2): (i) "foreign
2 jurisdiction" means a state, territory, or possession of the
3 United States, the District of Columbia, or the Commonwealth of
4 Puerto Rico, and (ii) "final order" means an order or judgment
5 of a court or administrative body that determines the rights of
6 the parties respecting the subject matter of the proceeding,
7 that remains in full force and effect, and from which no appeal
8 can be taken.

9 (c) Any person who shall make any false statement or
10 otherwise violates any of the provisions of this Act in
11 obtaining any license hereunder, or who having obtained a
12 license hereunder shall violate any of the provisions of this
13 Act with respect to the manufacture, possession, distribution
14 or sale of alcoholic liquor, or with respect to the maintenance
15 of the licensed premises, or shall violate any other provision
16 of this Act, shall for a first offense be guilty of a petty
17 offense and fined not more than \$500, and for a second or
18 subsequent offense shall be guilty of a Class B misdemeanor.

19 (c-5) Any owner of an establishment that serves alcohol on
20 its premises, if more than 50% of the establishment's gross
21 receipts within the prior 3 months is from the sale of alcohol,
22 who knowingly fails to prohibit concealed firearms on its
23 premises or who knowingly makes a false statement or record to
24 avoid the prohibition of concealed firearms on its premises
25 under the Firearm Concealed Carry Act shall be guilty of a
26 business offense with a fine up to \$5,000.

1 (d) Each day any person engages in business as a
2 manufacturer, foreign importer, ~~importing distributor,~~
3 distributor, or retailer in violation of the provisions of this
4 Act shall constitute a separate offense.

5 (e) Any person, under the age of 21 years who, for the
6 purpose of buying, accepting or receiving alcoholic liquor from
7 a licensee, represents that he is 21 years of age or over shall
8 be guilty of a Class A misdemeanor.

9 (f) In addition to the penalties herein provided, any
10 person licensed as a wine-maker in either class who
11 manufactures more wine than authorized by his license shall be
12 guilty of a business offense and shall be fined \$1 for each
13 gallon so manufactured.

14 (g) A person shall be exempt from prosecution for a
15 violation of this Act if he is a peace officer in the
16 enforcement of the criminal laws and such activity is approved
17 in writing by one of the following:

18 (1) In all counties, the respective State's Attorney;

19 (2) The Director of State Police under Section 2605-10,
20 2605-15, 2605-75, 2605-100, 2605-105, 2605-110, 2605-115,
21 2605-120, 2605-130, 2605-140, 2605-190, 2605-200,
22 2605-205, 2605-210, 2605-215, 2605-250, 2605-275,
23 2605-300, 2605-305, 2605-315, 2605-325, 2605-335,
24 2605-340, 2605-350, 2605-355, 2605-360, 2605-365,
25 2605-375, 2605-390, 2605-400, 2605-405, 2605-420,
26 2605-430, 2605-435, 2605-500, 2605-525, or 2605-550 of the

1 Department of State Police Law (20 ILCS 2605/2605-10,
2 2605/2605-15, 2605/2605-75, 2605/2605-100, 2605/2605-105,
3 2605/2605-110, 2605/2605-115, 2605/2605-120,
4 2605/2605-130, 2605/2605-140, 2605/2605-190,
5 2605/2605-200, 2605/2605-205, 2605/2605-210,
6 2605/2605-215, 2605/2605-250, 2605/2605-275,
7 2605/2605-300, 2605/2605-305, 2605/2605-315,
8 2605/2605-325, 2605/2605-335, 2605/2605-340,
9 2605/2605-350, 2605/2605-355, 2605/2605-360,
10 2605/2605-365, 2605/2605-375, 2605/2605-390,
11 2605/2605-400, 2605/2605-405, 2605/2605-420,
12 2605/2605-430, 2605/2605-435, 2605/2605-500,
13 2605/2605-525, or 2605/2605-550); or

14 (3) In cities over 1,000,000, the Superintendent of
15 Police.

16 (Source: P.A. 98-63, eff. 7-9-13.)

17 (235 ILCS 5/10-7.1) (from Ch. 43, par. 189.1)

18 Sec. 10-7.1. The Commission, upon receipt of a complaint or
19 upon having knowledge that any person is engaged in the
20 business as a manufacturer, ~~importing distributor,~~
21 distributor, or retailer without a license or valid license,
22 shall notify the Department of Revenue and the local liquor
23 authority, and file a complaint with the State's Attorney's
24 Office of the County where the incident occurred or initiate an
25 investigation with the appropriate law enforcement officials.

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

2 (235 ILCS 5/1-3.16 rep.)

3 Section 35. The Liquor Control Act of 1934 is amended by
4 repealing Section 1-3.16.