



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3694

Introduced 2/18/2025, by Rep. Kevin John Olickal

SYNOPSIS AS INTRODUCED:

See Index

Amends the Liquor Control Act of 1934. Creates a distillery shipper's license, a class 3 craft distiller license, and a spirits showcase permit. Provides that a class 3 craft distiller license, which may be issued to a distiller or a non-resident dealer, shall allow the manufacture of no more than 100,000 gallons of spirits per year and shall allow the sale of spirits from the class 3 craft distiller's in-state or out-of-state class 3 craft distillery premises to retail licensees, class 3 brewers, and class 3 craft distillers as long as the class 3 craft distiller licensee meets certain requirements. Authorizes a class 3 craft distiller to self-distribute subject to certain requirements and limitations. Provides that a distillery shipper's license shall allow a person with an Illinois distiller license, a craft distiller license, a class 1 craft distiller license, a class 2 craft distiller license, or a class 3 craft distiller license or who is licensed to make spirits under the laws of another state to ship spirits directly to a resident of this State who is 21 years of age or older for that resident's personal use and not for resale. Provides that a spirits showcase permit shall allow an Illinois-licensed distributor to transfer a portion of its spirits inventory from its licensed premises to the premises specified in the spirits showcase permit license; in the case of a class 3 craft distiller, to transfer only spirits the class 3 craft distiller manufactures from its licensed premises to the premises specified in the spirits showcase permit license; and to sell or offer for sale at retail, only in the premises specified in the spirits showcase permit license, the transferred or delivered spirits for on or off premises consumption, but not for resale in any form and to sell to non-licensees not more than 156 fluid ounces of spirits per person. Sets forth provisions concerning licensure application; fees; recordkeeping; and shipping and delivery of spirits. Preempts home rule powers. Makes conforming and other changes.

LRB104 08047 RPS 18093 b

1 AN ACT concerning liquor.

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

4 Section 5. The Liquor Control Act of 1934 is amended by
5 changing Sections 3-12, 5-1, 5-3, and 6-4 and by adding
6 Sections 1-3.47, 1-3.48, and 6-29.05 as follows:

7 (235 ILCS 5/1-3.47 new)

8 Sec. 1-3.47. Class 3 craft distiller. "Class 3 craft
9 distiller" means a person who is a holder of a distiller
10 license, class 1 craft distiller license, class 2 craft
11 distiller license, or a non-resident dealer license who
12 manufactures no more than 100,000 gallons of spirits per year
13 in the aggregate and who may make sales to importing
14 distributors, distributors, and retail licensees in accordance
15 with the conditions set forth in paragraph (21) of subsection
16 (a) of Section 3-12.

17 (235 ILCS 5/1-3.48 new)

18 Sec. 1-3.48. Spirits showcase permit. "Spirits showcase
19 permit" means a license for use by a class 1 craft distiller,
20 class 2 craft distiller, class 3 craft distiller, or
21 distributor to allow for the transfer of spirits only from an
22 existing licensed premises of a class 1 craft distiller, class

1 2 craft distiller, class 3 craft distiller, or distributor to
2 a designated site for a specific event.

3 (235 ILCS 5/3-12)

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

5 (a) The State Commission shall have the following powers,
6 functions, and duties:

7 (1) To receive applications and to issue licenses to
8 manufacturers, foreign importers, importing distributors,
9 distributors, non-resident dealers, on premise consumption
10 retailers, off premise sale retailers, special event
11 retailer licensees, special use permit licenses, auction
12 liquor licenses, brew pubs, caterer retailers,
13 non-beverage users, railroads, including owners and
14 lessees of sleeping, dining and cafe cars, airplanes,
15 boats, brokers, and wine maker's premises licensees in
16 accordance with the provisions of this Act, and to suspend
17 or revoke such licenses upon the State Commission's
18 determination, upon notice after hearing, that a licensee
19 has violated any provision of this Act or any rule or
20 regulation issued pursuant thereto and in effect for 30
21 days prior to such violation. Except in the case of an
22 action taken pursuant to a violation of Section 6-3, 6-5,
23 or 6-9, any action by the State Commission to suspend or
24 revoke a licensee's license may be limited to the license
25 for the specific premises where the violation occurred. An

1 action for a violation of this Act shall be commenced by
2 the State Commission within 2 years after the date the
3 State Commission becomes aware of the violation.

4 In lieu of suspending or revoking a license, the
5 commission may impose a fine, upon the State Commission's
6 determination and notice after hearing, that a licensee
7 has violated any provision of this Act or any rule or
8 regulation issued pursuant thereto and in effect for 30
9 days prior to such violation.

10 For the purpose of this paragraph (1), when
11 determining multiple violations for the sale of alcohol to
12 a person under the age of 21, a second or subsequent
13 violation for the sale of alcohol to a person under the age
14 of 21 shall only be considered if it was committed within 5
15 years after the date when a prior violation for the sale of
16 alcohol to a person under the age of 21 was committed.

17 The fine imposed under this paragraph may not exceed
18 \$500 for each violation. Each day that the activity, which
19 gave rise to the original fine, continues is a separate
20 violation. The maximum fine that may be levied against any
21 licensee, for the period of the license, shall not exceed
22 \$20,000. The maximum penalty that may be imposed on a
23 licensee for selling a bottle of alcoholic liquor with a
24 foreign object in it or serving from a bottle of alcoholic
25 liquor with a foreign object in it shall be the
26 destruction of that bottle of alcoholic liquor for the

1 first 10 bottles so sold or served from by the licensee.
2 For the eleventh bottle of alcoholic liquor and for each
3 third bottle thereafter sold or served from by the
4 licensee with a foreign object in it, the maximum penalty
5 that may be imposed on the licensee is the destruction of
6 the bottle of alcoholic liquor and a fine of up to \$50.

7 Any notice issued by the State Commission to a
8 licensee for a violation of this Act or any notice with
9 respect to settlement or offer in compromise shall include
10 the field report, photographs, and any other supporting
11 documentation necessary to reasonably inform the licensee
12 of the nature and extent of the violation or the conduct
13 alleged to have occurred. The failure to include such
14 required documentation shall result in the dismissal of
15 the action.

16 (2) To adopt such rules and regulations consistent
17 with the provisions of this Act which shall be necessary
18 to 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 State Commission to inspect
11 private areas within the premises without reasonable
12 suspicion or a warrant during an inspection. "Private
13 areas" include, but are not limited to, safes, personal
14 property, and closed 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 conduct an
19 investigation. If, after conducting an investigation, the
20 State Commission is satisfied that the alleged conduct
21 occurred or is occurring, it may issue a cease and desist
22 notice as provided in this Act, impose civil penalties as
23 provided in this Act, notify the local liquor authority,
24 or file a complaint with the State's Attorney's Office of
25 the county where the incident occurred or the Attorney
26 General.

1 (5.2) Upon receipt of a complaint or upon having
2 knowledge that any person is shipping alcoholic liquor
3 into this State from a point outside of this State if the
4 shipment is in violation of this Act, to conduct an
5 investigation. If, after conducting an investigation, the
6 State Commission is satisfied that the alleged conduct
7 occurred or is occurring, it may issue a cease and desist
8 notice as provided in this Act, impose civil penalties as
9 provided in this Act, notify the foreign jurisdiction, or
10 file a complaint with the State's Attorney's Office of the
11 county where the incident occurred or the Attorney
12 General.

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

1 action against the licensee as provided in this Act.

2 (5.4) To make arrests and issue notices of civil
3 violations where necessary for the enforcement of this
4 Act.

5 (5.5) To investigate any and all unlicensed activity.

6 (5.6) To impose civil penalties or fines to any person
7 who, without holding a valid license, engages in conduct
8 that requires a license pursuant to this Act, in an amount
9 not to exceed \$20,000 for each offense as determined by
10 the State Commission. A civil penalty shall be assessed by
11 the State Commission after a hearing is held in accordance
12 with the provisions set forth in this Act regarding the
13 provision of a hearing for the revocation or suspension of
14 a license.

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

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

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

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

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

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

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

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

25 (11) To develop industry educational programs related
26 to responsible serving and selling, particularly in the

1 areas of overserving consumers and illegal underage
2 purchasing and consumption of alcoholic beverages.

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

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

15 (13) (Blank).

16 (14) On or before April 30, 2008 and every 2 years
17 thereafter, the State Commission shall present a written
18 report to the Governor and the General Assembly that shall
19 be based on a study of the impact of Public Act 95-634 on
20 the business of soliciting, selling, and shipping wine
21 from inside and outside of this State directly to
22 residents of this State. As part of its report, the State
23 Commission shall provide all of the following information:

24 (A) The amount of State excise and sales tax
25 revenues generated.

26 (B) The amount of licensing fees received.

1 (C) The number of cases of wine shipped from
2 inside and outside of this State directly to residents
3 of this State.

4 (D) The number of alcohol compliance operations
5 conducted.

6 (E) The number of winery shipper's licenses
7 issued.

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

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

25 (16) The State Commission shall, in addition to
26 notifying any appropriate law enforcement agency, submit

1 notices of complaints or violations of Sections 6-29,
2 6-29.05, and 6-29.1 by persons who do not hold a winery
3 shipper's license or distillery shipper's license under
4 this Act to the Illinois Attorney General and to the U.S.
5 Department of Treasury's Alcohol and Tobacco Tax and Trade
6 Bureau.

7 (17) (A) A person licensed to make wine under the laws
8 of another state who has a winery shipper's license under
9 this Act and annually produces less than 25,000 gallons of
10 wine or a person who has a first-class or second-class
11 wine manufacturer's license, a first-class or second-class
12 wine-maker's license, or a limited wine manufacturer's
13 license under this Act and annually produces less than
14 25,000 gallons of wine may make application to the
15 Commission for a self-distribution exemption to allow the
16 sale of not more than 5,000 gallons of the exemption
17 holder's wine to retail licensees per year and to sell
18 cider, mead, or both cider and mead to brewers, class 1
19 brewers, class 2 brewers, ~~and~~ class 3 brewers, and class 3
20 craft distillers that, pursuant to subsection (e) of
21 Section 6-4 of this Act, sell beer, cider, spirits, mead,
22 or any combination thereof to non-licensees at their
23 breweries or distilleries.

24 (B) In the application, which shall be sworn under
25 penalty of perjury, such person shall state (1) the date
26 it was established; (2) its volume of production and sales

1 for each year since its establishment; (3) its efforts to
2 establish distributor relationships; (4) that a
3 self-distribution exemption is necessary to facilitate the
4 marketing of its wine; and (5) that it will comply with the
5 liquor and revenue laws of the United States, this State,
6 and any other state where it is licensed.

7 (C) The State Commission shall approve the application
8 for a self-distribution exemption if such person: (1) is
9 in compliance with State revenue and liquor laws; (2) is
10 not a member of any affiliated group that produces
11 directly or indirectly more than 25,000 gallons of wine
12 per annum, 930,000 gallons of beer per annum, or 50,000
13 gallons of spirits per annum; (3) will not annually
14 produce for sale more than 25,000 gallons of wine, 930,000
15 gallons of beer, or 50,000 gallons of spirits; and (4)
16 will not annually sell more than 5,000 gallons of its wine
17 to retail licensees.

18 (D) A self-distribution exemption holder shall
19 annually certify to the State Commission its production of
20 wine in the previous 12 months and its anticipated
21 production and sales for the next 12 months. The State
22 Commission may fine, suspend, or revoke a
23 self-distribution exemption after a hearing if it finds
24 that the exemption holder has made a material
25 misrepresentation in its application, violated a revenue
26 or liquor law of Illinois, exceeded production of 25,000

1 gallons of wine, 930,000 gallons of beer, or 50,000
2 gallons of spirits in any calendar year, or become part of
3 an affiliated group producing more than 25,000 gallons of
4 wine, 930,000 gallons of beer, or 50,000 gallons of
5 spirits.

6 (E) Except in hearings for violations of this Act or
7 Public Act 95-634 or a bona fide investigation by duly
8 sworn law enforcement officials, the State Commission, or
9 its agents, the State Commission shall maintain the
10 production and sales information of a self-distribution
11 exemption holder as confidential and shall not release
12 such information to any person.

13 (F) The State Commission shall issue regulations
14 governing self-distribution exemptions consistent with
15 this Section and this Act.

16 (G) Nothing in this paragraph (17) shall prohibit a
17 self-distribution exemption holder from entering into or
18 simultaneously having a distribution agreement with a
19 licensed Illinois distributor.

20 (H) It is the intent of this paragraph (17) to promote
21 and continue orderly markets. The General Assembly finds
22 that, in order to preserve Illinois' regulatory
23 distribution system, it is necessary to create an
24 exception for smaller makers of wine as their wines are
25 frequently adjusted in varietals, mixes, vintages, and
26 taste to find and create market niches sometimes too small

1 for distributor or importing distributor business
2 strategies. Limited self-distribution rights will afford
3 and allow smaller makers of wine access to the marketplace
4 in order to develop a customer base without impairing the
5 integrity of the 3-tier system.

6 (18) (A) A class 1 brewer licensee, who must also be
7 either a licensed brewer or licensed non-resident dealer
8 and annually manufacture less than 930,000 gallons of
9 beer, may make application to the State Commission for a
10 self-distribution exemption to allow the sale of not more
11 than 232,500 gallons per year of the exemption holder's
12 beer to retail licensees and to brewers, class 1 brewers,
13 and class 2 brewers that, pursuant to subsection (e) of
14 Section 6-4 of this Act, sell beer, cider, mead, or any
15 combination thereof to non-licensees at their breweries.

16 (B) In the application, which shall be sworn under
17 penalty of perjury, the class 1 brewer licensee shall
18 state (1) the date it was established; (2) its volume of
19 beer manufactured and sold for each year since its
20 establishment; (3) its efforts to establish distributor
21 relationships; (4) that a self-distribution exemption is
22 necessary to facilitate the marketing of its beer; and (5)
23 that it will comply with the alcoholic beverage and
24 revenue laws of the United States, this State, and any
25 other state where it is licensed.

26 (C) Any application submitted shall be posted on the

1 State Commission's website at least 45 days prior to
2 action by the State Commission. The State Commission shall
3 approve the application for a self-distribution exemption
4 if the class 1 brewer licensee: (1) is in compliance with
5 the State, revenue, and alcoholic beverage laws; (2) is
6 not a member of any affiliated group that manufactures,
7 directly or indirectly, more than 930,000 gallons of beer
8 per annum, 25,000 gallons of wine per annum, or 50,000
9 gallons of spirits per annum; (3) shall not annually
10 manufacture for sale more than 930,000 gallons of beer,
11 25,000 gallons of wine, or 50,000 gallons of spirits; (4)
12 shall not annually sell more than 232,500 gallons of its
13 beer to retail licensees and class 3 brewers and to
14 brewers, class 1 brewers, and class 2 brewers that,
15 pursuant to subsection (e) of Section 6-4 of this Act,
16 sell beer, cider, mead, or any combination thereof to
17 non-licensees at their breweries; and (5) has relinquished
18 any brew pub license held by the licensee, including any
19 ownership interest it held in the licensed brew pub.

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

1 misrepresentation in its application, violated a revenue
2 or alcoholic beverage law of Illinois, exceeded the
3 manufacture of 930,000 gallons of beer, 25,000 gallons of
4 wine, or 50,000 gallons of spirits in any calendar year or
5 became part of an affiliated group manufacturing more than
6 930,000 gallons of beer, 25,000 gallons of wine, or 50,000
7 gallons of spirits.

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

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

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

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

3 (19) (A) A class 1 craft distiller licensee or a
4 non-resident dealer who manufactures less than 50,000
5 gallons of distilled spirits per year may make application
6 to the State Commission for a self-distribution exemption
7 to allow the sale of not more than 5,000 gallons of the
8 exemption holder's spirits to retail licensees per year.

9 (B) In the application, which shall be sworn under
10 penalty of perjury, the class 1 craft distiller licensee
11 or non-resident dealer shall state (1) the date it was
12 established; (2) its volume of spirits manufactured and
13 sold for each year since its establishment; (3) its
14 efforts to establish distributor relationships; (4) that a
15 self-distribution exemption is necessary to facilitate the
16 marketing of its spirits; and (5) that it will comply with
17 the alcoholic beverage and revenue laws of the United
18 States, this State, and any other state where it is
19 licensed.

20 (C) Any application submitted shall be posted on the
21 State Commission's website at least 45 days prior to
22 action by the State Commission. The State Commission shall
23 approve the application for a self-distribution exemption
24 if the applicant: (1) is in compliance with State revenue
25 and alcoholic beverage laws; (2) is not a member of any
26 affiliated group that produces more than 50,000 gallons of

1 spirits per annum, 930,000 gallons of beer per annum, or
2 25,000 gallons of wine per annum; (3) does not annually
3 manufacture for sale more than 50,000 gallons of spirits,
4 930,000 gallons of beer, or 25,000 gallons of wine; and
5 (4) does not annually sell more than 5,000 gallons of its
6 spirits to retail licensees.

7 (D) A self-distribution exemption holder shall
8 annually certify to the State Commission its manufacture
9 of spirits during the previous 12 months and its
10 anticipated manufacture and sales of spirits for the next
11 12 months. The State Commission may fine, suspend, or
12 revoke a self-distribution exemption after a hearing if it
13 finds that the exemption holder has made a material
14 misrepresentation in its application, violated a revenue
15 or alcoholic beverage law of Illinois, exceeded the
16 manufacture of 50,000 gallons of spirits, 930,000 gallons
17 of beer, or 25,000 gallons of wine in any calendar year, or
18 has become part of an affiliated group manufacturing more
19 than 50,000 gallons of spirits, 930,000 gallons of beer,
20 or 25,000 gallons of wine.

21 (E) The State Commission shall adopt rules governing
22 self-distribution exemptions consistent with this Act.

23 (F) Nothing in this paragraph (19) shall prohibit a
24 self-distribution exemption holder from entering into or
25 simultaneously having a distribution agreement with a
26 licensed Illinois importing distributor or a distributor.

1 (G) It is the intent of this paragraph (19) to promote
2 and continue orderly markets. The General Assembly finds
3 that in order to preserve Illinois' regulatory
4 distribution system, it is necessary to create an
5 exception for smaller manufacturers in order to afford and
6 allow such smaller manufacturers of spirits access to the
7 marketplace in order to develop a customer base without
8 impairing the integrity of the 3-tier system.

9 (20) (A) A class 3 brewer licensee who must manufacture
10 less than 465,000 gallons of beer in the aggregate and not
11 more than 155,000 gallons at any single brewery premises
12 may make application to the State Commission for a
13 self-distribution exemption to allow the sale of not more
14 than 6,200 gallons of beer from each in-state or
15 out-of-state class 3 brewery premises, which shall not
16 exceed 18,600 gallons annually in the aggregate, that is
17 manufactured at a wholly owned class 3 brewer's in-state
18 or out-of-state licensed premises to retail licensees and
19 class 3 brewers and to brewers, class 1 brewers, class 2
20 brewers that, pursuant to subsection (e) of Section 6-4,
21 sell beer, cider, or both beer and cider to non-licensees
22 at their licensed breweries.

23 (B) In the application, which shall be sworn under
24 penalty of perjury, the class 3 brewer licensee shall
25 state:

26 (1) the date it was established;

1 (2) its volume of beer manufactured and sold for
2 each year since its establishment;

3 (3) its efforts to establish distributor
4 relationships;

5 (4) that a self-distribution exemption is
6 necessary to facilitate the marketing of its beer; and

7 (5) that it will comply with the alcoholic
8 beverage and revenue laws of the United States, this
9 State, and any other state where it is licensed.

10 (C) Any application submitted shall be posted on the
11 State Commission's website at least 45 days before action
12 by the State Commission. The State Commission shall
13 approve the application for a self-distribution exemption
14 if the class 3 brewer licensee: (1) is in compliance with
15 the State, revenue, and alcoholic beverage laws; (2) is
16 not a member of any affiliated group that manufacturers,
17 directly or indirectly, more than 465,000 gallons of beer
18 per annum; (3) shall not annually manufacture for sale
19 more than 465,000 gallons of beer or more than 155,000
20 gallons at any single brewery premises; and (4) shall not
21 annually sell more than 6,200 gallons of beer from each
22 in-state or out-of-state class 3 brewery premises, and
23 shall not exceed 18,600 gallons annually in the aggregate,
24 to retail licensees and class 3 brewers and to brewers,
25 class 1 brewers, and class 2 brewers that, pursuant to
26 subsection (e) of Section 6-4 of this Act, sell beer,

1 cider, or both beer and cider to non-licensees at their
2 breweries.

3 (D) A self-distribution exemption holder shall
4 annually certify to the State Commission its manufacture
5 of beer during the previous 12 months and its anticipated
6 manufacture and sales of beer for the next 12 months. The
7 State Commission may fine, suspend, or revoke a
8 self-distribution exemption after a hearing if it finds
9 that the exemption holder has made a material
10 misrepresentation in its application, violated a revenue
11 or alcoholic beverage law of Illinois, exceeded the
12 manufacture of 465,000 gallons of beer in any calendar
13 year or became part of an affiliated group manufacturing
14 more than 465,000 gallons of beer, or exceeded the sale to
15 retail licensees, brewers, class 1 brewers, class 2
16 brewers, and class 3 brewers of 6,200 gallons per brewery
17 location or 18,600 gallons in the aggregate.

18 (E) The State Commission may adopt rules governing
19 self-distribution exemptions consistent with this Act.

20 (F) Nothing in this paragraph shall prohibit a
21 self-distribution exemption holder from entering into or
22 simultaneously having a distribution agreement with a
23 licensed Illinois importing distributor or a distributor.
24 If a self-distribution exemption holder enters into a
25 distribution agreement and has assigned distribution
26 rights to an importing distributor or distributor, then

1 the self-distribution exemption holder's distribution
2 rights in the assigned territories shall cease in a
3 reasonable time not to exceed 60 days.

4 (G) It is the intent of this paragraph to promote and
5 continue orderly markets. The General Assembly finds that
6 in order to preserve Illinois' regulatory distribution
7 system, it is necessary to create an exception for smaller
8 manufacturers in order to afford and allow such smaller
9 manufacturers of beer access to the marketplace in order
10 to develop a customer base without impairing the integrity
11 of the 3-tier system.

12 (21) (A) A class 3 craft distiller licensee who
13 manufactures less than 100,000 gallons of spirits in the
14 aggregate may make application to the State Commission for
15 a self-distribution exemption to allow the sale of spirits
16 that are manufactured at a wholly owned class 3 craft
17 distiller's in-state or out-of-state licensed premises to
18 retail licensees and class 3 brewers and to class 3 craft
19 distillers that, pursuant to subsection (e) of Section
20 6-4, sell beer, cider, spirits, or any combination thereof
21 to non-licensees at their licensed distilleries.

22 (B) In the application, which shall be sworn under
23 penalty of perjury, the class 3 craft distiller licensee
24 shall state: (1) the date it was established; (2) its
25 volume of spirits manufactured and sold for each year
26 since its establishment; (3) its efforts to establish

1 distributor relationships; (4) that a self-distribution
2 exemption is necessary to facilitate the marketing of its
3 spirits; and (5) that it will comply with the alcoholic
4 beverage and revenue laws of the United States, this
5 State, and any other state where it is licensed.

6 (C) Any application submitted shall be posted on the
7 State Commission's website at least 45 days before action
8 by the State Commission. The State Commission shall
9 approve the application for a self-distribution exemption
10 if the class 3 craft distiller licensee: (1) is in
11 compliance with the State, revenue, and alcoholic beverage
12 laws; (2) is not a member of any affiliated group that
13 manufacturers, directly or indirectly, more than 100,000
14 gallons of spirits per annum; and (3) shall not annually
15 manufacture for sale more than 100,000 gallons of spirits.

16 (D) A self-distribution exemption holder shall
17 annually certify to the State Commission its manufacture
18 of spirits during the previous 12 months and its
19 anticipated manufacture and sales of spirits for the next
20 12 months. The State Commission may fine, suspend, or
21 revoke a self-distribution exemption after a hearing if it
22 finds that the exemption holder has made a material
23 misrepresentation in its application, violated a revenue
24 or alcoholic beverage law of Illinois, exceeded the
25 manufacture of 100,000 gallons of spirits in any calendar
26 year, or became part of an affiliated group manufacturing

1 more than 100,000 gallons of spirits.

2 (E) The State Commission may adopt rules governing
3 self-distribution exemptions consistent with this Act.

4 (F) Nothing in this paragraph shall prohibit a
5 self-distribution exemption holder from entering into or
6 simultaneously having a distribution agreement with a
7 licensed Illinois importing distributor or a distributor.

8 (G) It is the intent of this paragraph to promote and
9 continue orderly markets. The General Assembly finds that
10 in order to preserve Illinois' regulatory distribution
11 system, it is necessary to create an exception for smaller
12 manufacturers in order to afford and allow such smaller
13 manufacturers of spirits access to the marketplace in
14 order to develop a customer base without impairing the
15 integrity of the 3-tier system.

16 (b) On or before April 30, 1999, the Commission shall
17 present a written report to the Governor and the General
18 Assembly that shall be based on a study of the impact of Public
19 Act 90-739 on the business of soliciting, selling, and
20 shipping alcoholic liquor from outside of this State directly
21 to residents of this State.

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

24 (i) the amount of State excise and sales tax revenues
25 generated as a result of Public Act 90-739;

26 (ii) the amount of licensing fees received as a result

1 of Public Act 90-739;

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

7 (Source: P.A. 101-37, eff. 7-3-19; 101-81, eff. 7-12-19;
8 101-482, eff. 8-23-19; 102-442, eff. 8-20-21; 102-558, eff.
9 8-20-21; 102-813, eff. 5-13-22.)

10 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

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

13 (a) Manufacturer's license - Class 1. Distiller, Class 2.
14 Rectifier, Class 3. Brewer, Class 4. First Class Wine
15 Manufacturer, Class 5. Second Class Wine Manufacturer, Class
16 6. First Class Winemaker, Class 7. Second Class Winemaker,
17 Class 8. Limited Wine Manufacturer, Class 9. Craft Distiller,
18 Class 10. Class 1 Craft Distiller, Class 11. Class 2 Craft
19 Distiller, Class 12. Class 1 Brewer, Class 13. Class 2 Brewer,
20 Class 14. Class 3 Brewer, Class 15. Class 3 Craft Distiller,

21 (b) Distributor's license,

22 (c) Importing Distributor's license,

23 (d) Retailer's license,

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

25 (f) Railroad license,

- 1 (g) Boat license,
2 (h) Non-Beverage User's license,
3 (i) Wine-maker's premises license,
4 (j) Airplane license,
5 (k) Foreign importer's license,
6 (l) Broker's license,
7 (m) Non-resident dealer's license,
8 (n) Brew Pub license,
9 (o) Auction liquor license,
10 (p) Caterer retailer license,
11 (q) Special use permit license,
12 (r) Winery shipper's license,
13 (s) Craft distiller tasting permit,
14 (t) Brewer warehouse permit,
15 (u) Distilling pub license,
16 (v) Craft distiller warehouse permit,
17 (w) Beer showcase permit,
18 (x) Distillery shipper's license,
19 (y) Spirits showcase permit.

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

24 (a) A manufacturer's license shall allow the manufacture,
25 importation in bulk, storage, distribution and sale of
26 alcoholic liquor to persons without the State, as may be

1 permitted by law and to licensees in this State as follows:

2 Class 1. A Distiller may make sales and deliveries of
3 alcoholic liquor to distillers, rectifiers, importing
4 distributors, distributors and non-beverage users and to no
5 other licensees.

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

10 Class 3. A Brewer may make sales and deliveries of beer to
11 importing distributors and distributors and may make sales as
12 authorized under subsection (e) of Section 6-4 of this Act,
13 including any alcoholic liquor that subsection (e) of Section
14 6-4 authorizes a brewer to sell in its original package only to
15 a non-licensee for pick-up by a non-licensee either within the
16 interior of the brewery premises or at outside of the brewery
17 premises at a curb-side or parking lot adjacent to the brewery
18 premises, subject to any local ordinance.

19 Class 4. A first class wine-manufacturer may make sales
20 and deliveries of up to 50,000 gallons of wine to
21 manufacturers, importing distributors and distributors, and to
22 no other licensees. If a first-class wine-manufacturer
23 manufactures beer, it shall also obtain and shall only be
24 eligible for, in addition to any current license, a class 1
25 brewer license, shall not manufacture more than 930,000
26 gallons of beer per year, and shall not be a member of or

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

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

16 Class 6. A first-class wine-maker's license shall allow
17 the manufacture of up to 50,000 gallons of wine per year, and
18 the storage and sale of such wine to distributors in the State
19 and to persons without the State, as may be permitted by law. A
20 person who, prior to June 1, 2008 (the effective date of Public
21 Act 95-634), is a holder of a first-class wine-maker's license
22 and annually produces more than 25,000 gallons of its own wine
23 and who distributes its wine to licensed retailers shall cease
24 this practice on or before July 1, 2008 in compliance with
25 Public Act 95-634. If a first-class wine-maker manufactures
26 beer, it shall also obtain and shall only be eligible for, in

1 addition to any current license, a class 1 brewer license,
2 shall not manufacture more than 930,000 gallons of beer per
3 year, and shall not be a member of or affiliated with, directly
4 or indirectly, a manufacturer that produces more than 930,000
5 gallons of beer per year. If the first-class wine-maker
6 manufactures spirits, it shall also obtain and shall only be
7 eligible for, in addition to any current license, a class 1
8 craft distiller license, shall not manufacture more than
9 50,000 gallons of spirits per year, and shall not be a member
10 of or affiliated with, directly or indirectly, a manufacturer
11 that produces more than 50,000 gallons of spirits per year. A
12 first-class wine-maker holding a class 1 brewer license or a
13 class 1 craft distiller license shall not be eligible for a
14 wine-maker's premises license but shall be permitted to sell
15 wine manufactured at the first-class wine-maker premises to
16 non-licensees.

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

1 wine-maker manufactures beer, it shall also obtain and shall
2 only be eligible for, in addition to any current license, a
3 class 2 brewer license, shall not manufacture more than
4 3,720,000 gallons of beer per year, and shall not be a member
5 of or affiliated with, directly or indirectly, a manufacturer
6 that produces more than 3,720,000 gallons of beer per year. If
7 a second-class wine-maker manufactures spirits, it shall also
8 obtain and shall only be eligible for, in addition to any
9 current license, a class 2 craft distiller license, shall not
10 manufacture more than 100,000 gallons of spirits per year, and
11 shall not be a member of or affiliated with, directly or
12 indirectly, a manufacturer that produces more than 100,000
13 gallons of spirits per year.

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

18 Class 9. A craft distiller license, which may only be held
19 by a class 1 craft distiller licensee or class 2 craft
20 distiller licensee but not held by both a class 1 craft
21 distiller licensee and a class 2 craft distiller licensee,
22 shall grant all rights conveyed by either: (i) a class 1 craft
23 distiller license if the craft distiller holds a class 1 craft
24 distiller license; or (ii) a class 2 craft distiller licensee
25 if the craft distiller holds a class 2 craft distiller
26 license.

1 Class 10. A class 1 craft distiller license, which may
2 only be issued to a licensed craft distiller or licensed
3 non-resident dealer, shall allow the manufacture of up to
4 50,000 gallons of spirits per year provided that the class 1
5 craft distiller licensee does not manufacture more than a
6 combined 50,000 gallons of spirits per year and is not a member
7 of or affiliated with, directly or indirectly, a manufacturer
8 that produces more than 50,000 gallons of spirits per year. If
9 a class 1 craft distiller manufactures beer, it shall also
10 obtain and shall only be eligible for, in addition to any
11 current license, a class 1 brewer license, shall not
12 manufacture more than 930,000 gallons of beer per year, and
13 shall not be a member of or affiliated with, directly or
14 indirectly, a manufacturer that produces more than 930,000
15 gallons of beer per year. If a class 1 craft distiller
16 manufactures wine, it shall also obtain and shall only be
17 eligible for, in addition to any current license, a
18 first-class wine-manufacturer license or a first-class
19 wine-maker's license, shall not manufacture more than 50,000
20 gallons of wine per year, and shall not be a member of or
21 affiliated with, directly or indirectly, a manufacturer that
22 produces more than 50,000 gallons of wine per year. A class 1
23 craft distiller licensee may make sales and deliveries to
24 importing distributors and distributors and to retail
25 licensees in accordance with the conditions set forth in
26 paragraph (19) of subsection (a) of Section 3-12 of this Act.

1 However, the aggregate amount of spirits sold to non-licensees
2 and sold or delivered to retail licensees may not exceed 5,000
3 gallons per year.

4 A class 1 craft distiller licensee may sell up to 5,000
5 gallons of such spirits to non-licensees to the extent
6 permitted by any exemption approved by the State Commission
7 pursuant to Section 6-4 of this Act. A class 1 craft distiller
8 license holder may store such spirits at a non-contiguous
9 licensed location, but at no time shall a class 1 craft
10 distiller license holder directly or indirectly produce in the
11 aggregate more than 50,000 gallons of spirits per year.

12 A class 1 craft distiller licensee may hold more than one
13 class 1 craft distiller's license. However, a class 1 craft
14 distiller that holds more than one class 1 craft distiller
15 license shall not manufacture, in the aggregate, more than
16 50,000 gallons of spirits by distillation per year and shall
17 not sell, in the aggregate, more than 5,000 gallons of such
18 spirits to non-licensees in accordance with an exemption
19 approved by the State Commission pursuant to Section 6-4 of
20 this Act.

21 Class 11. A class 2 craft distiller license, which may
22 only be issued to a licensed craft distiller or licensed
23 non-resident dealer, shall allow the manufacture of up to
24 100,000 gallons of spirits per year provided that the class 2
25 craft distiller licensee does not manufacture more than a
26 combined 100,000 gallons of spirits per year and is not a

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

1 shall not annually exceed more than 5,000 gallons; (ii) the
2 annual amount transferred shall reduce the distilling pub's
3 annual permitted production limit; (iii) all spirits
4 transferred shall be subject to Article VIII of this Act; (iv)
5 a written record shall be maintained by the distiller and
6 distilling pub specifying the amount, date of delivery, and
7 receipt of the product by the distilling pub; and (v) the
8 distilling pub shall be located no farther than 80 miles from
9 the class 2 craft distiller's licensed location.

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

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

23 Class 12. 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. If a class 1 brewer manufactures
5 spirits, it shall also obtain and shall only be eligible for,
6 in addition to any current license, a class 1 craft distiller
7 license, shall not manufacture more than 50,000 gallons of
8 spirits per year, and shall not be a member of or affiliated
9 with, directly or indirectly, a manufacturer that produces
10 more than 50,000 gallons of spirits per year. If a class 1
11 craft brewer manufactures wine, it shall also obtain and shall
12 only be eligible for, in addition to any current license, a
13 first-class wine-manufacturer license or a first-class
14 wine-maker's license, shall not manufacture more than 50,000
15 gallons of wine per year, and shall not be a member of or
16 affiliated with, directly or indirectly, a manufacturer that
17 produces more than 50,000 gallons of wine per year. A class 1
18 brewer licensee may make sales and deliveries to importing
19 distributors and distributors and to retail licensees in
20 accordance with the conditions set forth in paragraph (18) of
21 subsection (a) of Section 3-12 of this Act. If the State
22 Commission provides prior approval, a class 1 brewer may
23 annually transfer up to 930,000 gallons of beer manufactured
24 by that class 1 brewer to the premises of a licensed class 1
25 brewer wholly owned and operated by the same licensee.

26 Class 13. A class 2 brewer license, which may only be

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

1 wholly owned and operated by the same licensee.

2 A class 2 brewer may transfer beer to a brew pub wholly
3 owned and operated by the class 2 brewer subject to the
4 following limitations and restrictions: (i) the transfer shall
5 not annually exceed more than 31,000 gallons; (ii) the annual
6 amount transferred shall reduce the brew pub's annual
7 permitted production limit; (iii) all beer transferred shall
8 be subject to Article VIII of this Act; (iv) a written record
9 shall be maintained by the brewer and brew pub specifying the
10 amount, date of delivery, and receipt of the product by the
11 brew pub; and (v) the brew pub shall be located no farther than
12 80 miles from the class 2 brewer's licensed location.

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

20 Class 14. A class 3 brewer license, which may be issued to
21 a brewer or a non-resident dealer, shall allow the manufacture
22 of no more than 465,000 gallons of beer per year and no more
23 than 155,000 gallons at a single brewery premises, and shall
24 allow the sale of no more than 6,200 gallons of beer from each
25 in-state or out-of-state class 3 brewery premises, or 18,600
26 gallons in the aggregate, to retail licensees, class 1

1 brewers, class 2 brewers, and class 3 brewers as long as the
2 class 3 brewer licensee does not manufacture more than a
3 combined 465,000 gallons of beer per year and is not a member
4 of or affiliated with, directly or indirectly, a manufacturer
5 that produces more than 465,000 gallons of beer per year to
6 make sales to importing distributors, distributors, retail
7 licensees, brewers, class 1 brewers, class 2 brewers, and
8 class 3 brewers in accordance with the conditions set forth in
9 paragraph (20) of subsection (a) of Section 3-12. If the State
10 Commission provides prior approval, a class 3 brewer may
11 annually transfer up to 155,000 gallons of beer manufactured
12 by that class 3 brewer to the premises of a licensed class 3
13 brewer wholly owned and operated by the same licensee. A class
14 3 brewer shall manufacture beer at the brewer's class 3
15 designated licensed premises, and may sell beer as otherwise
16 provided in this Act.

17 Class 15. A class 3 craft distiller license, which may be
18 issued to a distiller or a non-resident dealer, shall allow
19 the manufacture of no more than 100,000 gallons of spirits per
20 year and shall allow the sale of spirits from the class 3 craft
21 distiller's in-state or out-of-state class 3 craft distillery
22 premises to retail licensees, class 3 brewers, and class 3
23 craft distillers as long as the class 3 craft distiller
24 licensee does not manufacture more than a combined 100,000
25 gallons of spirits per year and is not a member of or
26 affiliated with, directly or indirectly, a manufacturer that

1 produces more than 100,000 gallons of spirits per year and to
2 make sales to importing distributors, distributors, retail
3 licensees, class 3 brewers, and class 3 craft distillers in
4 accordance with the conditions set forth in paragraph (21) of
5 subsection (a) of Section 3-12. If the State Commission
6 provides prior approval, a class 3 craft distiller may
7 annually transfer up to 5,000 gallons of spirits manufactured
8 by that class 3 craft distiller to the premises of a licensed
9 class 3 craft distiller wholly owned and operated by the same
10 licensee. A class 3 craft distiller shall manufacture spirits
11 at the distiller's class 3 designated licensed premises and
12 may sell spirits as otherwise provided in this Act.

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

21 Registration of agents, representatives, or persons acting
22 on behalf of a manufacturer is fulfilled by submitting a form
23 to the Commission. The form shall be developed by the
24 Commission and shall include the name and address of the
25 applicant, the name and address of the manufacturer he or she
26 represents, the territory or areas assigned to sell to or

1 discuss pricing terms of alcoholic liquor, and any other
2 questions deemed appropriate and necessary. All statements in
3 the forms required to be made by law or by rule shall be deemed
4 material, and any person who knowingly misstates any material
5 fact under oath in an application is guilty of a Class B
6 misdemeanor. Fraud, misrepresentation, false statements,
7 misleading statements, evasions, or suppression of material
8 facts in the securing of a registration are grounds for
9 suspension or revocation of the registration. The State
10 Commission shall post a list of registered agents on the
11 Commission's website.

12 (b) A distributor's license shall allow (i) the wholesale
13 purchase and storage of alcoholic liquors and sale of
14 alcoholic liquors to licensees in this State and to persons
15 without the State, as may be permitted by law; (ii) the sale of
16 beer, cider, mead, or any combination thereof to brewers,
17 class 1 brewers, and class 2 brewers that, pursuant to
18 subsection (e) of Section 6-4 of this Act, sell beer, cider,
19 mead, or any combination thereof to non-licensees at their
20 breweries; (iii) the sale of vermouth to class 1 craft
21 distillers and class 2 craft distillers that, pursuant to
22 subsection (e) of Section 6-4 of this Act, sell spirits,
23 vermouth, or both spirits and vermouth to non-licensees at
24 their distilleries; or (iv) as otherwise provided in this Act.
25 No person licensed as a distributor shall be granted a
26 non-resident dealer's license.

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

20 (d) A retailer's license shall allow the licensee to sell
21 and offer for sale at retail, only in the premises specified in
22 the license, alcoholic liquor for use or consumption, but not
23 for resale in any form. Except as provided in Section 6-16,
24 6-29, or 6-29.1, nothing in this Act shall deny, limit,
25 remove, or restrict the ability of a holder of a retailer's
26 license to transfer or ship alcoholic liquor to the purchaser

1 for use or consumption subject to any applicable local law or
2 ordinance. For the purposes of this Section, "shipping" means
3 the movement of alcoholic liquor from a licensed retailer to a
4 consumer via a common carrier. Except as provided in Section
5 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit,
6 remove, or restrict the ability of a holder of a retailer's
7 license to deliver alcoholic liquor to the purchaser for use
8 or consumption. The delivery shall be made only within 12
9 hours from the time the alcoholic liquor leaves the licensed
10 premises of the retailer for delivery. For the purposes of
11 this Section, "delivery" means the movement of alcoholic
12 liquor purchased from a licensed retailer to a consumer
13 through the following methods:

14 (1) delivery within licensed retailer's parking lot,
15 including curbside, for pickup by the consumer;

16 (2) delivery by an owner, officer, director,
17 shareholder, or employee of the licensed retailer; or

18 (3) delivery by a third-party contractor, independent
19 contractor, or agent with whom the licensed retailer has
20 contracted to make deliveries of alcoholic liquors.

21 Under subsection (1), (2), or (3), delivery shall not
22 include the use of common carriers.

23 Any retail license issued to a manufacturer shall only
24 permit the manufacturer to sell beer at retail on the premises
25 actually occupied by the manufacturer. For the purpose of
26 further describing the type of business conducted at a retail

1 licensed premises, a retailer's licensee may be designated by
2 the State Commission as (i) an on premise consumption
3 retailer, (ii) an off premise sale retailer, or (iii) a
4 combined on premise consumption and off premise sale retailer.

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

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

18 (e) A special event retailer's license (not-for-profit)
19 shall permit the licensee to purchase alcoholic liquors from
20 an Illinois licensed distributor (unless the licensee
21 purchases less than \$500 of alcoholic liquors for the special
22 event, in which case the licensee may purchase the alcoholic
23 liquors from a licensed retailer) and shall allow the licensee
24 to sell and offer for sale, at retail, alcoholic liquors for
25 use or consumption, but not for resale in any form and only at
26 the location and on the specific dates designated for the

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

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

1 the conclusion of the event specified in the license.

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

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

1 which boat or riverboat maintains a public dining room or
2 restaurant thereon.

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

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

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

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

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

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

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

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

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

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

23 The broker shall, upon the acceptance by a retailer of the
24 broker's solicitation of an order or offer to sell or supply or
25 deliver or have delivered alcoholic liquors, promptly forward
26 to the Illinois Liquor Control Commission a notification of

1 said transaction in such form as the Commission may by
2 regulations prescribe.

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

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

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

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

25 (m) A non-resident dealer's license shall permit such
26 licensee to ship into and warehouse alcoholic liquor into this

1 State from any point outside of this State, and to sell such
2 alcoholic liquor to Illinois licensed foreign importers and
3 importing distributors and to no one else in this State;
4 provided that (i) said non-resident dealer shall register with
5 the Illinois Liquor Control Commission each and every brand of
6 alcoholic liquor which it proposes to sell to Illinois
7 licensees during the license period, (ii) it shall comply with
8 all of the provisions of Section 6-9 hereof with respect to
9 registration of such Illinois licensees as may be granted the
10 right to sell such brands at wholesale by duly filing such
11 registration statement, thereby authorizing the non-resident
12 dealer to proceed to sell such brands at wholesale, and (iii)
13 the non-resident dealer shall comply with the provisions of
14 Sections 6-5 and 6-6 of this Act to the same extent that these
15 provisions apply to manufacturers. No person licensed as a
16 non-resident dealer shall be granted a distributor's or
17 importing distributor's license.

18 (n) A brew pub license shall allow the licensee to only (i)
19 manufacture up to 155,000 gallons of beer per year only on the
20 premises specified in the license, (ii) make sales of the beer
21 manufactured on the premises or, with the approval of the
22 Commission, beer manufactured on another brew pub licensed
23 premises that is wholly owned and operated by the same
24 licensee to importing distributors, distributors, and to
25 non-licensees for use and consumption, (iii) store the beer
26 upon the premises, (iv) sell and offer for sale at retail from

1 the licensed premises for off-premises consumption no more
2 than 155,000 gallons per year so long as such sales are only
3 made in-person, (v) sell and offer for sale at retail for use
4 and consumption on the premises specified in the license any
5 form of alcoholic liquor purchased from a licensed distributor
6 or importing distributor, (vi) with the prior approval of the
7 Commission, annually transfer no more than 155,000 gallons of
8 beer manufactured on the premises to a licensed brew pub
9 wholly owned and operated by the same licensee, and (vii)
10 notwithstanding item (i) of this subsection, brew pubs wholly
11 owned and operated by the same licensee may combine each
12 location's production limit of 155,000 gallons of beer per
13 year and allocate the aggregate total between the wholly
14 owned, operated, and licensed locations.

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

18 A person who holds a class 2 brewer license may
19 simultaneously hold a brew pub license if the class 2 brewer
20 (i) does not, under any circumstance, sell or offer for sale
21 beer manufactured by the class 2 brewer to retail licensees;
22 (ii) does not hold more than 3 brew pub licenses in this State;
23 (iii) does not manufacture more than a combined 3,720,000
24 gallons of beer per year, including the beer manufactured at
25 the brew pub; and (iv) is not a member of or affiliated with,
26 directly or indirectly, a manufacturer that produces more than

1 3,720,000 gallons of beer per year or any other alcoholic
2 liquor.

3 Notwithstanding any other provision of this Act, a
4 licensed brewer, class 2 brewer, or non-resident dealer who
5 before July 1, 2015 manufactured less than 3,720,000 gallons
6 of beer per year and held a brew pub license on or before July
7 1, 2015 may (i) continue to qualify for and hold that brew pub
8 license for the licensed premises and (ii) manufacture more
9 than 3,720,000 gallons of beer per year and continue to
10 qualify for and hold that brew pub license if that brewer,
11 class 2 brewer, or non-resident dealer does not simultaneously
12 hold a class 1 brewer license and is not a member of or
13 affiliated with, directly or indirectly, a manufacturer that
14 produces more than 3,720,000 gallons of beer per year or that
15 produces any other alcoholic liquor.

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

22 (1) has a valid retail license on or before May 1,
23 2021;

24 (2) has an ownership interest in at least two brew
25 pubs licenses on or before May 1, 2021;

26 (3) the brew pub licensee applies for a class 3 brewer

1 license on or before October 1, 2022 and relinquishes all
2 commonly owned brew pub licenses; and

3 (4) relinquishes all commonly owned retail licenses on
4 or before December 31, 2022.

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

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

22 Nothing in this Act prohibits a distributor or importing
23 distributor from offering credit or a refund for unused,
24 salable beer to a holder of a caterer retailer license or a
25 caterer retailer licensee from accepting a credit or refund
26 for unused, salable beer, in the event an act of God is the

1 sole reason an off-site event is cancelled and if: (i) the
2 holder of a caterer retailer license has not transferred
3 alcoholic liquor from its caterer retailer premises to an
4 off-site location; (ii) the distributor or importing
5 distributor offers the credit or refund for the unused,
6 salable beer that it delivered to the off-site premises and
7 not for any unused, salable beer that the distributor or
8 importing distributor delivered to the caterer retailer's
9 premises; and (iii) the unused, salable beer would likely
10 spoil if transferred to the caterer retailer's premises. A
11 caterer retailer license shall allow the holder to transfer
12 any inventory from any off-site location to its caterer
13 retailer premises at the conclusion of an off-site event or
14 engage a distributor or importing distributor to transfer any
15 inventory from any off-site location to its caterer retailer
16 premises at the conclusion of an off-site event, provided that
17 the distributor or importing distributor issues bona fide
18 charges to the caterer retailer licensee for fuel, labor, and
19 delivery and the distributor or importing distributor collects
20 payment from the caterer retailer licensee prior to the
21 distributor or importing distributor transferring inventory to
22 the caterer retailer premises.

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

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

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

26 A special use permit license shall allow the holder to

1 transfer any inventory from the holder's special use premises
2 to its retail premises at the conclusion of the special use
3 event or engage a distributor or importing distributor to
4 transfer any inventory from the holder's special use premises
5 to its retail premises at the conclusion of an off-site event,
6 provided that the distributor or importing distributor issues
7 bona fide charges to the special use permit licensee for fuel,
8 labor, and delivery and the distributor or importing
9 distributor collects payment from the retail licensee prior to
10 the distributor or importing distributor transferring
11 inventory to the retail premises.

12 Nothing in this Act prohibits a distributor or importing
13 distributor from offering credit or a refund for unused,
14 salable beer to a special use permit licensee or a special use
15 permit licensee from accepting a credit or refund for unused,
16 salable beer at the conclusion of the event specified in the
17 license if: (i) the holder of the special use permit license
18 has not transferred alcoholic liquor from its retail licensed
19 premises to the premises specified in the special use permit
20 license; (ii) the distributor or importing distributor offers
21 the credit or refund for the unused, salable beer that it
22 delivered to the premises specified in the special use permit
23 license and not for any unused, salable beer that the
24 distributor or importing distributor delivered to the
25 retailer's premises; and (iii) the unused, salable beer would
26 likely spoil if transferred to the retailer premises.

1 (r) A winery shipper's license shall allow a person with a
2 first-class or second-class wine manufacturer's license, a
3 first-class or second-class wine-maker's license, or a limited
4 wine manufacturer's license or who is licensed to make wine
5 under the laws of another state to ship wine made by that
6 licensee directly to a resident of this State who is 21 years
7 of age or older for that resident's personal use and not for
8 resale. Prior to receiving a winery shipper's license, an
9 applicant for the license must provide the Commission with a
10 true copy of its current license in any state in which it is
11 licensed as a manufacturer of wine. An applicant for a winery
12 shipper's license must also complete an application form that
13 provides any other information the Commission deems necessary.
14 The application form shall include all addresses from which
15 the applicant for a winery shipper's license intends to ship
16 wine, including the name and address of any third party,
17 except for a common carrier, authorized to ship wine on behalf
18 of the manufacturer. The application form shall include an
19 acknowledgement consenting to the jurisdiction of the
20 Commission, the Illinois Department of Revenue, and the courts
21 of this State concerning the enforcement of this Act and any
22 related laws, rules, and regulations, including authorizing
23 the Department of Revenue and the Commission to conduct audits
24 for the purpose of ensuring compliance with Public Act 95-634,
25 and an acknowledgement that the wine manufacturer is in
26 compliance with Section 6-2 of this Act. Any third party,

1 except for a common carrier, authorized to ship wine on behalf
2 of a first-class or second-class wine manufacturer's licensee,
3 a first-class or second-class wine-maker's licensee, a limited
4 wine manufacturer's licensee, or a person who is licensed to
5 make wine under the laws of another state shall also be
6 disclosed by the winery shipper's licensee, and a copy of the
7 written appointment of the third-party wine provider, except
8 for a common carrier, to the wine manufacturer shall be filed
9 with the State Commission as a supplement to the winery
10 shipper's license application or any renewal thereof. The
11 winery shipper's license holder shall affirm under penalty of
12 perjury, as part of the winery shipper's license application
13 or renewal, that he or she only ships wine, either directly or
14 indirectly through a third-party provider, from the licensee's
15 own production.

16 Except for a common carrier, a third-party provider
17 shipping wine on behalf of a winery shipper's license holder
18 is the agent of the winery shipper's license holder and, as
19 such, a winery shipper's license holder is responsible for the
20 acts and omissions of the third-party provider acting on
21 behalf of the license holder. A third-party provider, except
22 for a common carrier, that engages in shipping wine into
23 Illinois on behalf of a winery shipper's license holder shall
24 consent to the jurisdiction of the State Commission and the
25 State. Any third-party, except for a common carrier, holding
26 such an appointment shall, by February 1 of each calendar year

1 and upon request by the State Commission or the Department of
2 Revenue, file with the State Commission a statement detailing
3 each shipment made to an Illinois resident. The statement
4 shall include the name and address of the third-party provider
5 filing the statement, the time period covered by the
6 statement, and the following information:

7 (1) the name, address, and license number of the
8 winery shipper on whose behalf the shipment was made;

9 (2) the quantity of the products delivered; and

10 (3) the date and address of the shipment.

11 If the Department of Revenue or the State Commission requests
12 a statement under this paragraph, the third-party provider
13 must provide that statement no later than 30 days after the
14 request is made. Any books, records, supporting papers, and
15 documents containing information and data relating to a
16 statement under this paragraph shall be kept and preserved for
17 a period of 3 years, unless their destruction sooner is
18 authorized, in writing, by the Director of Revenue, and shall
19 be open and available to inspection by the Director of Revenue
20 or the State Commission or any duly authorized officer, agent,
21 or employee of the State Commission or the Department of
22 Revenue, at all times during business hours of the day. Any
23 person who violates any provision of this paragraph or any
24 rule of the State Commission for the administration and
25 enforcement of the provisions of this paragraph is guilty of a
26 Class C misdemeanor. In case of a continuing violation, each

1 day's continuance thereof shall be a separate and distinct
2 offense.

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

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

1 winery shipper's license shall be revoked in accordance with
2 the provisions of Article VII of this Act.

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

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

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

18 (s) A craft distiller tasting permit license shall allow
19 an Illinois licensed class 1 craft distiller or class 2 craft
20 distiller to transfer a portion of its alcoholic liquor
21 inventory from its class 1 craft distiller or class 2 craft
22 distiller licensed premises to the premises specified in the
23 license hereby created and to conduct a sampling, only in the
24 premises specified in the license hereby created, of the
25 transferred alcoholic liquor in accordance with subsection (c)
26 of Section 6-31 of this Act. The transferred alcoholic liquor

1 may not be sold or resold in any form. An applicant for the
2 craft distiller tasting permit license must also submit with
3 the application proof satisfactory to the State Commission
4 that the applicant will provide dram shop liability insurance
5 to the maximum limits and have local authority approval.

6 (t) A brewer warehouse permit may be issued to the holder
7 of a class 1 brewer license or a class 2 brewer license. If the
8 holder of the permit is a class 1 brewer licensee, the brewer
9 warehouse permit shall allow the holder to store or warehouse
10 up to 930,000 gallons of tax-determined beer manufactured by
11 the holder of the permit at the premises specified on the
12 permit. If the holder of the permit is a class 2 brewer
13 licensee, the brewer warehouse permit shall allow the holder
14 to store or warehouse up to 3,720,000 gallons of
15 tax-determined beer manufactured by the holder of the permit
16 at the premises specified on the permit. Sales to
17 non-licensees are prohibited at the premises specified in the
18 brewer warehouse permit.

19 (u) A distilling pub license shall allow the licensee to
20 only (i) manufacture up to 5,000 gallons of spirits per year
21 only on the premises specified in the license, (ii) make sales
22 of the spirits manufactured on the premises or, with the
23 approval of the State Commission, spirits manufactured on
24 another distilling pub licensed premises that is wholly owned
25 and operated by the same licensee to importing distributors
26 and distributors and to non-licensees for use and consumption,

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

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

15 A person who holds a class 2 craft distiller license may
16 simultaneously hold a distilling pub license if the class 2
17 craft distiller (i) does not, under any circumstance, sell or
18 offer for sale spirits manufactured by the class 2 craft
19 distiller to retail licensees; (ii) does not hold more than 3
20 distilling pub licenses in this State; (iii) does not
21 manufacture more than a combined 100,000 gallons of spirits
22 per year, including the spirits manufactured at the distilling
23 pub; and (iv) is not a member of or affiliated with, directly
24 or indirectly, a manufacturer that produces more than 100,000
25 gallons of spirits per year or any other alcoholic liquor.

26 (v) A craft distiller warehouse permit may be issued to

1 the holder of a class 1 craft distiller or class 2 craft
2 distiller license. The craft distiller warehouse permit shall
3 allow the holder to store or warehouse up to 500,000 gallons of
4 spirits manufactured by the holder of the permit at the
5 premises specified on the permit. Sales to non-licensees are
6 prohibited at the premises specified in the craft distiller
7 warehouse permit.

8 (w) A beer showcase permit license shall allow an
9 Illinois-licensed distributor to transfer a portion of its
10 beer inventory from its licensed premises to the premises
11 specified in the beer showcase permit license, and, in the
12 case of a class 3 brewer, transfer only beer the class 3 brewer
13 manufactures from its licensed premises to the premises
14 specified in the beer showcase permit license; and to sell or
15 offer for sale at retail, only in the premises specified in the
16 beer showcase permit license, the transferred or delivered
17 beer for on or off premise consumption, but not for resale in
18 any form and to sell to non-licensees not more than 96 fluid
19 ounces of beer per person. A beer showcase permit license may
20 be granted for the following time periods: one day or less; or
21 2 or more days to a maximum of 15 days per location in any
22 12-month period. An applicant for a beer showcase permit
23 license must also submit with the application proof
24 satisfactory to the State Commission that the applicant will
25 provide dram shop liability insurance to the maximum limits
26 and have local authority approval. The State Commission shall

1 require the beer showcase applicant to comply with Section
2 6-27.1.

3 (x) A distillery shipper's license shall allow a person
4 with an Illinois distiller license, a craft distiller license,
5 a class 1 craft distiller license, a class 2 craft distiller
6 license, or a class 3 craft distiller license or who is
7 licensed to make spirits under the laws of another state to
8 ship spirits directly to a resident of this State who is 21
9 years of age or older for that resident's personal use and not
10 for resale. Prior to receiving a distillery shipper's license,
11 an applicant for the license must provide the State Commission
12 with a true copy of its current license in any state in which
13 it is licensed as a distiller. An applicant for a distillery
14 shipper's license must also complete an application form that
15 provides any other information the State Commission deems
16 necessary. The application form shall include an
17 acknowledgement consenting to the jurisdiction of the State
18 Commission, the Illinois Department of Revenue, and the courts
19 of this State concerning the enforcement of this Act and any
20 related laws, rules, and regulations, including authorizing
21 the Illinois Department of Revenue and the State Commission to
22 conduct audits for the purpose of ensuring compliance with
23 this amendatory Act of the 104th General Assembly.

24 A distillery shipper's licensee must pay to the Illinois
25 Department of Revenue the State liquor gallonage tax under
26 Section 8-1 for all spirits that are sold by the licensee and

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

18 A distillery shipper's licensee must collect, maintain,
19 and submit to the State Commission on a semi-annual basis the
20 total gallons of spirits per resident shipped to residents of
21 this State. A distillery shipper licensed under this
22 subsection must comply with the requirements of Section
23 6-29.05 of this Act. Pursuant to paragraph (5.1) or (5.3) of
24 subsection (a) of Section 3-12, the State Commission may
25 receive, respond to, and investigate any complaint and impose
26 any of the remedies specified in paragraph (1) of subsection

1 (a) of Section 3-12.

2 Except as provided in Section 6-16, 6-29, or 6-29.05,
3 nothing in this Act shall deny, limit, remove, or restrict the
4 ability of a holder of a distilling pub license to transfer or
5 ship alcoholic liquor it produces to the purchaser for use or
6 consumption subject to any applicable local law or ordinance.
7 Except as provided in Section 6-16, 6-29, or 6-29.05, nothing
8 in this Act shall limit, remove, or restrict the ability of a
9 holder of a distilling pub license to deliver alcoholic liquor
10 to the purchaser for use or consumption. The delivery shall be
11 made only within 12 hours after the alcoholic liquor leaves
12 the licensed premises of the distilling pub for delivery.

13 For the purposes of this subsection, "delivery" means the
14 movement of alcoholic liquor purchased from a licensed
15 distilling pub to the consumer through the following methods:

16 (1) delivery within the licensed distilling pub
17 parking lot, including curbside, for pickup by the
18 consumer;

19 (2) delivery by an owner, officer, director,
20 shareholder, or employee of the licensed distilling pub;
21 or

22 (3) delivery by a third-party contractor, independent
23 contractor, or agent with whom the licensed distilling pub
24 has contracted to make deliveries of alcoholic liquors.

25 Under paragraphs (1), (2), or (3) of this subsection,
26 "delivery" does not include common carriers.

1 For the purposes of this subsection, "ship" means to move
2 alcoholic liquor from a licensed distilling pub to a consumer
3 via a common carrier.

4 Except for a municipality with a population of more than
5 1,000,000 inhabitants, a home rule unit may not regulate the
6 delivery of alcoholic liquor in a manner inconsistent with
7 this subsection. This paragraph is a limitation under
8 subsection (i) of Section 6 of Article VII of the Illinois
9 Constitution on the concurrent exercise by home rule units of
10 powers and functions exercised by the State.

11 (y) A spirits showcase permit shall allow an
12 Illinois-licensed distributor to transfer a portion of its
13 spirits inventory from its licensed premises to the premises
14 specified in the spirits showcase permit; in the case of a
15 class 3 craft distiller, to transfer only spirits the class 3
16 craft distiller manufactures from its licensed premises to the
17 premises specified in the spirits showcase permit; and to sell
18 or offer for sale at retail, only in the premises specified in
19 the spirits showcase permit, the transferred or delivered
20 spirits for on-premises or off-premises consumption, but not
21 for resale in any form and to sell to non-licensees not more
22 than 156 fluid ounces of spirits per person. A spirits
23 showcase permit may be granted for the following time periods:
24 one day or less; or 2 or more days to a maximum of 15 days per
25 location in any 12-month period. An applicant for a spirits
26 showcase permit must also submit with the application proof

1 satisfactory to the State Commission that the applicant will
 2 provide dram shop liability insurance to the maximum limits
 3 and have local authority approval. The State Commission shall
 4 require the spirits showcase applicant to comply with Section
 5 6-27.1.

6 (Source: P.A. 101-16, eff. 6-14-19; 101-31, eff. 6-28-19;
 7 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff.
 8 8-23-19; 101-615, eff. 12-20-19; 101-668, eff. 1-1-22;
 9 102-442, eff. 8-20-21; 102-1142, eff. 2-17-23.)

10 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

11 Sec. 5-3. License fees. Except as otherwise provided
 12 herein, at the time application is made to the State
 13 Commission for a license of any class, the applicant shall pay
 14 to the State Commission the fee hereinafter provided for the
 15 kind of license applied for.

16 The fee for licenses issued by the State Commission shall
 17 be as follows:

18		Online	Initial
19		renewal	license
20			or
21			non-online
22			renewal

23 For a manufacturer's license:

24	Class 1. Distiller	\$4,000	\$5,000
25	Class 2. Rectifier	4,000	5,000

1	Class 3. Brewer	1,200	1,500
2	Class 4. First-class Wine		
3	Manufacturer	750	900
4	Class 5. Second-class		
5	Wine Manufacturer.....	1,500	1,750
6	Class 6. First-class wine-maker....	750	900
7	Class 7. Second-class wine-maker ..	1,500	1,750
8	Class 8. Limited Wine		
9	Manufacturer	250	350
10	Class 9. Craft Distiller	2,000	2,500
11	Class 10. Class 1 Craft Distiller ..	50	75
12	Class 11. Class 2 Craft Distiller ..	75	100
13	Class 12. Class 1 Brewer	50	75
14	Class 13. Class 2 Brewer	75	100
15	Class 14. Class 3 Brewer	25	50
16	<u>Class 15. Class 3 Craft Distiller ..</u>	<u>175</u>	<u>200</u>
17	For a Brew Pub License	1,200	1,500
18	For a Distilling Pub License	1,200	1,500
19	For a caterer retailer's license ..	350	500
20	For a foreign importer's license ..	25	25
21	For an importing distributor's		
22	license.....	25	25
23	For a distributor's license		
24	(11,250,000 gallons		
25	or over)	1,450	2,200
26	For a distributor's license		

1	(over 4,500,000 gallons, but		
2	under 11,250,000 gallons)	950	1,450
3	For a distributor's license		
4	(4,500,000 gallons or under) ..	300	450
5	For a non-resident dealer's license		
6	(500,000 gallons or over)		
7	or with self-distribution		
8	privileges	1,200	1,500
9	For a non-resident dealer's license		
10	(under 500,000 gallons)	250	350
11	For a wine-maker's premises		
12	license.....	250	500
13	For a winery shipper's license		
14	(under 250,000 gallons)	200	350
15	For a winery shipper's license		
16	(250,000 or over, but		
17	under 500,000 gallons)	750	1,000
18	For a winery shipper's license		
19	(500,000 gallons or over)	1,200	1,500
20	<u>For a distillery shipper's license</u>		
21	<u>(under 100,000 gallons)</u>	<u>200</u>	<u>350</u>
22	<u>For a distillery shipper's license</u>		
23	<u>(100,000 gallons or over)</u>	<u>1,200</u>	<u>1,500</u>
24	For a wine-maker's premises		
25	license, second location	500	1,000
26	For a wine-maker's premises		

1	license, third location.....	500	1,000
2	For a retailer's license	600	750
3	For a special event retailer's		
4	license, (not-for-profit).....	25	25
5	For a beer showcase permit,		
6	one day only	100	150
7	2 days or more	150	250
8	<u>For a spirits showcase permit,</u>		
9	<u>one day only</u>	<u>100</u>	<u>150</u>
10	<u>2 days or more</u>	<u>150</u>	<u>250</u>
11	For a special use permit license,		
12	one day only	100	150
13	2 days or more	150	250
14	For a railroad license	100	150
15	For a boat license	500	1,000
16	For an airplane license, times the		
17	licensee's maximum number of		
18	aircraft in flight, serving		
19	liquor over the State at any		
20	given time, which either		
21	originate, terminate, or make		
22	an intermediate stop in		
23	the State.....	100	150
24	For a non-beverage user's license:		
25	Class 1.....	24	24
26	Class 2.....	60	60

1	Class 3	120	120
2	Class 4	240	240
3	Class 5	600	600
4	For a broker's license	750	1,000
5	For an auction liquor license	100	150
6	For a homebrewer special		
7	event permit	25	25
8	For a craft distiller		
9	tasting permit	25	25
10	For a BASSET trainer license	300	350
11	For a tasting representative		
12	license.....	200	300
13	For a brewer warehouse permit	25	25
14	For a craft distiller		
15	warehouse permit	25	25

16 Fees collected under this Section shall be paid into the
17 Dram Shop Fund. The State Commission shall waive license
18 renewal fees for those retailers' licenses that are designated
19 as "1A" by the State Commission and expire on or after July 1,
20 2022, and on or before June 30, 2023. One-half of the funds
21 received for a retailer's license shall be paid into the Dram
22 Shop Fund and one-half of the funds received for a retailer's
23 license shall be paid into the General Revenue Fund.

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

26 (a) Hospitals, sanitariums, or clinics when their use

1 of alcoholic liquor is exclusively medicinal, mechanical,
2 or scientific.

3 (b) Universities, colleges of learning, or schools
4 when their use of alcoholic liquor is exclusively
5 medicinal, mechanical, or scientific.

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

8 (Source: P.A. 102-442, eff. 8-20-21; 102-558, eff. 8-20-21;
9 102-699, eff. 4-19-22; 102-1142, eff. 2-17-23; 103-154, eff.
10 6-30-23; 103-605, eff. 7-1-24.)

11 (235 ILCS 5/6-4) (from Ch. 43, par. 121)

12 Sec. 6-4. Prohibited ownership interests; retail sales by
13 certain manufacturers.

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

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

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

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

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

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

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

1 distiller, or subsidiaries or affiliates of such distiller.

2 (e) Any person licensed as a brewer, class 1 brewer, or
3 class 2 brewer shall be permitted to sell on the licensed
4 premises to non-licensees for on or off-premises consumption
5 for the premises in which he or she actually conducts such
6 business: (i) beer manufactured by the brewer, class 1 brewer,
7 class 2 brewer, or class 3 brewer; (ii) beer manufactured by
8 any other brewer, class 1 brewer, class 2 brewer, or class 3
9 brewer; and (iii) cider or mead. Any person licensed as a class
10 3 brewer shall be permitted to sell on the licensed premises to
11 non-licensees for on or off premises consumption for the
12 premises in which he or she actually conducts such business:
13 (i) beer manufactured by the class 3 brewer on the premises;
14 (ii) beer manufactured by any other brewer, class 1 brewer,
15 class 2 brewer, or class 3 brewer; and (iii) cider, wine, and
16 spirits. All products sold under this subsection that are not
17 manufactured on premises must be purchased through a licensed
18 distributor, importing distributor, or manufacturer with
19 self-distribution privileges. Such sales shall be limited to
20 on-premises, in-person sales only, for lawful consumption on
21 or off premises. Such authorization shall be considered a
22 privilege granted by the brewer license and, other than a
23 manufacturer of beer as stated above, no manufacturer or
24 distributor or importing distributor, excluding airplane
25 licensees exercising powers provided in paragraph (i) of
26 Section 5-1 of this Act, or any subsidiary or affiliate

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

10 A manufacturer of beer that imports or transfers beer into
11 this State must comply with Sections 6-8 and 8-1 of this Act.

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

19 A person licensed as a class 1 craft distiller or a class 2
20 craft distiller, including a person who holds more than one
21 class 1 craft distiller or class 2 craft distiller license,
22 not affiliated with any other person manufacturing spirits may
23 be authorized by the State Commission to sell (1) up to 5,000
24 gallons of spirits produced by the person to non-licensees for
25 on or off-premises consumption for the premises in which he or
26 she actually conducts business permitting only the retail sale

1 of spirits manufactured at such premises and (2) vermouth
2 purchased through a licensed distributor for on-premises
3 consumption. Such sales shall be limited to on-premises,
4 in-person sales only, for lawful consumption on or off
5 premises, and such authorization shall be considered a
6 privilege granted by the class 1 craft distiller or class 2
7 craft distiller license. A class 1 craft distiller or class 2
8 craft distiller licensed for retail sale shall secure liquor
9 liability insurance coverage in an amount at least equal to
10 the maximum liability amounts set forth in subsection (a) of
11 Section 6-21 of this Act.

12 A class 1 craft distiller or class 2 craft distiller
13 license holder shall not deliver any alcoholic liquor to any
14 non-licensee off the licensed premises. A class 1 craft
15 distiller or class 2 craft distiller shall affirm in its
16 annual license application that it does not produce more than
17 50,000 or 100,000 gallons of distilled spirits annually,
18 whichever is applicable, and that the craft distiller does not
19 sell more than 5,000 gallons of spirits to non-licensees for
20 on or off-premises consumption. In the application, which
21 shall be sworn under penalty of perjury, the class 1 craft
22 distiller or class 2 craft distiller shall state the volume of
23 production and sales for each year since the class 1 craft
24 distiller's or class 2 craft distiller's establishment.

25 A person who holds a class 1 craft distiller or class 2
26 craft distiller license and is authorized by this Section to

1 sell spirits to non-licensees shall not sell spirits to
2 non-licensees from more than 3 total distillery or commonly
3 owned distilling pub licensed locations in this State. The
4 class 1 craft distiller or class 2 craft distiller shall
5 designate to the State Commission the distillery or distilling
6 pub locations from which it will sell spirits to
7 non-licensees.

8 A class 3 craft distiller license shall allow the licensee
9 to only (i) manufacture up to 100,000 gallons of spirits per
10 year, (ii) make sales of the spirits manufactured on the
11 premises or, with the approval of the State Commission,
12 spirits manufactured on another class 3 craft distiller
13 licensed premises that is wholly owned and operated by the
14 same licensee to importing distributors and distributors, to
15 retail licensees in accordance with the conditions set forth
16 in paragraph (21) of subsection (a) of Section 3-12 of this
17 Act, and to non-licensees for use and consumption, (iii) store
18 the spirits upon the premises, (iv) sell and offer for sale at
19 retail from the licensed premises for off-premises consumption
20 no more than 5,000 gallons per year so long as such sales are
21 only made in-person, (v) sell and offer for sale at retail for
22 use and consumption on the premises specified in the license
23 any form of alcoholic liquor purchased from a licensed
24 distributor or importing distributor, and (vi) with the prior
25 approval of the State Commission, annually transfer no more
26 than 19,375 gallons of spirits manufactured on the premises to

1 a licensed class 3 craft distiller wholly owned and operated
2 by the same licensee.

3 (f) (Blank).

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

11 (h) The changes made to this Section by Public Act 99-47
12 shall not diminish or impair the rights of any person, whether
13 a distiller, wine manufacturer, agent, or affiliate thereof,
14 who requested in writing and submitted documentation to the
15 State Commission on or before February 18, 2015 to be approved
16 for a retail license pursuant to what has heretofore been
17 subsection (f); provided that, on or before that date, the
18 State Commission considered the intent of that person to apply
19 for the retail license under that subsection and, by recorded
20 vote, the State Commission approved a resolution indicating
21 that such a license application could be lawfully approved
22 upon that person duly filing a formal application for a retail
23 license and if that person, within 90 days of the State
24 Commission appearance and recorded vote, first filed an
25 application with the appropriate local commission, which
26 application was subsequently approved by the appropriate local

1 commission prior to consideration by the State Commission of
2 that person's application for a retail license. It is further
3 provided that the State Commission may approve the person's
4 application for a retail license or renewals of such license
5 if such person continues to diligently adhere to all
6 representations made in writing to the State Commission on or
7 before February 18, 2015, or thereafter, or in the affidavit
8 filed by that person with the State Commission to support the
9 issuance of a retail license and to abide by all applicable
10 laws and duly adopted rules.

11 (i) Notwithstanding any other provision of this Act, the
12 common ownership of a brewery, winery, or a distillery shall
13 not authorize the grant of and aggregation of retail
14 privileges granted to any person or licensees in subsection
15 (e). Any person or licensee with common ownership in a
16 brewery, winery, or a distillery shall be limited to the
17 retail privileges granted to only one of the commonly owned
18 brewery, winery, or distillery. The State Commission is hereby
19 authorized to restrict the locations of any commonly owned
20 brewery, winery, or distillery to prevent the expansion of
21 retail privileges, including, without limitation, restricting
22 a commonly owned brewery, winery, or distillery from operating
23 in adjacent licensed premises or restricting self-distribution
24 privileges.

25 (Source: P.A. 101-81, eff. 7-12-19; 101-482, eff. 8-23-19;
26 101-615, eff. 12-20-19; 102-442, eff. 8-20-21.)

1 (235 ILCS 5/6-29.05 new)

2 Sec. 6-29.05. Distillery shipper's license.

3 (a) It is the purpose and intent of this Section:

4 (1) to authorize direct shipment of spirits by an
5 out-of-state distiller on the same basis permitted an
6 in-state distiller, an in-state craft distiller, an
7 in-state class 1 craft distiller, an in-state class 2
8 craft distiller, and an in-state class 3 craft distiller
9 pursuant to the authority of the State under the
10 provisions of Section 2 of the Twenty-First Amendment to
11 the United States Constitution and in conformance with the
12 United States Supreme Court decision decided on May 16,
13 2005 in Granholm v. Heald;

14 (2) to reaffirm that the General Assembly's findings
15 and declarations that selling alcoholic liquor through
16 various direct marketing means, such as catalogs,
17 newspapers, mailings, and the Internet, directly to
18 consumers of this State poses a serious threat to the
19 State's efforts to further temperance and prevent youth
20 from accessing alcoholic liquor and the expansion of youth
21 access to additional types of alcoholic liquors;

22 (3) to maintain the State's broad powers granted by
23 Section 2 of the Twenty-First Amendment to the United
24 States Constitution to control the importation or sale of
25 alcoholic liquor and its right to structure its alcoholic

1 liquor distribution system;

2 (4) to ensure that the General Assembly, by
3 authorizing limited direct shipment of spirits to meet the
4 directives of the United States Supreme Court, does not
5 intend to impair or modify the State's distribution of
6 spirits through distributors or importing distributors,
7 but only to permit limited shipment of spirits for
8 personal use; and

9 (5) to provide that if a court of competent
10 jurisdiction declares or finds that this Section, which is
11 enacted to conform Illinois law to the United States
12 Supreme Court decision, is invalid or unconstitutional,
13 the Illinois General Assembly at its earliest general
14 session shall conduct hearings and study methods to
15 conform to any directive or order of the court consistent
16 with the temperance and revenue collection purposes of
17 this Act.

18 (b) Notwithstanding any other provision of law, a
19 distillery shipper's licensee may ship, for personal use and
20 not for resale, not more than 12 cases of spirits per year to
21 any resident of this State who is 21 years of age or older.

22 (c) Notwithstanding any other provision of law, sale and
23 shipment by a distillery shipper's licensee pursuant to this
24 Section shall be deemed to constitute a sale in this State.

25 (d) The shipping container of any spirit shipped under
26 this Section shall be clearly labeled with the following

1 words: "CONTAINS ALCOHOL. SIGNATURE OF A PERSON 21 YEARS OF
2 AGE OR OLDER REQUIRED FOR DELIVERY. PROOF OF AGE AND IDENTITY
3 MUST BE SHOWN BEFORE DELIVERY.". This warning must be
4 prominently displayed on the packaging. A licensee shall
5 require the transporter or common carrier that delivers the
6 spirits to obtain the signature of a person 21 years of age or
7 older at the delivery address at the time of delivery. At the
8 expense of the licensee, the licensee shall receive a delivery
9 confirmation from the express company, common carrier, or
10 contract carrier indicating the location of the delivery, time
11 of delivery, and the name and signature of the individual 21
12 years of age or older who accepts delivery. The State
13 Commission may design and create a label or approve a label
14 that must be affixed to the shipping container by the
15 licensee.

16 (e) No broker within this State shall solicit consumers to
17 engage in direct spirit shipments under this Section.

18 (f) It is not the intent of this Section to impair the
19 distribution of spirits through distributors or importing
20 distributors, but it is the intent of this Section to only
21 permit shipments of spirits for personal use.

1 INDEX

2 Statutes amended in order of appearance

3 235 ILCS 5/1-3.47 new

4 235 ILCS 5/1-3.48 new

5 235 ILCS 5/3-12

6 235 ILCS 5/5-1 from Ch. 43, par. 115

7 235 ILCS 5/5-3 from Ch. 43, par. 118

8 235 ILCS 5/6-4 from Ch. 43, par. 121

9 235 ILCS 5/6-29.05 new