Illinois Liquor Control Act of 1934

As of November 2013

Illinois Liquor Control Commission

Liquor Control Act of 1934

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Title: An Act relating to alcoholic liquors.

Cite: 235 ILCS 5/1-1 *et seq.*

From: Chapter 43, paragraph 93.9 *et seq.*

Source: L. 1933-34, 2nd S.S., page 57.

Date: Approved January 31, 1934

Short title: Liquor Control Act of 1934.

ACT 5 — Liquor Control Act of 1934

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Article I — Construction

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5/1-1 Short Title

This Act may be cited as the Liquor Control Act of 1934.

(Source: P. A. 86-1475) (from Chapter 43, paragraph 93.9)

5/1-2 Construction of Act

This Act shall be liberally construed, to the end that the health, safety and welfare of the People of the State of Illinois shall be protected and temperance in the consumption of alcoholic liquors shall be fostered and promoted by sound and careful control and regulation of the manufacture, sale and distribution of alcoholic liquors.

(Source: P. A. 82-783) (from Chapter 43, paragraph 94)

5/1-3 Words and Phrases Defined

Unless the context otherwise requires, words and phrases are used in this Act in the sense given them in the Sections following this Section and preceding Section 2-1.

(Source: P. A. 91-357, eff. 7-29-99) (from Chapter 43, paragraph 95)

5/1-3.01 Alcohol

"Alcohol" means the product of distillation of any fermented liquid, whether rectified or diluted, whatever may be the origin thereof, and

includes synthetic ethyl alcohol. It does not include denatured alcohol or wood alcohol.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.01)

5/1-3.02 Spirits

"Spirits" means any beverage which contains alcohol obtained by distillation, mixed with water or other substance in solution, and includes brandy, rum, whiskey, gin, or other spirituous liquors, and such liquors when rectified, blended or otherwise mixed with alcohol or other substances.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.02)

5/1-3.03 Wine

"Wine" means any alcoholic beverage obtained by the fermentation of the natural contents of fruits, or vegetables, containing sugar, including such beverages when fortified by the addition of alcohol or spirits, as above defined.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.03)

5/1-3.04 Beer

"Beer" means a beverage obtained by the alcoholic fermentation of an infusion or concoction of barley, or other grain, malt and hops in water, and includes, among other things, beer, ale, stout, lager beer, porter and the like.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.04)

5/1-3.05 Alcoholic Liquor

"Alcoholic liquor" includes alcohol, spirits, wine and beer, and every liquid or solid, patented or not, containing alcohol, spirits, wine or beer, and capable of being consumed as a beverage by a human being. The provisions of this Act shall not apply to alcohol used in the manufacture of denatured alcohol produced in accordance with Acts of Congress and regulations promulgated thereunder, nor to any liquid or solid containing one-half of one per cent, or less, of alcohol by volume. No tax provided for in Article VIII of this Act shall apply to wine intended for use and used by any church or religious organization for sacramental purposes, provided that such wine shall be purchased from a licensed manufacturer or importing distributor under this Act.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.05)

5/1-3.06 Original Package

"Original package" means any bottle, flask, jug, can, cask, barrel, keg, hogshead or other receptacle or container, whatsoever, used, corked or capped, sealed and labeled by the manufacturer of alcoholic liquor, to contain and to convey any alcoholic liquor.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.06)

5/1-3.07 Distiller

"Distiller" means a person who distills, ferments, brews, makes, mixes, concocts, processes, blends, bottles or fills an original package with any alcoholic liquor. The above definition for a distiller includes a manufacturer of wine, but does not include a manufacturer of beer or bottler of wine.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.07)

5/1-3.08 Manufacturer

"Manufacturer" means every brewer, fermenter, distiller, rectifier, wine maker, blender, processor, bottler or person who fills or refills an original package, whether for himself or for another, and others engaged in brewing, fermenting, distilling, rectifying or bottling alcoholic liquors as above defined.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.08)

5/1-3.09 Brewer

"Brewer" means a person who is engaged in the manufacture of beer.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.09)

5/1-3.10 Non-beverage user

"Non-beverage user" means every manufacturer of any of the products set forth and described in subsection (a) of Section 8-1 of this Act, when the same contains alcoholic liquor, and all laboratories and hospitals and sanatoria using alcoholic liquor for non-beverage purposes.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.10)

5/1-3.11 Wine Manufacturer

"Wine-manufacturer" means a person who is engaged in the manufacture of wine.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.11)

5/1-3.12 Wine-maker

"Wine-maker" means a person engaged in the making of less than 50,000 gallons of wine annually other than a person issued a Second Class wine-maker's license.

(Source: P. A. 92-378, eff. 8-16-01) (from Chapter 43, paragraph 95.12)

5/1-3.13 Manufacture

"Manufacture" means to distill, rectify, ferment, brew, make, mix, concoct, process, blend, bottle or fill an original package with an alcoholic liquor, whether for oneself or for another, and includes blending but does not include the mixing or other preparation of drinks for serving by those persons authorized and permitted in this Act to serve drinks for consumption on the premises where sold. All containers or packages of blended alcoholic liquors shall have affixed thereto a label setting forth and stating clearly the names of all ingredients which the blended alcoholic liquors offered for sale shall contain.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.13)

5/1-3.14 Rectifier

"Rectifier" means any person who rectifies, ferments, brews, makes, mixes, concocts, processes, blends, bottles or fills an original package with any alcoholic liquor, other than by original or continuous distillation.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.14)

5/1-3.15 Distributor

"Distributor" means any person, other than a manufacturer or non-resident dealer licensed under this Act, who is engaged in this State in purchasing, storing, possessing or warehousing any alcoholic liquors for resale or reselling at wholesale, whether within or without this State.

(Source: P. A. 83-1254) (from Chapter 43, paragraph 95.15)

5/1-3.16 Importing Distributor

"Importing distributor" means any person other than a non-resident dealer licensed under this Act who imports into this State, from any point in the United States outside this State, whether for himself or for another, any alcoholic liquors for sale or resale, or for use in the manufacture, preparation

or compounding of products other than alcoholic liquors, or who imports into this State, from any point in the United States outside this State, for consumption in any one calendar year, more than one gallon of such liquors.

(Source: P. A. 83-1254) (from Chapter 43, paragraph 95.16)

5/1-3.17 Retailer

"Retailer" means a person who sells, or offers for sale, alcoholic liquor for use or consumption and not for resale in any form.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.17)

5/1-3.17.1 Special Event Retailer

"Special Event Retailer" means an educational, fraternal, political, civic, religious, or non-profit organization which sells or offers for sale beer or wine, or both, only for consumption at the location and on the dates designated by a special event retail license.

(Source: P. A. 86-404) (from Chapter 43, paragraph 95.17.1)

5/1-3.18 Sell at retail

"Sell at retail" and "sale at retail" refer to and mean sales for use or consumption and not for resale in any form.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.18)

5/1-3.19 State Commission

"State Commission" means the Illinois Liquor Control Commission.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.19)

5/1-3.20 Department

"Department" means the Department of Revenue.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.20)

5/1-3.21 Sale

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

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.21)

5/1-3.22 To sell

"To sell" includes to keep or expose for sale and to keep with intent to sell.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.22)

5/1-3.23 Restaurant

"Restaurant" means any public place kept, used, maintained, advertised and held out to the public as a place where meals are served, and where meals are actually and regularly served, without sleeping accommodations, such space being provided with adequate and sanitary kitchen and dining room equipment and capacity and having employed therein a sufficient number and kind of employees to prepare, cook and serve suitable food for its guests.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.23)

5/1-3.24 Club

"Club" means a corporation organized under the laws of this State, not for pecuniary profit, solely for the promotion of some common object other than the sale or consumption of alcoholic liquors, kept, used and maintained by its members through the payment of annual dues, and owning, hiring or leasing a building or space in a building, of such extent and character as may be suitable and adequate for the reasonable and comfortable use and accommodation of its members and their guests and provided with suitable and adequate kitchen and dining room space and equipment and maintaining a sufficient number of servants and employees for cooking, preparing and serving food and meals for its members and their guests; provided, that such club files with the local liquor control commissioner at the time of its application for a license under this Act 2 copies of a list of names and residences of its members, and similarly files within 10 days of the election of any additional member his or her name and address; and, provided further, that its affairs and management are conducted by a board of directors, executive committee, or similar body chosen by the members at their annual meeting and that no member or any officer, agent, or employee of the club is paid, or directly or indirectly receives, in the form of salary or other compensation any profits from the distribution or sale of alcoholic liquor to the club or the members of the club or its guests introduced by members beyond the amount of such salary as may be fixed and voted at any annual meeting by the members or by its board of directors or other governing body out of the general revenue of the club.

(Source: P. A. 84-551) (from Chapter 43, paragraph 95.24)

5/1-3.25 Hotel

"Hotel" means every building or other structure kept, used, maintained, advertised and held out to the public to be a place where food is actually served and consumed and sleeping accommodations are offered for adequate pay to travelers and guests, whether transient, permanent or residential, in which twenty-five (25) or more rooms are used for the sleeping accommodations of such guests and having one or more public dining rooms where meals are served to such guests, such sleeping accommodations and dining rooms being conducted in the same building or buildings in connection therewith and such building or buildings, structure or structures being provided with adequate and sanitary kitchen and dining room equipment and capacity.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.25)

5/1-3.26 Bowling alley *(Repealed P. A. 90-0250, eff. 1-1-96)*

5/1-3.27 Foreign Importer

"Foreign Importer" means anyone other than a non-resident dealer licensed under this Act who imports into this State, from any point outside the United States, any alcoholic liquors other than in bulk for sale to a licensed importing distributor.

(Source: P. A. 83-1254) (from Chapter 43, paragraph 95.27)

5/1-3.28 Broker

"Broker" means a person who solicits orders for or offers to sell or supply alcoholic liquors to retailers for a fee or commission, for or on behalf of a person authorized to manufacture or sell at wholesale alcoholic liquors within or without the State or (ii) a person within this State, other than a retail licensee, who, for a fee or commission, promotes, solicits, or accepts orders for alcoholic liquor, for use or consumption and not for resale, to be shipped from this State and delivered to residents outside of this State by an express company, common carrier, or contract carrier. This Section does not apply to any person who promotes, solicits, or accepts orders for wine as specifically authorized in Section 6-29 of this Act.

(Source: P. A. 90-739, eff. 8-13-98) (from Chapter 43, paragraph 95.28)

5/1-3.29 Non-resident dealer

"Non-resident dealer" means any person, firm, partnership, corporation or other legal business entity who or which exports into this State, from any point outside of this State, any alcoholic liquors for sale to Illinois licensed foreign importers or importing distributors. Such license shall be restricted to the actual manufacturer of such alcoholic liquors or the primary United States importer of such alcoholic liquors, if manufactured outside of the United States, or the duly registered agent of such manufacturer or importer. Registration of such agent with the State Commission, in such manner and form as it may prescribe, shall be a prerequisite to the issuance of such license to an agent. Any licensed Illinois manufacturer of Class 1, Class 2, or Class 3 may obtain a Non-Resident Dealer's License at no fee. A manufacturer whose production of alcoholic liquor is less than 500,000 gallons per year may obtain a Non-Resident Dealer's License for an annual fee of $75.

(Source: P. A. 82-783) (from Chapter 43, paragraph 95.29)

5/1-3.30 Special Event

"Special Event" means an event conducted by an educational, fraternal, political, civic, religious or non-profit organization.

(Source: P. A. 86-404) (from Chapter 43, paragraph 95.30)

5/1-3.31 Limited wine manufacturer

"Limited wine manufacturer" means a wine manufacturer which uses only grapes, berries, other fruits, fruit products, honey and vegetables produced or grown in Illinois, except as follows: (i) during the first 36 months of operation after first being issued a license it may use as much as 100 percent imported products; (ii) during the following 24 months it may use as much as 80 percent imported products; and (iii) thereafter it may use as much as 60 percent imported products. The maximum allowances on use of imported products may be temporarily increased in any year in which there is a crop shortage or severe drought in such percentages as determined by the Director of the Department of Agriculture.

(Source: P. A. 86-858; 86-1028) (from Chapter 43, paragraph 95.31)

5/1-3.32 Auction liquor license

"Auction liquor license" means a person who obtains prior written approval from the State Commission to sell or offer for sale at auction, on a specified date, wine or spirits for private use or consumption, or for resale by an Illinois liquor licensee in accordance with the provisions of this Act.

(Source: P. A. 88-91)

5/1-3.33 Brew pub

"Brew Pub" means a person who manufactures beer only at a designated premises to make sales to importing distributors, distributors, and to non-licensees for use and consumption only, who stores beer at the designated premises, and who is allowed to sell at retail from the licensed premises, provided that a brew pub licensee shall not sell for off-premises consumption more than 50,000 gallons per year. A person who holds a brew pub license may simultaneously hold a craft brewer license if he or she otherwise qualifies for the craft brewer license and the craft brewer license is for a location separate from the brew pub's licensed premises.

(Amended: P. A. 90-432, eff. 1-1-98; P.A. 97-5, eff. 6-1-11)

5/1-3.34 Caterer Retailer

"Caterer Retailer" means a person who serves alcoholic liquors for consumption, either on-site or off-site, whether the location is licensed or unlicensed, as an incidental part of food service. Prepared meals and alcoholic liquors are sold at a package price agreed upon under contract.

(Source: P. A. 88-91, eff. 7-14-93)

5/1-3.35 Special Use permit license

"Special use permit license" means a license for use by a retailer to allow for the transfer of alcoholic beverages from an existing licensed retail premises to a designated site for a specific event.

(Source: P. A. 89-0250, eff. 1-1-96)

5/1-3.36 Private Function

"Private Function" means a prearranged private party, function, or event for a specific social or business occasion, either by invitation or reservation and not open to the general public, where the guests in attendance are served in a room or rooms designated and used exclusively for the private party, function, or event.

(Source: P. A. 89-0250, eff. 1-1-96)

5/1-3.37 Council

"Council" means the Grape and Wine Resources Council.

(Source: P. A. 90-77, eff. 7-8-97)

5/1-3.38 Craft brewer

"Craft brewer" means a licensed brewer or licensed non-resident dealer who manufactures up to 465,000 gallons of beer per year and who may make sales and deliveries to importing distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (18) of subsection (a) of Section 3-12 of this Act.

(Source: P.A. 97-5, eff. 6-1-11; P.A. 98-401, eff. 8-16-13)

5/1-3.39 Homemade brewed beverage

"Homemade brewed beverage" means beer or any other beverage obtained by the alcoholic fermentation of an infusion or concoction of grains, sugars, or both in water and includes, but is not limited to, beer, mead, and cider made by a person 21 years of age or older, through his or her own efforts, fermented at his or her place of residence, fermented at another place of residence of a homemade brewed beverage brewer, or fermented at a premises of a commercial enterprise that is engaged primarily in selling supplies and equipment for use by home brewers and not for a commercial purpose but for consumption by that person or his or her family, neighbors, guests, and friends or for use at an exhibition, demonstration, judging, tasting, or sampling with sampling sizes as authorized by Section 6-31 of this Act or as part of a contest or competition authorized by Section 6-36 of this Act.

(Source: P.A. 98-55, eff. 7-5-13.)

Article II — Scope of Act

5/2-1 Scope of Act

No person shall manufacture, bottle, blend, sell, barter, transport, transfer into this State from a point outside this State, deliver, furnish or possess any alcoholic liquor for beverage purposes, unless such person has been issued a license by the Commission or except as permitted by Section 6-29 of this Act or except as otherwise specifically provided in this Act, provided, however, nothing herein contained shall prevent the possession and transportation of alcoholic liquor by the possessor for the personal use of the possessor, his family and guests, nor prevent the making of wine, cider or other alcoholic liquor by a person from fruits, vegetables or grains, or the products thereof, by simple fermentation and without distillation, if it is made solely for the use of the maker, his family and his guests; and provided further that nothing herein contained shall prevent any duly licensed practicing physician or dentist from possessing or using alcoholic liquor in the strict practice of his profession, or any hospital or other institution caring for sick and diseased persons, from possessing and using alcoholic liquor for the treatment of bona fide patients of such hospital or other institution; and provided further that any drug store employing a licensed pharmacist may possess and use alcoholic liquors in the concoction of prescriptions of duly licensed physicians; and provide further, that the possession and dispensation of wine by an authorized representative of any church for the purpose of conducting any bona fide rite or religious ceremony conducted by such church shall not be prohibited by this Act.

(Source: P. A. 90-739, eff. 8-13-98) (from Chapter 43, paragraph 96)

Article III — State Control Commission

Section

5/3-1	Illinois Liquor Control Commission - created
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5/3-14	Issuance of License by Commission

5/3-1 Illinois Liquor Control Commission Created

There is hereby created an Illinois Liquor Control Commission consisting of 7 members to be appointed by the Governor with the advice and consent of the Senate, no more than 4 of whom shall be members of the same political party.

(Source: P. A. 91-798, eff. 7-9-00) (from Chapter 43, paragraph 97)

5/3-2 Appointment — Terms — Vacancies

Immediately, or soon as may be after the effective date of this Act, the Governor shall appoint 3 members of the Commission, one of whom shall be designated as “Chairman”, one to hold office for a period of 2 years, one to hold office for a period of 4 years and one to hold office for a period of 6 years. Immediately, or as soon as may be after the effective date of this amendatory Act of 1983, the Governor shall appoint 2 members to the Commission to the offices created by this amendatory Act of 1983, one for an initial term expiring the third Monday in January of 1986 and one for an initial term expiring the third Monday in January of 1988. At the expiration of the term of any such Commissioner the Governor shall reappoint said Commissioner or appoint a successor of said Commissioner for a period of 6 years. The Governor shall have power to fill vacancies in the office of any Commissioner.

Notwithstanding any provision of this Section to the contrary, the term of office of each member of the Commission is abolished on the effective date of this amendatory Act of 1985, but the incumbent members shall continue to exercise all of the powers and be subject to all of the duties of members of the Commission until their respective successors are appointed and qualified. The Governor shall appoint 2 members of the Commission whose terms of office shall expire on February 1, 1986, 2 members of the Commission whose terms of office shall expire on February 1, 1988, and one member of the Commission whose term shall expire on February 1, 1990. Their respective successors shall be appointed for terms of 6 years from the first day of February of the year of appointment. Each member shall serve until his successor is appointed and qualified.
The initial term of both of the 2 additional members appointed

pursuant to this amendatory Act of the 91st General Assembly shall expire on February 1, 2006. Their respective successors shall be appointed for terms of 6 years form the first day of February of the year of appointment. Each member shall serve until his or her successor is appointed and qualified.

(Source: P. A. 91-798, eff. 7-9-00) (from Chapter 43, paragraph 98)

5/3-3 Quorum — Secretary

A majority of the Commission shall constitute a quorum to transact business, but no vacancy shall impair the right of the remaining Commissioners to exercise all of the powers of the Commission; and every act of a majority of the members of the Commission shall be deemed to be the act of the Commission. The Commission shall have a secretary who shall keep a record of all proceedings, transactions, communications and official acts of the Commission and who shall be custodian of all records and perform such other duties as the Commission may prescribe.

(Source: P. A. 82-783) (from Chapter 43, paragraph 99)

5/3-4 Inspectors, clerks, employees

The Commission shall obtain, pursuant to the provisions of the "Personnel Code" enacted by the 69th General Assembly, such inspectors, clerks and other employees as may be necessary to carry out the provisions of this Act, or to perform the duties and exercise the powers conferred by law upon the Commission.

(Source: P. A. 82-783) (from Chapter 43, paragraph 100)

5/3-5 Oath-Secretary and employees to devote entire time to duties

Each Commissioner, the secretary, and each person appointed by the Commission shall, before entering upon the duties of his office, take and subscribe to the constitutional oath of office. The secretary and each inspector, clerk and other employee shall devote his entire time to the duties of his office.

(Source: P. A. 82-783) (from Chapter 43, paragraph 101)

5/3-6 Qualifications

No person shall be appointed a Commissioner, secretary, or inspector for the Commission who is not a citizen of the United States. No Commissioner, secretary, inspector, or other employee shall be appointed who has been convicted of any violation of any Federal or State law concerning the manufacture or sale of alcoholic liquor prior or subsequent to the passage of this Act or who has paid a fine or penalty in settlement of any prosecution against him for any violation of such laws or shall have forfeited his bond to appear in court to answer charges for any such violation, nor shall any person be appointed who has been convicted of a felony. No Commissioner, inspector or other employee, may, directly or indirectly, individually or as a member of a partnership, or as a shareholder of a corporation, have any interest whatsoever in the manufacture, sale or distribution of alcoholic liquor, nor receive any compensation or profit therefrom, nor have any interest whatsoever in the purchases or sales made by the persons authorized by this Act, or to purchase or to sell alcoholic liquor. No provision of this section shall prevent any such Commissioner, secretary, inspector or other employee from purchasing and keeping in his possession for the use of himself or members of his family or guests any alcoholic liquor which may be purchased or kept by any person by virtue of this Act.

(Source: P. A. 83-1254) (from Chapter 43, paragraph 102)

5/3-7 Gifts, *etc.,* to Commissioner or employee — Penalty

No Commissioner, secretary, or person appointed or employed by the Commission, shall solicit or accept any gift, gratuity, emolument or employment from any person subject to the provisions of this Act, or from any officer, agent or employee thereof, nor solicit, request from or recommend, directly or indirectly, to any such person or to any officer, agent or employee thereof, the appointment of any person to any place or position, and every such person, and every officer, agent or employee thereof, is hereby forbidden to offer to any Commissioner, secretary, or to any person appointed or employed by the Commission, any gift, gratuity, emolument or employment. If any Commissioner, secretary or any person appointed or employed by the Commission, shall violate any of the provisions of this Section, he shall be removed from the office or employment held by him. Every person violating the provisions of this Section shall be guilty of a Class A misdemeanor.

(Source: P. A. 82-783) (from Chapter 43, paragraph 103)

5/3-8 Bonds of Commissioners and secretary

Before entering upon the duties of his office, each Commissioner shall give a bond, with surety to be approved by the Governor, in the sum of five thousand dollars ($5,000) for the faithful performance of his duties as such Commissioner. Before entering upon the duties of his office the secretary shall give a bond, with surety to be approved by the Governor, in the sum of five thousand dollars ($5,000) for the faithful performance of his duties as secretary.

(Source: P. A. 82-783) (from Chapter 43, paragraph 104)

5/3-9 Compensation of Commissioners, secretary and employees

The chairman of the Commission shall receive an annual salary of $32,000 or such greater amount as may be set by the Compensation Review Board. The other commissioners shall receive an annual salary of $28,000 or such greater amount as may be set by the Compensation Review Board. The secretary of the Commission shall receive an annual salary as set by the Compensation Review Board. All clerks, inspectors, and employees of the Commission shall receive reasonable compensation in an amount fixed by the Commission, subject to the approval in writing of the Governor.

(Source: P. A. 91-798, eff. 7-9-00) (from Chapter 43, paragraph 105)

5/3-10 Traveling and other expenses

The Commissioners, the secretary, and all clerks, inspectors and other employees shall be reimbursed for all actual and necessary traveling and other expenses and disbursements incurred or made by them in the discharge of their official duties. The Commission may also incur necessary expenses for office furniture and other incidental expenses.

(Source: P. A. 82-783) (from Chapter 43, paragraph 106)

5/3-11 Principal office — Meetings — Seal — Proceedings

The principal office of the Commission shall be in Chicago, but the Commission may, with the approval of the Governor, establish and maintain branch offices at other places. The Commission shall hold regular meetings at least once a month at its office, and may hold such special meetings as it may deem necessary at any time and at any place within the State. The Commission may, for authentication of its records, process and proceedings, adopt, keep and use a common seal, of which seal judicial notice shall be taken in all of the courts of

the State, and any process, notice or other paper which the Commission may be authorized by law to issue, shall be deemed sufficient if signed by the secretary of said Commission and authenticated by such seal; and all acts, orders, proceedings, rules, regulations, entries, minutes, and other records of said Commission, and all reports and documents filed with said Commission may be proved in any court of this State by copy thereof certified to by the secretary of said Commission with the seal of said Commission attached.

(Source: P. A. 89-0250, eff. 1-1-96) (from Chapter 43, paragraph 107)

5/3-12 Powers and duties of Commission

a The State Commission shall have the following powers, functions and duties:

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

In lieu of suspending or revoking a license, the Commission may impose a fine, upon the State Commission's determination and notice after hearing, that a licensee has violated and provision of this Act or any rule or regulation issued pursuant thereto and in effect for 30 days prior to such violation. The fine imposed under this paragraph may not exceed $500 for each violation. Each day that the activity, which gave rise to the original fine, continues is a separate violation. The maximum fine that may be levied against any licensee, for the period of the license, shall not exceed $20,000. The maximum penalty that may be imposed on a licensee for selling a bottle of alcoholic liquor with a foreign object in it or serving from a bottle of alcoholic liquor with a foreign object in it shall be the destruction of that bottle of alcoholic liquor for the first 10 bottles so sold or served from by the licensee. For the eleventh bottle of alcoholic liquor and for each third bottle thereafter sold or served from by the licensee with a foreign object in it, the maximum penalty that may be imposed on the licensee is the destruction of the bottle of alcoholic liquor and a fine of up to $50.

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

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

4 To recommend to local Commissioners rules and regulations, not inconsistent with the law, for the distribution and sale of alcoholic liquors throughout the State.

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

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

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

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

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

7 The Commission shall establish uniform systems of accounts to be kept by all retail licensees having more than 4 employees, and for this purpose the Commission may classify all retail licensees having more than 4 employees and establish a uniform system of accounts for each class and prescribe the manner in which such accounts shall be kept. The Commission may also prescribe the forms of accounts to be kept by all retail licensees having more than 4 employees, including but not limited to accounts of earnings and expenses and any distribution, payment, or other distribution of earnings or assets, and any other forms, records and memoranda which in the judgment of the Commission may be necessary or appropriate to carry out any of the provisions of this Act, including but not limited to such forms, records and memoranda as will readily and accurately disclose at all times the beneficial ownership of such retail licensed business. The accounts, forms, records and memoranda shall be available at all reasonable times for inspection by authorized representatives of the State Commission or by any local liquor control Commissioner or

by his or her authorized representative. The Commission, may, from time to time, alter, amend or repeal, in whole or in part, any uniform system of accounts, or the form and manner of keeping accounts.

8 In the conduct of any hearing authorized to be held by the Commission, to examine, or cause to be examined, under oath, any licensee, and to examine or cause to be examined the books and records of such licensee; to hear testimony and take proof material for its information in the discharge of its duties hereunder; to administer or cause to be administered oaths; and for any such purpose to issue subpoena or subpoenas to require the attendance of witnesses and the production of books, which shall be effective in any part of this State. Any Circuit Court may be order duly entered, require the attendance of witnesses and the production of relevant books subpoenaed by the State Commission and the court may compel obedience to its order by proceedings for contempt.

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

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

11 To develop industry educational programs related to responsible serving and selling, particularly in the areas of over serving consumers and illegal underage purchasing and consumption of alcoholic beverages.

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

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

13 On or before January 15, 1994, the Commission shall issue a written report to the Governor and General Assembly that is to be based on a comprehensive study of the impact on and implications for the State of Illinois of Section 1926 of the Federal ADAMHA Reorganization Act of 1992 (Public Law 102-321). This study shall address the extent to which Illinois currently complies with the provisions of P.L. 102-321 and the rules promulgated pursuant thereto. As part of its report, the Commission shall provide the following essential information:

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

(ii) the number of reported citations and successful convictions, categorized by type and location of retail distribu tor, for violation of the Sale of Tobacco to Minors Act and the Smokeless Tobacco Limitation Act;

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

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

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

The Commission shall consult with the Department of Public Health, the Department of Alcoholism and Substance Abuse, the Illinois State Police and any other executive branch agency, and private organizations that may have information relevant to this report.

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

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

A The amount of State excise and sales tax revenues generated.

B The amount of licensing fees received.

C The number of cases of wine shipped from inside and outside of this State directly to residents of this State.

D The number of alcohol compliance operations conducted.

E The number of winery shipper's licenses issued.

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

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

16 The Commission shall, in addition to notifying any appropriate law enforcement agency, submit notices of complaints or violations of Sections 6-29 and 6-29.1 by persons who do not hold a winery shipper's license under this amendatory Act to the Illinois Attorney General and

to the U.S. Department of Treasury's Alcohol and Tobacco Tax and Trade Bureau.

17 A A person licensed to make wine under the laws of an other state who has a winery shipper's license under this amendatory Act and annually produces less than 25,000 gallons of wine or a person who has a first-class or second-class wine manufacturer's license, a first-class or second-class wine-maker's license, or a limited wine manufacturer's license under this Act and annually produces less than 25,000 gallons of wine may make application to the Commission for a self-distribution exemption to allow the sale of not more than 5,000 gallons of the exemption holder's wine to retail licensees per year.

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

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

D A self-distribution exemption holder shall annually certify to the Commission its production of wine in the previous 12 months and its anticipated production and sales for the next 12 months. The Commission may fine, suspend, or revoke a self-distribution exemption after a hearing if it finds that the exemption holder has made a material misrepresentation in its application, violated a revenue or liquor law of Illinois, exceeded production of 25,000 gallons of wine in any calendar year, or become part of an affiliated group producing more than 245,000 gallons of wine or any other alcoholic liquor.

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

F The Commission shall issue regulations governing self-distribution exemptions consistent with this Section and this Act.

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

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

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

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

C Any application submitted shall be posted on the Commission's website at least 45 days prior to action by the Commission. The Commission shall approve the application for a self-distribution exemption if the craft brewer licensee: (1) is in compliance with the State, revenue, and alcoholic beverage laws; (2) is not a member of any affiliated group that manufacturers more than 930,000 gallons of beer per annum or produces any other alcoholic beverages; (3) shall not annually manufacture for sale more than 930,000 gallons of beer; and (4) shall not annually sell more than 232,500 gallons of its beer to retail licensees.

D A self-distribution exemption holder shall annually certify to the Commission its manufacture of beer during the previous 12 months and its anticipated manufacture and sales of beer for the next 12 months. The Commission may fine, suspend, or revoke a self-distribution exemption after a hearing if it finds that the exemption holder has made a material misrepresentation in its application, violated a revenue or alcoholic beverage law of Illinois, exceeded the manufacture of 930,000 gallons of beer in any calendar year or became part of an affiliated group manufacturing more than 930,000 gallons of beer or any other alcoholic beverage.

E The Commission shall issue rules and regulations governing self-distribution exemptions consistent with this Act.

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

G It is the intent of this paragraph (18) to promote and continue orderly markets. The General Assembly finds that in order to preserve Illinois' regulatory distribution

system, it is necessary to create an exception for smaller manufacturers in order to afford and allow such smaller manufacturers of beer access to the marketplace in order to develop a customer base without impairing the integrity of the 3-tier system.

b On or before April 30, 1999, the Commission shall present a written report to the Governor and the General Assembly that shall be based on a study of the impact of this amendatory Act of 1998 on the business of soliciting, selling, and shipping alcoholic liquor from outside of this State directly to residents of this State. A part of its report, the Commission shall provide the following information:

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

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

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

(Source: P. A. 95-634, eff. 6-1-08; 96-179, eff. 8-10-09; 96-446, eff. 1-1-10; 96-1000, eff. 7-2-10; 97-5, eff. 6-1-11; 98-401, eff. 8-16-13)

5/3-13 Administrative Procedure Act — Application

The provisions of "The Illinois Administrative Procedure Act", as now or hereafter amended, are hereby expressly adopted and incorporated herein as though a part of this Act, and shall apply to all administrative rules and procedures of the State Commission under this Act.

(Source: P. A. 82-783) (from Chapter 43, paragraph 108a)

5/3-14 Issuance of License by Commission

Nothing contained in this Act shall, however, be construed to permit the State Commission to issue any license, other than manufacturer's, foreign importer's, importing distributor's, non-resident dealer's, and distributor's, broker's and non-beverage user's license for any premises in any prohibited territory, or to issue any license other than manufacturer's, foreign importer's, importing distributor's, non-resident dealer's, distributor's, railroad's, airplane's, boat's, or broker's license, auction liquor license, or non-beverage user's license, unless the person applying for such license shall have obtained a local license for the same premises. When such person has obtained a local license and has made application to the State Commission in conformity with this Act and paid the license fee provided, it shall be the duty of the State Commission to issue a retailer's license to him; provided, however, that the State Commission may refuse the issuance or renewal of a retailer's license, upon notice and after hearing, upon the grounds authorized in Section 6-3 of this Act, and, provided further, that the issuance of such license shall not prejudice the State Commission's action in subsequently suspending or revoking such license if it is determined by the State Commission, upon notice and after hearing, that the licensee has, within the same or the preceding license period, violated any provision of this Act or any rule or regulation issued pursuant thereto and in effect for 30 days prior to such violation. The Commission may also refuse to renew a license if the licensee has failed to pay an offer in compromise, pre-disciplinary settlement, or a fine imposed by order.

(Source: P. A. 89-0250, eff. 1-1-96) (from Chapter 43, paragraph 109)

Article IV — Local Control

Section

5/4-1	Jurisdiction over Retail Selling in City Councils, Boards of Trustees, and County Boards — Minors
5/4-2	Local Liquor Control Commissioner
5/4-3	Compensation of Local Liquor Control Commissioner and Assistants
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5/4-7	Fingerprints — Fee

5/4-1 Jurisdiction over Retail Selling in City Councils, Boards of Trustees and County Boards — Minors

In every city, village or incorporated town, the city council or president and board of trustees, and in counties in respect of territory outside the limits of any such city, village or incorporated town the county board shall have the power by general ordinance or resolution to determine the number, kind and classification of licenses, for sale at retail of alcoholic liquor not inconsistent with this Act and the amount of the local licensee fees to be paid for the various kinds of licenses to be issued in their political subdivision, except those issued to the specific non-beverage users exempt from payment of license fees under Section 5-3 which shall be issued without payment of any local license fees, and the manner of distribution of such fees after their collection; to regulate or prohibit the presence of persons under the age of 21 on the premises of licensed retail establishments of various kinds and classifications where alcoholic liquor is drawn, poured, mixed or otherwise served for consumption on the premises; to prohibit any minor from drawing, pouring, or mixing any alcoholic liquor as an employee of any retail licensee; and to prohibit any minor from at any time attending any bar and from drawing, pouring or mixing any alcoholic liquor in any licensed retail premises; and to establish such further regulations and restrictions upon the issuance of and operations under local licenses not inconsistent with law as the public good and convenience may require; and to provide penalties for the violation of regulations and restrictions, including those made by county boards, relative to operation under local licenses; provided, however, that in the exercise of any of the powers granted in this section, the issuance of such licenses shall not be prohibited except for reasons specifically enumerated in Sections 6-2, 6-11, 6-12 and 6-25 of this Act.

However, in any municipality with a population exceeding 1,000,000 that has adopted the form of government authorized under "An Act concerning cities, villages, and incorporated towns, and to repeal certain Acts herein named", approved August 15, 1941, as amended, no person shall be granted any license or privilege to sell alcoholic liquors between the hours of two o'clock a.m. and seven o'clock a.m. on week days nor between the hours of three o'clock a. m. and twelve o'clock noon on Sundays unless such person has given at least 14 days prior written notice to the alderman of the ward in which such person's licensed premises are located stating his intention to make application for such license or privilege and unless evidence confirming service of such written notice is included in such application. Any license or privilege granted in violation of this paragraph shall be null and void.

(Source: P. A. 85-156) (from Chapter 43, paragraph 110)

5/4-2 Local Liquor Commissioner

The mayor or president of the board of trustees of each city, village or incorporated town or his or her designee, and the president or chairman of the county board or his or her designee, shall be the local liquor control commissioner for their respective cities, villages, incorporated towns and counties, and shall be charged with the administration in their respective jurisdictions of the appropriate provisions of this Act and of such ordinances and resolutions relating to alcoholic liquor as may be enacted; but the authority of the president or chairman of the county board or his or her designee shall extend only to that area in any county which lies outside the corporate limits of the cities, villages and incorporated towns therein and those areas which are owned by the county and are within the corporate limits of the cities, villages and incorporated towns with a population of less than 1,000,000, however, such county shall comply with the operating rules of the municipal ordinances affected when issuing their own licenses. However, such mayor, president of the board of trustees or president or chairman of the county board or his or her designee may appoint a person or persons to assist him in the exercise of the powers and the performance of the duties herein provided for such local liquor control commissioner. Notwithstanding any other provision of this Section to the contrary, the mayor of a city with a population of 55,000 or less or the president of a village with a population of 55,000 or less that has an interest in the manufacture, sale, or distribution of alcoholic liquor must direct the council or board over which he or she presides to appoint, by majority vote, a person other than him or her to serve as the local liquor control commissioner. The appointment must be made within 30 days from the day on which the mayor or president takes office, and the mayor or president cannot make nominations or serve any other role in the appointment. To prevent any conflict of interest, the mayor or president with the interest in the manufacture, sale, or distribution of alcoholic liquor shall not participate in any meetings, hearings, or decisions on matters impacting the manufacture, sale, or distribution of alcoholic liquor. Further, the appointee (i) shall be an attorney with an active license to practice law in the State of Illinois, (ii) shall not legally represent liquor license applicants or holders before the jurisdiction over which he or she presides as local liquor control commissioner or before an adjacent jurisdiction, (iii) shall not have an interest in the manufacture, sale, or distribution of alcoholic liquor, and (iv) shall not be appointed to a term to exceed the term of the mayor, president, or members of the council or board.

(Source: P. A. 94-747, eff. 5-8-06; 97-1059 eff. 8-24-12; 98-10, eff. 5-6-13)

5/4-3 Compensation of Local Liquor Control Commissioner and Assistants

The city council of each city and the president and board of trustees of each village and incorporated town and the county board are authorized to fix and pay compensation to the local liquor control Commissioner of the particular city, village, in-corporated town or county, as the case may be, and compensation to such deputies, assistants or employees as may be deemed necessary for the proper performance of the duties vested in him.

(Source: P. A. 82-783) (from Chapter 43, paragraph 111a)

5/4-4 Powers of Local Commissioners

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

1. To grant and or suspend for not more than thirty days or revoke for cause all local licenses issued to persons for premises within his jurisdiction;
2. To enter or to authorize any law enforcing officer to enter at any time upon any premises licensed hereunder to determine whether any of the provisions of this Act or any rules or regulations adopted by him or by the State Commission have been or are being violated, and at such time to examine said premises of said licensee in connection therewith;
3. To notify the Secretary of State where a club incorporated under the General Not for Profit Corporation Act of 1986 or a foreign corporation functioning as a club in this State under a certificate of authority issued under that Act has violated this Act by selling or offering for sale at retail alcoholic liquors without a license;
4. To receive complaint from any citizen within his jurisdiction that any of the provisions of this Act, or any rules or regulations adopted pursuant hereto, have been or are being violated and to act upon such complaints in the manner hereinafter provided;
5. To receive local license fees and pay the same forthwith to the city, village, town or county treasurer as the case may be.

Each local liquor commissioner also has the duty to notify the Secretary of State of any convictions or dispositions of court supervision for a violation of Section 6-20 of this Act or a similar provision of a local ordinance. In counties and municipalities, the local liquor control commissioners shall also have the power to levy fines in accordance with Section 7-5 of this Act.

(Source: P. A. 95-166; eff. 1-1-08) (from Chapter 43, paragraph 111)

5/4-5 Examination of Applicant for Local License

The local liquor control commissioner shall have the right to examine, or cause to be examined, under oath, any applicant for a local license or for a renewal thereof, or any licensee upon whom notice of revocation or suspension has been served in the manner hereinafter provided, and to examine or cause to be examined, the books and records of any such applicant or licensee; to hear testimony and take proof for his information in the performance of his duties, and for such purpose to issue subpoenas which shall be effective in any part of this State. For the purpose of obtaining any of the information desired by the local liquor control commissioner under this section, he may authorize his agent to act on his behalf.

(Source: P. A. 82-783) (from Chapter 43, paragraph 113)

5/4-6 "Local Liquor Control Commissioner" to include Agency

When, in this Act, the local liquor control commissioner shall be referred to, it shall include any committee or other agency appointed by such local liquor control commissioner.

5/4-7 Fingerprints — Fee

The local liquor control commissioner shall have the right to require fingerprints of any applicant for a local license or for a renewal thereof other than an applicant who is an air carrier operating under a certificate or a foreign air permit issued pursuant to the Federal Aviation Act of 1958. Each applicant shall submit his or her fingerprints to the Department of State Police in the form and manner prescribed by the Department of State Police. These fingerprints shall be checked against the fingerprint records now and hereafter filed in the Department of State Police and Federal Bureau of Investigation criminal history records databases. The Department of State Police shall charge a fee for conducting the criminal history records check, which shall be deposited in the State Police Services Fund and shall not exceed the actual cost of the records check. The Department of State Police shall furnish pursuant to positive identification, records of conviction to the local liquor control commissioner. For purposes of obtaining fingerprints under this Section, the local liquor commissioner shall collect a fee and forward the fee to the appropriate policing body who shall submit the fingerprints and the fee to the Illinois Department of State Police.

(Source: P. A. 93-418, eff. 1-1-04) (from Chapter 43, paragraph 114a)

Article V — Licenses

Section

5/5-1 Licenses Issued by Illinois Liquor Control Commission

5/5-2 Duration of License — Classification

5/5-3 License Fees

5/5-4 Duplicate License — Fee

5/5-5 Late Filing Fees

5/5-6 FDA grant funds.

5/5-1 Licenses issued by Illinois Liquor Control Commission

Licenses issued by the Illinois Liquor Control Commission shall be of the following classes:

- **a** Manufacturer's license — **Class 1**. Distiller; **Class 2**. Rectifier; **Class 3**. Brewer; **Class 4**. First Class Wine Manufacturer; **Class 5**. Second Class Wine Manufacturer; **Class 6**. First Class Wine maker; **Class 7**. Second Class Wine maker; **Class 8**. Limited Wine Manufacturer. **Class 9**. Craft Distiller. **Class 10**. Craft Brewer.
- **b** Distributor's license
- **c** Importing Distributor's license
- **d** Retailer's license
- **e** Special Event Retailer's license (not-for-profit)
- **f** Railroad license
- **g** Boat license
- **h** Non-Beverage User's license
- **i** Wine-maker's premises license
- **j** Airplane license
- **k** Foreign importer's license
- **l** Broker's license
- **m** Non-resident dealer's license
- **n** Brew Pub license
- **o** Caterer retailer license
- **p** Auction liquor license
- **q** Special use permit license
- **r** Winery shipper's license

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

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

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

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

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

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

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

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

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

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

Class 9 A craft distiller license shall allow the manufacture of up to 30,000 gallons of spirits by distillation for one year after the effective date of this amendatory Act of the 97th General Assembly and up to 35,000 gallons of spirits by distillation per year thereafter and the storage of such spirits. If a craft distiller licensee is not affiliated with any other manufacturer, then the craft distiller licensee may sell such spirits to distributors in this State and up to 2,500 gallons of such spirits to non-licensees to the extent permitted by any exemption approved by the Commission pursuant to Section 6-4 of this Act. Any craft distiller licensed under this Act who on the effective date of this amendatory Act of the 96th General Assembly was licensed as a distiller and manufactured no more spirits than permitted by this Section shall not be required to pay the initial licensing fee.

Class 10 A craft brewer's license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 930,000 gallons of beer per year. A craft brewer licensee may make sales and deliveries to importing distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (18) of subsection (a) of Section 3-12 of this Act.

a-1 A manufacturer which is licensed in this State to make sales or deliveries of alcoholic liquor to licensed distributors or importing

distributors and which enlists agents, representatives, or indi viduals acting on its behalf who contact licensed retailers on a regular and continual basis in this State must register those agents, representatives, or persons acting on its behalf with the State Commission.

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

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

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

d A retailer's license shall allow the licensee to sell and offer for sale at retail, only in the premises specified in the license, alcoholic liquor for use or consumption, but not for resale in any form: Nothing in this amendatory Act of the 95th General Assembly shall deny, limit, remove, or restrict the ability of a holder of a retailer's license to transfer, deliver, or ship alcoholic liquor to the purchaser for use or consumption subject to any applicable local law or ordinance. Any retail license issued to a manufaturer shall only permit the manufacturer to sell beer at retail on the premises actually occupied by the manufacturer. For the purpose of further describing the type of business conducted at a retail licensed premises, a retailer's licensee may be designated by the State Commission as (i) an on premise consumption retailer, (ii) an off premise sale retailer, or (iii) a combined on premise consumption and off premise sale retailer. Notwithstanding any other provision of this subsection (d), a retail licensee may sell alcoholic liquors to a special event retailer licensee for resale to the extent permitted under subsection (e)

e A special event retailer's license (not-for-profit) shall permit the licensee to purchase alcoholic liquors from an Illinois licensed distributor (unless the licensee purchases less than $500 of alcoholic liquors for the special event, in which case the licensee may purchase the alcoholic liquors from a licensed retailer) and shall allow the licensee to sell and offer for sale, at retail, alcoholic liquors for use or consumption, but not for resale in any form and only at the location and on the specific dates designated for the special event in the license. An applicant for a special event retailer license must (i) furnish with the application: (A) a resale number issued under Section 2c of the Retailers' Occupation Tax Act or evidence that the applicant is registered under Section 2a of the Retailers' Occupation Tax Act, (B) a current, valid exemption identification number issued under Section 1q of the Retailers' Occupation Tax Act, and a certification to the Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a statement that the applicant is not registered under Section 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers' Occupation Tax Act, and does not hold an exemption number under Section 1q of the Retailers' Occupation Tax Act, in which event the Commission shall set forth on the special event retailer's license a statement to that effect; (ii) submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance in the maximum limits; and (iii) shop proof satisfactory to the State Commission that the applicant has obtained local authority approval.

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

g A boat license shall allow the sale of alcoholic liquor in individual drinks, on any passenger boat regularly operated as a common carrier on navigable waters in this State, which boat maintains a public dining room or restaurant thereon.

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

Class 1, not to exceed . . . . . 500 gallons

Class 2, not to exceed . . . . . 1,000 gallons

Class 3, not to exceed . . . . . 5,000 gallons

Class 4, not to exceed . . . . . 10,000 gallons

Class 5, not to exceed . . . . . 50,000 gallons

i A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license not more than 50,000 gallons of the first-class wine-maker's wine that is made at the first-class wine-maker's licensed premises per year for use or consumption, but not for resale in any form. A wine-maker's premises license shall allow a licensee who concurrently holds a second-class wine-maker's licensee to sell and offer for sale at retail in the premises specified in such license up to 100,000 gallons of the second-class wine-maker's wine that is made at the second-class wine-maker's licensed premises per year for use or consumption but not for resale in any form. Upon approval from the State Commission, a wine-maker's premises license shall allow the licensee to sell and offer for sale at (i) the wine-maker's licensed premises and (ii) at up to 2 additional locations for use and consumption and not for resale. Each location shall require additional licensing per location as specified in Section 5-3 of the Act. A wine-maker's premises licensee shall secure liquor liability insurance coverage in an amount at least equal to the maximum liability amounts set forth in subsection (a) of Section 6-21 of this Act.

j An airplane license shall permit the licensee to import alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic liquors in this State; to make wholesale purchases of alcoholic liquors directly from manufacturers, foreign importers, distributors and importing distributors from within or outside this State; and to store such alcoholic liquors in this State; provided that the above powers may be exercised only in connection with the importation, purchase or storage of alcoholic liquors to be sold or dispensed on an airplane; and provided further, that airplane licensees exercising the above powers shall be subject to all provisions of Article VIII of this Act as applied to importing distributors. An airplane licensee shall also permit the sale or dispensing of alcoholic liquors on any passenger airplane regularly operated by a common carrier in this State, but shall not permit the sale for resale of any alcoholic liquors to any licensee within this State. A single airplane license shall be required of an air line company if liquor service is provided on board aircraft in this State. The annual fee for such license shall be as determined in Section 5-3.

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

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

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

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

ii A broker's license shall be required of a person within this State, other than a retail licensee, who, for a fee or commission, promotes, solicits, or accepts orders for alcoholic liquor, for use or consumption and not for resale, to be shipped from this State and delivered to residents outside of this State by an express company, common carrier, or contract carrier. This Section does not apply to any person who promotes, solicits, or accepts orders for wine as specifically authorized in Section 6-29 of this Act. A broker's license under this subsection (l) shall not entitle the holder to buy or sell any alcoholic liquors for his own account or to take or deliver title to such alcoholic liquors.

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

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

m A non-resident dealer's license shall permit such licensee to ship into and warehouse alcoholic liquor into this State from any point outside of this State, and to sell such alcoholic liquor to Illinois licensed foreign importers and importing distributors and to no one else in this State; provided that (i) said non-resident dealer shall register with the Illinois Liquor Control Commission each and every brand of alcoholic liquor which it proposes to sell to Illinois licensees during the license period, (ii) it shall comply with all of the provisions of Section 6-9 hereof with respect to registration of such Illinois licensees as may be granted the right to sell such brands at wholesale. Sections 6-5 and 6-6 of this Act to the same extent that these provisions apply to manufacturers.

n A brew pub license shall allow the licensee (i) to manufacture beer only on the premises specified in the license, (ii) to make sales of the beer manufactured on the premises or, with the approval of the Commission, beer manufactured on another

brew pub licensed premises that is substantially owned and operated by the same licensee to importing distributors, distributors, and to non-licensees for use and consumption, (iii) to store the beer upon the premises, and (iv) to sell and offer for sale at retail from the licensed premises, provided that a brew pub licensee shall not sell for off-premises consumption more than 50,000 gallons per year. A person who holds a brew pub license may simultaneously hold a craft brewer license if he or she otherwise qualifies for the craft brewer license and the craft brewer license is for a location separate from the brew pub's licensed premises. A brew pub license shall permit a person who has received prior approval from the Commission to annually transfer no more than a total of 50,000 gallons of beer manufactured on premises to all other licensed brew pubs that are substantially owned and operated by the same person.

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

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

q A special use permit license shall allow an Illinois licensed retailer to transfer a portion of its alcoholic liquor inventory from its retail licensed premises to the premises specified in the license hereby created, and to sell or offer for sale at retail, only in the premises specified in the license hereby created, the transferred alcoholic liquor for use or consumption, but not for resale in any form. A special use permit license may be granted for the following time periods: one day or less; 2 or more days to a maximum of 15 days per location in any 12 month period. An applicant for the special use permit license must also submit with the application proof satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits and have local authority approval.

r A winery shipper's license shall allow a person with a first-class or second-class wine manufacturer's license, a first-class or second-class wine-maker's license, or a limited wine manufacturer's license or who is licensed to make wine under the laws of another state to ship wine made by that licensee 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. Prior to receiving a winery shipper's license, an applicant for the license must provide the Commission with a true copy of its current license in any state in which it is licensed as a manufacturer of wine. An applicant for a winery shipper's license must also complete an application form that provides any other information the Commission deems necessary. The application form shall include an acknowledgement consenting to the jurisdiction of the Commission, the Illinois Department of Revenue, and the courts of this State concerning the enforcement of this Act and any related laws, rules, and regulations, including authorizing the Department of Revenue and the Commission to conduct audits for the purpose of ensuring compliance with this amendatory Act.

A winery shipper licensee must pay to the Department of Revenue the State liquor gallonage tax under Section 8-1 for all wine that is sold by the licensee and shipped to a person in this State. For the purposes of Section 8-1, a winery shipper licensee shall be taxed in the same manner as a manufacture of wine. A licensee who is not otherwise required to register under the Retailers' Occupation Tax Act must register under the Use Tax Act to collect and remit use tax to the Department of Revenue for all gallons of wine that are sold by the licensee and shipped to persons in this State. If a licensee fails to remit the tax imposed under this Act in accordance with the provisions of Article VIII of this Act, the winery shipper's license shall be revoked in accordance with the provisions of Article VII of this Act. If a licensee fails to properly register and remit tax under the Use Tax Act or the Retailers' Occupation Tax Act for all wine that is sold by the winery shipper and shipped to persons in this State, the winery shipper's license shall be revoked in accordance with the provisions of Article VII of this Act.

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

(Source: P. A. 95-331, eff. 8-21-07; 95-634, eff. 6-1-08; 95-769, eff. 7-29-08; 96-1367, eff. 7-28-10; 97-5, eff. 6-1-11; 97-455, eff. 8-19-11; 97-813, eff. 7-13-12; 97-1166, eff. 3-1-13)

5/5-2 Duration of License — Classification

All licenses, except a non-beverage user's, a special use permit, and a special event retailer's license, issued by the State Commission, shall be valid from the date of issuance through the last day of the eleventh month that begins after the month in which the license is issued unless sooner revoked or suspended as provided in this Act. A non-beverage user's license shall expire only when the quantity of alcoholic liquor which may be purchased under it has been exhausted. A special use permit license and a special event retailer's license (not-for-profit) shall be issued for a specific time period, not to exceed 15 days per licensee per location in any 12 month period. Licenses shall state thereon the class to which they belong, the names of the licensees and the addresses and description of the premises for which they are granted, or in the case of caterer retailers, auctions, railroads, airplanes and boats, a designation thereof by number or name; and shall state the dates of their issuance and expiration.

(Source: P. A.93-627, eff. 6-1-04) (from Chapter 43, paragraph 117)

5/5-3 License Fees

Except as otherwise provided herein, at the time application is made to the State Commission for a license of any class, the applicant shall pay to the State Commission the fee hereinafter provided for the kind of license applied for. The fee for licenses issued by the State Commission shall be as follows:

For a manufacturer's license:

Class 1	Distiller	$3,600
Class 2	Rectifier	3,600
Class 3	Brewer	900

Class 4	First-class Wine Manufacturer	600
Class 5	Second-class Wine Manufacturer	1,200
Class 6	First-class wine-maker	600
Class 7	Second-class wine-maker	1,200
Class 8	Limited Wine Manufacturer	120
Class 9	Craft Distiller	1,800
Class 10	Craft Brewer	25

For a Brew Pub License 1,050

For a caterer retailer's license 200

For a foreign importer's license 25

For an importing distributor's license 25

For a distributor's license 270

For a non-resident dealer's license
(500,000 gallons or over) 270

For a non-resident dealer's license
(under 500,000 gallons) 90

For a wine-maker's premises license
(under 250,000 gallons) 150

(250,000 or over, but under 500,000 gallons) 500

(500,000 gallons or over) 1,000

For a winery shipper's license
(under 250,000 gallons) 150

For a winery shipper's license
(250,000 or over, but under 500,000 gallons). 500

For a winery shipper's license
(500,000 gallons or over) 1,000

For a wine-maker's premises license,
second location 350

For a wine-maker's premises license,
third location 350

For a retailer's license 500

For a special event retailer's license,
(not-for-profit) 25

For a special use permit license, one day only 50

2 days or more 100

For a railroad license 60

For a boat license 180

For an airplane license 60

times the licensee's maximum number of aircraft in flight, serving liquor over the State at any given time, which either originate, terminate or make an intermediate stop in the State.

For a non-beverage user's license:

Class 1	24
Class 2	60
Class 3	120
Class 4	240
Class 5	600

For a broker's license 600

For an auction liquor license 50

For a homebrewer special event permit. 25

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

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

a Hospitals, sanitariums, or clinics when their use of alcoholic liquor is exclusively medicinal, mechanical or scientific.

b Universities, colleges of learning or schools when their use of alcoholic liquor is exclusively medicinal, mechanical or scientific.

c Laboratories when their use is exclusively for the purpose of scientific research.

(Source: P. A. 95-634, eff. 6-1-08; 96-1367, eff. 7-28-10; 97-5, eff. 6-1-11; 98-55, eff. 7-5-13) (from Chapter 43, paragraph 118)

5/5-4 Duplicate License — Fee

In the event of the loss or destruction of a license issued pursuant to this Article the State Commission, upon written application stating such fact and accompanied by the required fee, shall issue a duplicate of such license. A duplicate license must also be obtained if a licensee is transferring a license pursuant to Section 7-14. The fee for the issuance of a duplicate license shall be $12 if the original license fee was $200 or less, and $24 if the original license fee was more than $200.

(Source: P. A. 89-0250, eff. 1-1-96) (from Chapter 43, paragraph 118.1)

5/5-5 Late Filing Fees

Late filing fees. In the event that a liquor license holder fails to submit a license renewal application to the Commission before or on the expiration date of the current license, the licensee will be assessed a late filing fee of $25. Late applications and instruments of payment will be returned to the licensee. Late filing fees will be in addition to any fines or penalties ordered for operating without a valid license.

(Source: P. A. 88-91)

5/5-6 FDA grant funds

Grant funds received from the Food and Drug Administration of the U.S. Department of Health and Human Services for conducting unannounced investigations of Illinois tobacco vendors shall be deposited into the Dram Shop Fund.

(Source: P. A. 90-9, eff. 7-1-97)

Article VI — General Provisions

Section

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5/6-1 Privilege granted by License — Nature as to Property — Transferability — Tax Delinquencies

A license shall be purely a personal privilege, good for not to exceed one year after issuance, except a non-beverage user's license, unless sooner revoked as in this Act provided, and shall not constitute property, nor shall it be subject to attachment, garnishment or execution, nor shall it be alienable or transferable, voluntarily or involuntarily, or subject to being encumbered or hypothecated. Such license shall not descend by the laws of testate or intestate devolution, but it shall cease upon the death of the licensee, provided that executors or administrators of the estate of any deceased licensee, and the trustee of any insolvent or bankrupt licensee, when such estate consists in part of alcoholic liquor, may continue the business of the sale or manufacture of alcoholic liquor under order of the appropriate court, and may exercise the privileges of the deceased or insolvent or bankrupt licensee after the death of such decedent, or such insolvency or bankruptcy until the expiration of such license but not longer than six months after the death, bankruptcy or insolvency of such licensee. Except in the case of a non-beverage user's license, a refund shall be made of that portion of the license fees paid for any period in which the licensee shall be prevented from operating under such license in accordance with the provisions of this paragraph.

Any licensee may renew his license at the expiration thereof, provided he is then qualified to receive a license and the premises for which such renewal license is sought are suitable for such purpose; and provided further that the renewal privilege herein provided for shall not be construed as a vested right which shall in any case prevent the city council or village president and board of trustees or county board, as the case may be, from decreasing the number of licenses to be issued within its jurisdiction. No retailer's license shall be renewed if the Department of Revenue has reported to the Illinois Liquor Control Commission that such retailer is delinquent in filing any required tax returns or paying any amounts owed to the State of Illinois until the applicant is issued a certificate by the Department of Revenue stating that all delinquent returns or amounts owed have been paid by guaranteed remittance or the payment agreement to pay all amounts owed has been accepted by the Department. No retailer's license issued by a local liquor control commissioner shall

be renewed unless the applicant provides documentation that any tax owed to (i) the municipality in which the applicant is located (in the case of a license issued by the mayor or president of the board of trustees of a city, village or incorporated town acting as local liquor control commissioner) or (ii) the county in which the applicant is located (in the case of a license issued by the president or chairman of a county board acting as local liquor control commissioner) by the applicant has been satisfied by payment in the form of a cashier's check, certified check, money order, or cash.

A negotiable instrument received as payment for a license fee, transfer fee, late fee, offer in compromise, pre-disciplinary conference settlement, or fine imposed by order that is dishonored on presentation shall not be considered payment and shall be cause for disciplinary action.

(Source: P. A. 89-0250, eff. 1-1-96; P.A. 91-357, eff. 7-29-99) (from Chapter 43, paragraph 119)

5/6-1.5 Three-tier regulatory system; public policy and rule of statutory construction

The General Assembly hereby restates that it is the policy of this State that the primary purpose of this Act is to protect the health, safety, and welfare of this State through the sound and careful control and regulation of the manufacture, distribution, and sale of alcoholic liquor through a 3-tier regulatory system. To ensure and maintain a 3-tier regulatory system, the General Assembly finds that it is the obligation and duty of the State Commission to construe the provisions of this Act in a manner that conforms to State policy and this Act's primary purpose as articulated in this Section and to exercise its statutory authority in a manner consistent with that purpose whether or not the provisions of this Act are unambiguous or capable of one or more reasonable constructions.

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

5/6-2 Persons Ineligible to be Licensed

Issuance of licenses to certain persons prohibited.

a Except as otherwise provided in subsection (b), no license of any kind issued by the State Commission or any local commission shall be issued to:

1 A person who is not a resident of any city, village or county in which the premises covered by the license are located; except in case of railroad or boat licenses.

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

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

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

5 A person who has been convicted of keeping a place of prostitution or keeping a place of juvenile prostitution, promoting prostitution that involves keeping a place of prostitution, or promoting juvenile prostitution that involves keeping a place of juvenile prostitution.

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

7 A person whose license issued under this Act has been revoked for cause.

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

9 A copartnership, if any general partnership thereof, or any limited partnership thereof, owning more than 5 percent of the aggregate limited partner interest in such copartnership would not be eligible to receive a license hereunder for any reason other than residence within the political subdivision, unless residency is required by local ordinance.

10 A corporation, if any officer, manager or director thereof, or any stockholder or stockholders owning in the aggregate more than 5 percent of the stock of such corporation, would not be eligible to receive a license hereunder for any reason other than citizenship and residence within the political subdivision.

10a A corporation or limited liability company unless it is incorporated or organized in Illinois, or unless it is a foreign corporation or foreign limited liability company which is qualified under the Business Corporation Act of 1983 or the Limited Liability Company Act to transact business in Illinois. The Commission shall permit and accept from an applicant for a license under this Act proof prepared from the Secretary of State's website that the corporation or limited liability company is in good standing and is qualified under the Business Corporation Act of 1983 or the Limited Liability Company Act to transact business in Illinois.

11 A person whose place of business is conducted by a manager or agent unless the manager or agent possess the same qualifications required by the licensee.

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

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

14 Any law enforcing public official, including members of local liquor control commissions, any mayor, alderman, or member of the city council or commission, any president of the village board of trustees, any member of a village board of trustees, or any president or member of a county board; and no such official shall be interested directly in the manufacture, sale or distribution of alcoholic liquor, except that license may be granted to such official in relation to premises that are not located within the territory subject to the jurisdiction of that official if the issuance of such license is approved by the State Liquor Control Commission and except that a license may be granted, in a city or village with a population of 55,000 or less, to any alderman, member of a city council, or a member of a village board of trustees in relation to premises that are located within the territory subject to the jurisdiction of that official if (i) the sale of alcoholic liquor pursuant to the license is incidental to the selling of food, (ii) the issuance of the license is approved by the State Commission, (iii) the issuance of the license is in accordance with all applicable local ordinances in effect where the premises are located, and (iv) the official granted a license does not vote on alcoholic liquor issues pending before the board or council to which

the license holder is elected.Notwithstanding any provision of this paragraph (14) to the contrary, an alderman or member of a city council or commission, a member of a village board of trustees other than the president of the village board of trustees, or a member of a county board other than the president of a county board may have a direct interest in the manufacture, sale, or distribution of alcoholic liquor as long as he or she is not a law enforcing public official, a mayor, a village board president, or president of a county board. To prevent any conflict of interest, the elected official with the direct interest in the manufacture, sale, or distribution of alcoholic liquor shall not participate in any meetings, hearings, or decisions on matters impacting the manufacture, sale, or distribution of alcoholic liquor. Furthermore, the mayor of a city with a population of 55,000 or less or the president of a village with a population of 55,000 or less may have an interest in the manufacture, sale, or distribution of alcoholic liquor as long as the council or board over which he or she presides has made a local liquor control commissioner appointment that complies with the requirements of Section 4-2 of this Act.

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

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

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

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

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

(Source: P. A. 92-378, eff. 8-16-01; P.A. 93-0266, eff. 1-1-04; P.A. 95-331, eff. 8-21-07; P.A. 96-1551, eff. 7-1-11; P.A. 97-1059, eff. 8-24-12; 97-1150, eff. 1-25-13; 98-10, eff. 5-6-13)
(from Chapter 43, paragraph 120)

5/6-3 Violation of Tax Acts — Refused, Revocation or Suspension of License

a In addition to other grounds specified in this Act, the State Commission or the local liquor control commissioner, on complaint of the Department, shall refuse the issuance or renewal of a license, or suspend or revoke the license, of any person, for any of the following violations of any tax Act administered by the Department:

1 Failure to make a tax return.

2 The filing of a fraudulent return.

3 Failure to pay all or part of any tax or penalty finally determined to be due.

4 Failure to keep books and records.

5 Failure to secure and display a certificate or sub-certificates of registration, if required.

6 Wilful violation of any rule or regulation of the Department relating to the administration and enforcement of tax liability.

b Upon receiving notice from the Department that a violation of any of items 1 through 6 of subsection (a) have been corrected or otherwise resolved to the Department's satisfaction, the Commission may vacate an Order Of Revocation.

(Source: P. A. 89-0250, eff. 1-1-96) (from Chapter 43, paragraph 120a)

5/6-4 Retail Sales by Distillers, Manufacturers, Subsidiaries or Affiliates — Prohibited Transactions and Interests — Exemptions

a No person licensed by any licensing authority as a distiller, or a wine manufacturer, or any subsidiary or affiliate thereof, or any officer, associate, member, partner, representative, employee, agent or shareholder owning more than 5 percent of the outstanding shares of such person shall be issued an importing distributor's or distributor's license, nor shall any person licensed by any licensing authority as an importing distributor, distributor or retailer, or any subsidiary or affiliate thereof, or any officer or associate, member, partner, representative, employee, agent or shareholder owning more than 5 percent of the outstanding shares of such person be issued a distiller's license or a wine manufacturer's license; and no person or persons licensed as a distiller by any licensing authority shall have any interest, directly or indirectly, with such distributor or importing distributor.

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

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

c Provided, however, that in such instances where a distributor's or importing distributor's license has been issued to any distiller or wine manufacturer or to any subsidiary or affiliate of any distiller or wine manufacturer who has, during the licensing period ending June 30, 1947, sold or distributed as such

licensed distributor or importing distributor alcoholic liquors and wines to retailers, such distiller or wine manufacturer or any subsidiary or affiliate of any distiller or wine manufacturer holding such distributor's or importing distributor's license may continue to sell or distribute to retailers such alcoholic liquors and wines which are manufactured, distilled, processed or marketed by distillers and wine manufacturers whose products it sold or distributed to retailers during the whole or any part of its licensing periods; and such additional brands and additional products may be added to the line of such distributor or importing distributor, provided, that such brands and such products were not sold or distributed by any distributor or importing distributor licensed by the State Commission during the licensing period ending June 30, 1947, but can not sell or distribute to retailers any other alcoholic liquors or wines.

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

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

A person licensed as a craft distiller not affiliated with any other person manufacturing spirits may be authorized by the Commission to sell up to 2,500 gallons of spirits produced by the person to non-licensees for on or off-premises consumption for the premises in which he or she actually conducts business permitting only the retail sale of spirits manufactured at such premises. Such sales shall be limited to on-premises, in-person sales only, for lawful consumption on or off premises, and such authorization shall be considered a privilege granted by the craft distiller license. A craft distiller licensed for retail sale shall secure liquor liability insurance coverage in an amount at least equal to the maximum liability amounts set forth in subsection (a) of Section 6-21 of this Act.

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

i to any hotel, motel or restaurant whose principal business is not the sale of alcoholic liquors if said retailer's sales of any alcoholic liquors manufactured, sold, distributed or controlled, directly or indirectly, by any affiliate, subsidiary, officer, associate, member, partner, representative, employee, agent or shareholder owning more than 5 percent of the outstanding shares of such person does not exceed 10 percent of the total alcoholic liquor sales of said retail licensee; and

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

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

(Source: P. A. 95-634, eff. 6-1-08; 96-1367, eff. 7-28-10; 97-606, eff. 8-26-11; 97-1166, eff. 3-1-13) (from Chapter 43, paragraph 121)

5/6-4.5 Prohibited ownership interests in a distributor, importing distributor, manufacturer of beer, or non-resident dealer

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

b Notwithstanding any provision of this Act to the contrary, no person licensed as a manufacturer of beer as described in paragraph (19) of subsection (a) of Section 6-2 shall have any prohibited ownership interest, directly or indirectly, in a person licensed as a distributor or importing distributor. Any person who holds a prohibited ownership interest in a person licensed as a distributor or importing distributor prior to this amendatory Act of the 98th General Assembly shall, in accordance with paragraph (19) of subsection (a) of Section 6-2, be ineligible to

receive or hold any license issued by the State Commission, unless that person complies with the provisions of this Section.

c Notwithstanding any provision of this Act to the contrary, no person licensed in this State as a distributor or importing distributor as described in paragraph (20) of subsection (a) of Section 6-2 shall have any prohibited ownership interest, directly or indirectly, in a person licensed as a manufacturer of beer as described in paragraph (20) of subsection (a) of Section 6-2. Any person who holds an interest in a person licensed as a distributor or importing distributor in this State prior to this amendatory Act of the 98th General Assembly shall, in accordance with paragraph (20) of subsection (a) of Section 6-2, be ineligible to receive or hold a license by the State Commission, unless the person complies with the provisions of this Section. This subsection (c) shall not apply to a person who owns, on or after the effective date of this amendatory Act of the 98th General Assembly, no more than 5% of the outstanding shares of a manufacturer of beer whose shares are publicly traded on an exchange within the meaning of the Securities Exchange Act of 1934.

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

e Within 60 days after the effective date of this amendatory Act of the 98th General Assembly, each manufacturer of beer, distributor, or importing distributor subject to notification under subsection (d) of this Section shall disclose in writing and under oath the relevant ownership interest and other required information specified in the notification provided by the State Commission pursuant to that subsection. The written disclosure shall, as a mandatory obligation, be tendered to the State Commission by either personal service or via certified or registered mail at the State Commission's Springfield or Chicago office on or before the 60th day during regular business hours. Failure to tender the required written disclosure shall result in the immediate entry of an order by the State Commission suspending the licensee's license within 5 days after the 60th day, and the initiation of proceedings by the State Commission to enter an order to permanently revoke the licensee's license no later than 45 days after providing the licensee with notice and an opportunity for a hearing. Whenever the State Commission has reason to believe that a person has failed to comply with the Commission notice under this Section, it shall notify the Department of Revenue and the Attorney General, and shall file a complaint with the State's Attorney of the county where the alcoholic liquor was delivered or with appropriate law enforcement officials. Failure to make the written disclosure required under this subsection shall constitute a business offense for which the person shall be fined not more than $5,000 for a first offense, not more than $10,000 for a second offense, and not more than $15,000 for a third or subsequent offense.

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

g If the State Commission determines, based on a preponderance of record evidence, that a manufacturer of beer, distributor, or importing distributor has no prohibited ownership interest in a licensee in violation of subsection (b) or (c) of this Section, then the State Commission shall enter an order finding that the manufacturer of beer, distributor, or importing distributor is in compliance with this Section, record the matter as closed, and serve a copy of the order of compliance on the licensee and each person with an ownership interest in the licensee.

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

If the State Commission determines, based on a preponderance of record evidence, that a distributor or importing distributor, as described in paragraph (20) of subsection (a) of

Section 6-2, has a prohibited ownership interest as set forth in subsection (c) of this Section, then the State Commission shall enter an order finding that the relevant distributor or importing distributor is not in compliance with this Section and that the relevant distributor or importing distributor shall divest itself of that interest on or before January 1, 2015, subject to the State Commission's approval of the successive owner pursuant to the State Commission's authority provided in this Act. In addition, the State Commission shall find that the manufacturer of beer is not in compliance with this Section and that the manufacturer of beer shall sever the prohibited ownership interest possessed by the distributor or importing distributor on or before January 1, 2015, subject to the State Commission's approval of the successive owner pursuant to the State Commission's authority provided in this Act.

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

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

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

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

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

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

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

j Any association or non-profit corporation representing beer distributors in this State shall have standing to intervene and

otherwise participate as a party in any proceeding undertaken by the State Commission under this Section to review and determine compliance or non-compliance with this Section.

k For purposes of this Section, the term "ownership interest" means a legal, equitable, or beneficial interest recognized under Illinois law. The term "prohibited ownership interest" means an ownership interest in a distributor, importing distributor, or manufacturer of beer as specified in *this Section.*

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

5/6-5 Receiving Money or Credit from Manufacturer or Distributor — Report of Delinquent Retail Licenses — Cure of Delinquency — Revocation of License

Except as otherwise provided in this Section, it is unlawful for any person having a retailer's license or any officer, associate, member, representative or agent of such licensee to accept, receive or borrow money, or anything else of value, or accept or receive credit (other than merchandising credit in the ordinary course of business for a period not to exceed 30 days) directly or indirectly from any manufacturer, importing distributor or distributor of alcoholic liquor, or from any person connected with or in any way representing, or from any member of the family of, such manufacturer, importing distributor, distributor or wholesaler, or from any stockholders in any corporation engaged in manufacturing, distributing or wholesaling of such liquor, or from any officer, manager, agent or representative of said manufacturer. Except as provided below, it is unlawful for any manufacturer or distributor or importing distributor to give or lend money or anything of value, or otherwise loan or extend credit (except such merchandising credit) directly or indirectly to any retail licensee or to the manager, representative, agent, officer or director of such licensee. A manufacturer, distributor or importing distributor may furnish free advertising, posters, signs, brochures, hand-outs, or other promotional devices or materials to any unit of government owning or operating any auditorium, exhibition hall, recreation facility or other similar facility holding a retailer's license, provided that the primary purpose of such promotional devices or materials is to promote public events being held at such facility. A unit of government owning or operating such a facility holding a retailer's license may accept such promotional devices or materials designed primarily to promote public events held at the facility. No retail licensee delinquent beyond the 30 day period specified in this Section shall solicit, accept or receive credit, purchase or acquire alcoholic liquors, directly or indirectly from any other licensee, and no manufacturer, distributor or importing distributor shall knowingly grant or extend credit, sell, furnish or supply alcoholic liquors to any such delinquent retail licensee; provided that the purchase price of all beer sold to a retail licensee shall be paid by the retail licensee in cash on or before delivery of the beer, and unless the purchase price payable by a retail licensee for beer sold to him in returnable bottles shall expressly include a charge for the bottles and cases, the retail licensee shall, on or before delivery of such beer, pay the seller in cash a deposit in an amount not less than the deposit required to be paid by the distributor to the brewer; but where the brewer sells direct to the retailer, the deposit shall be an amount no less than that required by the brewer from his own distributors; and provided further, that in no instance shall this deposit be less than 50 cents for each case of beer in pint or smaller bottles and 60 cents for each case of beer in quart or half-gallon bottles; and provided further, that the purchase price of all beer sold to an importing distributor or distributor shall be paid by such importing distributor or distributor in cash on or before the 15th day (Sundays and holidays excepted) after delivery of such beer to such purchaser; and unless the purchase price payable by such importing distributor or distributor for beer sold in returnable bottles and cases shall expressly include a charge for the bottles and cases, such importing distributor or distributor shall, on or before the 15th day (Sundays and holidays excepted) after delivery of such beer to such purchaser, pay the seller in cash a required amount as a deposit to assure the return of such bottles and cases. Nothing herein contained shall prohibit any licensee from crediting or refunding to a purchaser the actual amount of money paid for bottles, cases, kegs or barrels returned by the purchaser to the seller or paid by the purchaser as a deposit on bottles, cases, kegs or barrels, when such containers or packages are returned to the seller. Nothing herein contained shall prohibit any manufacturer, importing distributor or distributor from extending usual and customary credit for alcoholic liquor sold to customers or purchasers who live in or maintain places of business outside of this State when such alcoholic liquor is actually transported and delivered to such points outside of this State.

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

Every manufacturer, importing distributor and distributor shall submit or cause to be submitted, to the State Commission, in triplicate, not later than Thursday of each calendar week, a verified written list of the names and respective addresses of each retail licensee purchasing spirits or wine from such manufacturer, importing distributor or distributor who, on the first business day of that calendar week, was delinquent beyond the above mentioned permissible merchandising credit period of 30 days; or, if such is the fact, a verified written statement that no retail licensee purchasing spirits or wine was then delinquent beyond such permissible merchandising credit period of 30 days.

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

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

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

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

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

existing because of such alleged sale.
A delinquent retail licensee who engages in the retail liquor business at 2 or more locations shall be deemed to be delinquent with respect to each such location. The license of any person who violates any provision of this Section shall be subject to suspension or revocation in the manner provided by this Act.

If any part or provision of this Article or the application thereof to any person or circumstances shall be adjudged invalid by a court of competent jurisdiction, such judgment shall be confined by its operation to the controversy in which it was mentioned and shall not affect or invalidate the remainder of this Article or the application thereof to any other person or circumstance and to this and the provisions of this Article are declared severable.

(Source: P. A. 83-762) (from Chapter 43, paragraph 122)

5/6-6 Manufacturers or Distributors Furnishing Equipment or Signs to Retailers — Loaning Money for Payment of License

Except as otherwise provided in this Act no manufacturer or distributor or importing distributor shall, directly, or indirectly, sell, supply, furnish, give or pay for, or loan or lease, any furnishing, fixture or equipment on the premises of a place of business of another licensee authorized under this Act to sell alcoholic liquor at retail, either for consumption on or off the premises, nor shall he or she, directly or indirectly, pay for any such license, or advance, furnish, lend or give money for payment of such license, or purchase or become the owner of any note, mortgage, or other evidence of indebtedness of such licensee or any form of security therefor, nor shall such manufacturer, or distributor, or importing distributor, directly or indirectly, be interested in the ownership, conduct or operation of the business of any licensee authorized to sell alcoholic liquor at retail, nor shall any manufacturer, or distributor, or importing distributor be interested directly or indirectly or as owner or part owner of said premises or as lessee or lessor thereof, in any premises upon which alcoholic liquor is sold at retail.

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

i Permanent outside signs shall be limited to one outside sign, per brand, in place and in use at any one time, costing not more than $893, exclusive of erection, installation, repair and maintenance costs, and permit fees and shall bear only the manufacturer's name, brand name, trade name, slogans, markings, trademark, or other symbols commonly associated with and generally used in identifying the product including, but not limited to, "cold beer", "on tap", "carry out", and "packaged liquor".

ii Temporary outside signs shall be limited to one temporary outside sign per brand. Examples of temporary outside signs are banners, flags, pennants, streamers, and other items of a temporary and non-permanent nature. Each temporary outside sign must include the manufacturer's name, brand name, trade name, slogans, markings, trademark, or other symbol commonly associated with and generally used in identifying the product. Temporary outside signs may also include, for example, the product, price, packaging, date or dates of a promotion and an announcement of a retail licensee's specific sponsored event if the temporary outside sign is intended to promote a product, and provided that the announcement of the retail licensee's event and the product promotion are held simultaneously. However, temporary outside signs may not include names, slogans, markings, or logos that relate to the retailer. Nothing in this subpart (ii) shall prohibit a distributor or importing distributor from bearing the cost of creating or printing a temporary outside sign for the retail licensee's specific sponsored event or from bearing the cost of creating or printing a temporary sign for a retail licensee containing, for example, community goodwill expressions, regional sporting event announcements, or seasonal messages, provided that the primary purpose of the temporary outside sign is to highlight, promote, or advertise the product. In addition, temporary outside signs provided by the manufacturer to the distributor or importing distributor may also include, for example, subject to the limitations of this Section, preprinted community goodwill expressions, sporting event announcements, seasonal messages, and manufacturer promotional announcements. However, a distributor or importing distributor shall not bear the cost of such manufacturer preprinted signs.

iii Permanent inside signs, whether visible from the outside or the inside of the premises, include, but are not limited to: alcohol lists and menus that may include names, slogans, markings, or logos that relate to the retailer; neons; illuminated signs; clocks; table lamps; mirrors; tap handles; decalcomanias; window painting; and window trim. All permanent inside signs in place and in use at any one time shall cost in the aggregate not more than $2000 per manufacturer. A permanent inside sign must include the manufacturer's name, brand name, trade name, slogans, markings, trademark, or other symbol commonly associated with and generally used in identifying the product. However, permanent inside signs may not include names, slogans, markings, or logos that relate to the retailer. For the purpose of this subpart (iii), all permanent inside signs may be displayed in an adjacent courtyard or patio commonly referred to as a "beer garden" that is a part of the retailer's licensed premises.

iv Temporary inside signs shall include, but are not limited to, lighted chalk boards, acrylic table tent beverage or hors d'oeuvre list holders, banners, flags, pennants, streamers, and inside advertising materials such as posters, placards, bowling sheets, table tents, inserts for acrylic table tent beverage or hors d'oeuvre list holders, sports schedules, or similar printed or illustrated materials; however, such items, for example, as coasters, trays, napkins, glassware and cups shall not be deemed to be inside signs or advertising materials and may only be sold to retailers. All temporary inside signs and inside advertising materials in place and in use at any one time shall cost in the aggregate not more than $325 per manufacturer. Nothing in this subpart (iv) prohibits a distributor or importing distributor from paying the cost of printing or creating any temporary inside banner or inserts for acrylic table tent

beverage or hors d'oeuvre list holders for a retail licensee, provided that the primary purpose for the banner or insert is to highlight, promote, or advertise the product. For the purpose of this subpart (iv), all temporary inside signs and inside advertising materials may be displayed in an adjacent courtyard or patio commonly referred to as a "beer garden" that is a part of the retailer's licensed premises.

A "cost adjustment factor" shall be used to periodically update the dollar limitations prescribed in subparts (i), (iii) and (iv). The Commission shall establish the adjusted dollar limitation on an annual basis beginning in January, 1997. The term "cost adjustment factor" means a percentage equal to the change in the Bureau of Labor Statistics Consumer Price Index or 5 percent, whichever is greater.

The restrictions contained in this Section 6-6 do not apply to signs, or promotional or advertising materials furnished by manufacturers, distributors or importing distributors to a government owned or operated facility holding a retailer's license as described in Section 6-5.

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

A distributor or importing distributor may purchase from or enter into a written agreement with a manufacturer or a manufacturer's designated supplier and such manufacturer or the manufacturer's designated supplier may sell or enter into an agreement to sell to a distributor or importing distributor permitted signs and advertising materials described in subparts (ii), (iii), or (iv) of this Section for the purpose of furnishing, giving, lending, renting, installing, repairing, or maintaining such signs or advertising materials to or for any retail licensee in this State. Any purchase by a distributor or importing distributor from a manufacturer or a manufacturer's designated supplier shall be voluntary and the manufacturer may not require the distributor or the importing distributor to purchase signs or advertising materials from the manufacturer or the manufacturer's designated supplier.

A distributor or importing distributor shall be deemed the owner of such signs or advertising materials purchased from a manufacturer or a manufacturer's designated supplier. The provisions of Public Act 90-373 concerning signs or advertising materials delivered by a manufacturer to a distributor or importing distributor shall apply only to signs or advertising materials delivered on or after August 14, 1997.

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

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

(Source: P. A. 90-655, eff. 7-30-98) (from Chapter 43, paragraph 123)

5/6-6.5 Sanitation

A manufacturer, distributor, or importing distributor may sell coil cleaning services to a retail licensee at fair market cost. A manufacturer, distributor, or importing distributor may sell dispensing accessories to retail licensees at a price not less than the cost to the manufacturer, distributor, or importing distributor who initially purchased them. Dispensing accessories include, but are not limited to, items such as standards, faucets, cold plates, rods, vents, taps, tap standards, hoses, washers, couplings, gas gauges, vent tongues, shanks, and check valves.

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

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

5/6-7 Affixing Stamps — Labeling — Sealing

No manufacturer or distributor or importing distributor or foreign importer shall sell or deliver any package containing alcoholic liquor manufactured or distributed by him unless the same shall have affixed thereto all cancelled revenue stamps which may be provided by Federal law, and shall also bear thereon a clear and legible label containing the name and address of the manufacturer, the kind of alcoholic liquor contained therein, and in the case of alcoholic liquor (other than beer and imported Scotch whiskey and brandy 4 years old or more) the date when manufactured and the minimum alcoholic content thereof. No person or persons, corporation, partnership or firm shall label alcoholic liquor as "whiskey" or "gin" or shall import for sale or shall sell in this State alcoholic liquor labeled as "whiskey" or "gin" unless the entire alcoholic content thereof, except flavoring materials, is a distillate of fermented mash of grain or mixture of grains. Alcoholic liquor of the type of whiskey or gin not conforming to this requirement must be labeled "imitation whiskey" or "imitation gin" (as the case may be). No spirits shall contain any substance, compound or ingredient which is injurious to health or deleterious for human consumption. No package shall be delivered by any manufacturer or distributor or importing distributor or foreign importer unless the same shall be securely sealed so that the contents thereof cannot be removed without breaking the seal so placed thereon by said manufacturer, and no other licensee shall sell, have in his possession, or use any package or container which does not comply with this Section or does not bear evidence that said package, when delivered to him, complied herewith.

(Source: P. A. 82-783) (from Chapter 43, paragraph 124)

5/6-8 Record of Alcoholic Liquor — Storage

Each manufacturer or importing distributor or foreign importer shall keep an accurate record of all alcoholic liquors manufactured, distributed, sold, used, or delivered by him in this State during each month, showing therein to whom sold, and shall furnish a copy thereof or a report thereon to the State Commission, as the State Commission may, request. Each importing distributor or manufacturer to whom alcoholic liquors imported into this State have been consigned shall effect possession and physical control thereof by storing such alcoholic liquors in the premises wherein such importing distributor or manufacturer is licensed to engage in such business as an importing distributor or manufacturer and to make such alcoholic liquors together with accompanying invoices, bills of lading and receiving tickets available for inspection by an agent or representative of the Department of Revenue and of the State Commission.

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

(Source: P. A. 88-535) (from Chapter 43, paragraph 125)

5/6-9 Registration of Trade Marks — Sale within Geographical Area; Delivery to Authorized Persons

The Legislature hereby finds and declares that for purposes of ensuring the preservation and enhancement of inter brand competition in the alcoholic liquor industry within the State, ensuring that importation and distribution of alcoholic liquor in the State will be subject to thorough and inexpensive monitoring by the State, reducing the importation of illicit or untaxed alcoholic liquor into the State, excluding misbranded alcoholic liquor products from the State, providing incentives to distributors to service and sell to larger numbers of retail licensees in the geographic area where such distributors are engaged in business, and reducing the amount of spoiled and over aged alcoholic liquor products sold to consumers, it is necessary to restrict the purchase of alcoholic liquors at wholesale in the State to those persons selected by the manufacturer, distributor, importing distributor or foreign importer who owns or controls the trade mark, brand or name of the alcoholic liquor products sold to such persons, and to restrict the geographic area or areas within which such persons sell such alcoholic liquor at wholesale, as provided in this Section.

Each manufacturer, non-resident dealer, distributor, importing distributor, or foreign importer who owns or controls the trade mark, brand or name of any alcoholic liquor shall register with the State Commission, in the Chicago office, on or before the effective date, the name of each person to whom such manufacturer, non-resident dealer, distributor, importing distributor, or foreign importer grants the right to sell at wholesale in this State any such alcoholic liquor, specifying the particular trade mark, brand or name of alcoholic liquor as to which such right is granted, the geographical area or areas for which such right is granted and the period of time for which such rights are granted to such person. Each manufacturer, non-resident dealer, distributor or importing distributor, or foreign importer who is required to register under this Section must furnish a copy of the registration statement at the time of appointment to the person who has been granted the right to sell alcoholic liquor at wholesale. However, if a person who has been appointed the right to sell alcoholic liquor at wholesale does not receive a copy of the registration statement as required under this Section, such person may file a registration statement with the State Commission, provided that the person furnishes a copy of that registration statement to the manufacturer, non-resident dealer, distributor, importing distributor, or foreign importer within 30 days of filing the registration statement. The registration statement shall state:

1. the name of the person appointed;
2. the name of the manufacturer, non-resident dealer, distributor, importing distributor, or foreign importer from whom the person received the right to sell alcoholic liquor;
3. the particular trade mark, brand, or name of alcoholic liquor as to which the right to sell at wholesale is granted; and
4. the geographical areas for which the right to sell at wholesale is granted.

Such manufacturer, non-resident dealer, distributor, importing distributor, or foreign importer may grant the right to sell at wholesale any trade mark, brand or name of any alcoholic liquor in any geographical area to more than one person. If the registration is received after the effective date, the Commission shall treat the date the registration was received in the Chicago office as the effective date. Such registration shall be made on a form prescribed by the State Commission and the State Commission may require such registration to be on a form provided by it.

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

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

However, a licensed Illinois distributor who has not been registered to sell a brand of alcoholic liquor, but for a period of 2 years prior to November 8, 1979, has been engaged in the purchase of a brand for resale from a licensed Illinois distributor who has the right to sell that brand at wholesale, may continue to purchase and resell the brand at wholesale, and may purchase from the same distributor and resell at wholesale any new brands of the same manufacturer, provided that:

1. Within 60 days after November 8, 1979, he identifies the brand which he so purchased to the State Commission and the Commission within 30 days thereafter verifies that the purchases have occurred;
2. Thereafter, he notifies the State Commission in writing of any brands of the same manufacturer which he wishes to purchase from the same distributor that were not available for distribution on or before November 8, 1979, and that the Commission within 30 days of such notification verifies that the brand the brand is a new brand of the same manufacturer, and that the same licensed Illinois distributor has the right to sell the new brand at wholesale;
3. His licensed business address is within the geographical area for which the licensed Illinois distributor from whom the purchases are made has the right to sell said brand or brands of alcoholic liquor; and
4. His sales are made within the geographical area for which the licensed Illinois distributor from whom the purchases are made has the right to sell the brand or brands of alcoholic liquor and only to retail licensees whose licensed premises are located within the aforementioned geographical area.

No person to whom such right is granted shall sell at wholesale in this State any alcoholic liquor bearing such trade mark, brand or name outside of the geographical area for which such person holds such selling right, as registered with the State Commission, nor shall he sell such alcoholic liquor within such geographical area to a retail licensee if the premises specified in such retailer's license are located outside such geographical area. Any licensed Illinois distributor who has not been granted the right to sell any alcoholic liquor at wholesale and is purchasing alcoholic liquor from a person who has been granted the right to sell

at wholesale may sell and deliver only to retail licensees whose licensed premises are within the same geographical area as the person who has been granted the right to sell at wholesale.

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

(Source: P. A. 92-105, eff. 1-1-02; P. A. 96-482, eff. 8-14-09) (from Chapter 43, paragraph 126)

5/6-9.1 Delivery to Retail Establishments

a A distributor of wine or spirits shall deliver to any retailer within any geographic area in which that distributor has been granted by a wholesaler the right to sell its trademark, brand, or name at least once every 2 weeks if (1) in the case of a retailer located in a county with a population of at least 3,000,000 inhabitants or in a county adjacent to a county with at least 3,000,000 inhabitants, the retailer agrees to purchase at least $200 of wine or spirits from the distributor every 2 weeks; or (ii) in the case of a retailer located in a county with a population of less than 3,000,000 that is not adjacent to a county with a population of at least 3,000,000 inhabitants, the retailer agrees to purchase at least $50 of wine or spirits from the distributor every 2 weeks.

b On January 1, 2002 and every 2 years thereafter, the dollar amount in items (1) and (ii) of subsection (a) shall be increased or decreased by a percentage equal to the percentage increase or decrease in the Consumer Price Index during the previous 2 years according to the most recent available data.

(Source: P. A. 91-0482, eff. 1-1-00)

5/6-10 Books and Records Available for Investigation and Control; Maintenance

It shall be the duty of every retail licensee to make books and records available upon reasonable notice for the purpose of investigation and control by the Illinois Liquor Control Commission or any local liquor control commission having jurisdiction over the licensee. Such books and records need not be maintained on the licensed premises, but must be maintained in the State of Illinois; however, if access is available electronically, the books and records may be maintained out of state. However, all original invoices or copies thereof covering purchases of alcoholic liquor must be retained on the licensed premises for a period of 90 days after such purchase, unless the Commission has granted a waiver in response to a written request in cases where records are kept at a central business location within the State of Illinois or in cases where books and records that are available electronically are maintained out of state.

(Source: P. A. 89-0250, eff. 1-1-96) (from Chapter 43, paragraph 126a)

5/6-11 Sale near Churches, Schools, and Hospitals

a No license shall be issued for the sale at retail of any alcoholic liquor within 100 feet of any church, school other than an institution of higher learning, hospital, home for aged or indigent persons or for veterans, their spouses or children or any military or naval station, provided, that this prohibition shall not apply to hotels offering restaurant service, regularly organized clubs, or to restaurants, food shops or other places where sale of alcoholic liquors is not the principal business carried on if the place of business so exempted is not located in a municipality of more than 500,000 persons, unless required by local ordinance; nor to the renewal of a license for the sale at retail of alcoholic liquor on premises within 100 feet of any church or school where the church or school has been established within such 100 feet since the issuance of the original license. In the case of a church, the distance of 100 feet shall be measured to the nearest part of any building used for worship services or educational programs and not to property boundaries.

b Nothing in this Section shall prohibit the issuance of a retail license authorizing the sale of alcoholic liquor to a restaurant, the primary business of which is the sale of goods baked on the premises if (i) the restaurant is newly constructed and located on a lot of not less than 10,000 square feet, (ii) the restaurant costs at least $1,000,000 to construct, (iii) the licensee is the titleholder to the premises and resides on the premises, and (iv) the construction of the restaurant is completed within 18 months of the effective date of this amendatory Act of 1998.

c Nothing in this Section shall prohibit the issuance of a retail license authorizing the sale of alcoholic liquor incidental to a restaurant if (1) the primary business of the restaurant consists of the sale of food where the sale of liquor is incidental to the sale of food and the applicant is a completely new owner of the restaurant, (2) the immediately prior owner or operator of the premises where the restaurant is located operated the premises as a restaurant and held a valid retail license authorizing the sale of alcoholic liquor at the restaurant for at least part of the 24 months before the change of ownership, and (3) the restaurant is located 75 or more feet from a school.

d In the interest of further developing Illinois' economy in the area of commerce, tourism, convention, and banquet business, nothing in this Section shall prohibit issuance of a retail license authorizing the sale of alcoholic beverages to a restaurant, banquet facility, grocery store, or hotel having not fewer than 150 guest room accommodations located in a municipality of more than 500,000 persons, notwithstanding the proximity of such hotel, restaurant, banquet facility, or grocery store to any church or school, if the licensed premises described on the license are located within an enclosed mall or building of a height of at least 6 stories, or 60 feet in the case of a building that has been registered as a national landmark, or in a grocery store having a minimum of 56,010 square feet of floor space in a single story building in an open mall of at least 3.96 acres that is adjacent to a public school that opened as a boys technical high school in 1934, or in a grocery store having a minimum of 31,000 square feet of floor space in a single story building located a distance of more than 90 feet but less than 100 feet from a high school that opened in 1928 as a junior high school and became a senior high school in 1933, and in each of these cases if the sale of alcoholic liquors is not the principal business carried on by the licensee.

For purposes of this Section, a "banquet facility" is any part of a building that caters to private parties and where the sale of alcoholic liquors is not the principal business.

e Nothing in this Section shall prohibit the issuance of a license to a church or private school to sell at retail alcoholic liquor if any such sales are limited to periods when groups are assembled on the premises solely for the promotion of some common object other than the sale or consumption of alcoholic liquors.

f Nothing in this Section shall prohibit a church or church affiliated school located in a home rule municipality or in a municipality with 75,000 or more inhabitants from locating within 100 feet of a property for which there is a preexisting license to sell alcoholic liquor at retail. In these instances, the local zoning authority may, by ordinance adopted simultaneously with the granting of an initial special use zoning permit for the church or church affiliated school, provide that the 100-foot restriction in this Section shall not apply to that church or church affiliated school and future retail liquor licenses.

g Nothing in this Section shall prohibit the issuance of a retail license authorizing the sale of alcoholic liquor at premises within 100 feet, but not less than 90 feet, of a public school if (1) the premises have been continuously licensed to sell alcoholic liquor for a period of at least 50 years, (2) the premises are located in a municipality having a population of over 500,000 inhabitants, (3) the licensee is an individual who is a member of a family that has held the previous 3 licenses for that location for more than 25 years, (4) the principal of the school and the alderman of the ward in which the school is located have delivered a written statement to the local liquor control commissioner stating that they do not object to the issuance of a license under this subsection (g) , and (5) the local liquor control commissioner has received the written consent of a majority of the registered voters who live within 200 feet of the premises.

h Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor within premises and at an outdoor patio area attached to premises that are located in a municipality with a population in excess of 300,000 inhabitants and that are within 100 feet of a church if:

1 the sale of alcoholic liquor at the premises is incidental to the sale of food,

2 the sale of liquor is not the principal business carried on by the licensee at the premises,

3 the premises are less than 1,000 square feet,

4 the premises are owned by the University of Illinois,

5 the premises are immediately adjacent to property owned by a church and are not less than 20 nor more than 40 feet from the church space used for worship services, and

6 the principal religious leader at the place of worship has indicated his or her support for the issuance of the license in writing.

i Notwithstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license to sell alcoholic liquor at a premises that is located within a municipality with a population in excess of 300,000 inhabitants and is within 100 feet of a church, synagogue, or other place of worship if:

1 the primary entrance of the premises and the primary entrance of the church, synagogue, or other place of worship are at least 100 feet apart, on parallel streets, and separated by an alley; and

2 the principal religious leader at the place of worship has not indicated his or her opposition to the issuance or renew all of the license in writing.

j Notwithstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance of a retail license authorizing the sale of alcoholic liquor at a theater that is within 100 feet of a church if (1) the church owns the theater, (2) the church leases the theater to one or more entities, and (3) the theater is used by at least 5 different not-for-profit theater groups.

k Notwithstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and is within 100 feet of a school if:

1 the primary entrance of the premises and the primary entrance of the school are parallel, on different streets, and separated by an alley;

2 the southeast corner of the premises are at least 350 feet from the southwest corner of the school;

3 the school was built in 1978;

4 the sale of alcoholic liquor at the premises is incidental to the sale of food;

5 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

6 the applicant is the owner of the restaurant and has held a valid license authorizing the sale of alcoholic liquor for the business to be conducted on the premises at a different location for more than 7 years; and

7 the premises is at least 2,300 square feet and sits on a lot that is between 6,100 and 6,150 square feet.

l Notwithstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and is within 100 feet of a church or school if:

1 the primary entrance of the premises and the closest entrance of the church or school is at least 90 feet apart and no greater than 95 feet apart;

2 the shortest distance between the premises and the church or school is at least 80 feet apart and no greater than 85 feet apart;

3 the applicant is the owner of the restaurant and on November 15, 2006, held a valid license authorizing the sale of alcoholic liquor for the business to be conducted on the premises for at least 14 different locations;

4 the sale of alcoholic liquor at the premises is incidental to the sale of food;

5 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

6 the premises is at least 3,200 square feet and sits on a lot that is between 7,150 and 7,200 square feet; and

7 the principal religious leader at the place of worship has not indicated his or her opposition to the issuance of renewal of the license in writing.

m Notwithstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and is within 100 feet of a church if:

1 the premises and the church are perpendicular, and the primary entrance of the premises faces South while the primary entrance of the church faces West and the distance between the two entrances is more than 100 feet;

2 the shortest distance between the premises lot line and the exterior wall of the church is at least 80 feet;

3 the church was established at the current location in 1916 and the present structure was erected in 1925;

4 the premises is a single story, single use building with at least 1,750 square feet and no more than 2,000 square feet;

5 the sale of alcoholic liquor at the premises is incidental to the sale of food;

6 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises; and

7 the principal religious leader at the place of worship has not indicated his or her opposition to the issuance or renewal of the license in writing.

n Notwithstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and is within 100 feet of a school if:

1 the school is a City of Chicago School District 299 school;

2 the school is located within subarea E of City of Chicago Residential Business Planned Development Number 70;

3 the sale of alcoholic liquor is not the principal business carried on by the licensee on the premises;

4 the sale of alcoholic liquor at the premises is incidental to the sale of food; and

5 the administration of City of Chicago School District 299 has expressed, in writing, its support for the issuance of the license.

o Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a retail license authorizing the sale of alcoholic liquor at a premises that is located whithin a municipality in excess of 1,000,000 inhabitants and within 100 feet of a church if:

1 the sale of alcoholic liquor at the premises is incidental to the sale of food;

2 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

3 the premises is located on a street that runs perpendicular to the street on which the church is located;

4 the primary entrance of the premises is at least 100 feet from the primary entrance of the church;

5 the shortest distance between any part of the premises and any part of the church is at least 60 feet;

6 the premises is between 3,600 and 4,000 square feet and sits on a lot that is between 3,600 and 4,000 square feet; and

7 the premises was built in the year 1909.

For purposes of this subsection (o), “premises” means a place of business together with a privately owned outdoor location that is adjacent to the place of business.

p Not withstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1.000.000 inhabitants and within 100 feet of a church it:

1 the shortest distance between the backdoor of the premises, which is used as an emergency exit, and the church is at least 80 feet;

2 the church was established at the current location in 1889; and

3 liquor has been sold on the premises since at least 1985.

q Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor within a premises that is located in a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a church-owned property if:

1 the premises is located within a larger building operated as a grocery store;

2 the area of the premises does not exceed 720 square feet nd the area of the larger building exceeds 18,000 square feet;

3 the larger building containing the premises is within 100 feet of the nearest property line of a church-owned property on which a church-affiliated school is located;

4 the sale of liquor is not the principal business caried on within the larger building;

5 the primary entrance of the larger building and the premises and the primary entrance of the church-affiliated school are on different, parallel streets, and the distance between the 2 primary entrances is more than 100 feet;

6 the larger building is separated from the church-owned property and church-affiliated school by an alley;

7 the larger building containing the premises and the church building front are on perpendicular streets and are separated by a street; and

8 (Blank).

r Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance, renewal, or maintenance of a license authorizing the sale of alcoholic liquor incidental to the sale of food within a restaurant estab--lished in a premises that is located in a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a church if:

1 the primary entrance of the church and the primary entrance of the restaurant are at least 100 feet apart;

2 the restaurant has operated on the ground floor and lower level of a multi-story, multi-use building for more than 40 years;

3 the primary business of the restaurant consists of the sale of food where the sale of liquor is incidental to the sale of food;

4 the sale of alcoholic liquor is conducted primarily in the below-grade level of the restaurant to which the only public access is by a staircase located inside the restaurant; and

5 the restaurant has held a license authorizing the sale of alcoholic liquor on the premises for more than 40 years.

s Notwithstanding any provision of this Section to the contrary,

nothing in this Section shall prohibit renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population more than 5,000 and less than 10,000 and is within 100 feet of a church if:

1 the church was established at the location within 100 feet of the premises after a licensee for the sale of alcoholic liquor at the premises was first issued;

2 a license for sale of alcoholic liquor at the premises was first issued before January 1, 2007; and

3 a license for the sale of alcoholic liquor on the premises has been continuously in effect since January 1, 2007, except for interruptions between licenses of no more than 90 days.

t Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor incidental to the sale of food within a restaurant that is established in a premises that is located in a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a school and a church if:

1 the restaurant is located inside a five-story building with over 16,800 square feet of commercial space;

2 the area of the premises does not exceed 31,050 square ft;

3 the area of the restaurant does not exceed 5,800 square ft;

4 the building has no less than 78 condominium units;

5 the construction of the building in which the restarant is located was completed in 2006;

6 the building has 10 storefront properties, 3 of which are used for the restaurant;

7 the restaurant will open for business in 2010;

8 the building is north of the school and separated by an alley; and

9 the principal religious leader of the church and either the alderman of the ward in which the school is located or the principal of the school have delivered a written statement to the local liquor control commissioner stating that he or she does not object to the issuance of a license under this subsection (t).

u Notwithstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license to sell alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a school if:

1 the premises operates as a restaurant and has been in operation since February 2008;

2 the applicant is the owner of the premises;

3 the sale of alcoholic liquor is incidental to the sale of food;

4 the sale of alcoholic liquor is not the principal business car ried on by the licensee on the premises;

5 the premises occupy the first floow of a 3-story building that is at least 90 years old;

6 the rear lot of the school and the rear corner of the building that the premises occupy are separated by an alley;

7 the distance from the southwest corner of the property line of the school and the northeast corner of the building that the premises ocupy is at least 16 feet, 5 inches;

8 the distance from the rear door of the premises to the south west corner of the property line of the school is at least 93 feet;

9 the school is a City of Chicago School District 299 school;

10 the school's main structure was erected in 1902 and an addition was built to the main structure in 1959; and

11 the principal of the school and the alderman in whose district the premises are located have rexpressed, in writing, their suppport for the issuance of the license.

v Notwithstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and is within 100 feet of a school if:

1 the total land area of the premises for which the license of renewal is sought is more than 600,000 square feet;

2 the premises for which the license or renewal is sought has more than 600 parking stalls;

3 the total area of all buildings on the premises for which the license or renewal is sought exceeds 140,000 square feet;

4 the property line o f the premises for which the license or renewal is sought is separated from the property line of the school by a street;

5 the distance from the school's property line to the property line of the premises for which the license or renewal is sought is at least 60 feet;

6 as of the effective date of this amendatory Act of the 97th General Assembly, the premises for which the license or renewal is sought is located in the Illinois Medical District.

w Notwithstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license to sell alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a church if:

1 the sale of alcoholic liquor at the premises is incidental to the sale of food;

2 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

3 the premises occupy the first floor and basement of a 2-story building that is 106 years old;

4 the premises is at least 7,000 square feet and located on a lot that is at least 11,000 square feet;

5 the premises is located directly west of the church, on perpendicular streets, and separated by an alley;

6 the distance between the property line of the premises and the property line of the church is at least 20 feet;

7 the distance between the primary entrance of the premises and the primary entrance of the church is at least 130 feet; and

8 the church has been at its location for at least 40 years.

x Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a church if:

1 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

2 the church has been operating in its current location since 1973;

3 the premises has been operating in its current location since 1988;

4 the church and the premises are owned by the same parish;

5 the premises is used for cultural and educational purposes;

6 the primary entrance to the premises and the primary entrance to the church are located on the same street;

7 the principal religious leader of the church has indicated his support of the issuance of the license;

8 the premises is a 2-story building of approximately 23,000 square feet; and

9 the premises houses a ballroom on its ground floor of approximately 5,000 square feet.

y Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a school if:

1 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

2 the sale of alcoholic liquor at the premises is incidental to the sale of food;

3 according to the municipality, the distance between the east property line of the premises and the west property line of the school is 97.8 feet;

4 the school is a City of Chicago School District 299 school;

5 the school has been operating since 1959;

6 the primary entrance to the premises and the primary entrance to the school are located on the same street;

7 the street on which the entrances of the premises and the school are located is a major diagonal thoroughfare;

8 the premises is a single-story building of approximately 2,900 square feet; and

9 the premises is used for commercial purposes only.

z Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a mosque if:

1 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

2 the licensee shall only sell packaged liquors at the premises;

3 the licensee is a national retail chain having over 100 locations within the municipality;

4 the licensee has over 8,000 locations nationwide;

5 the licensee has locations in all 50 states;

6 the premises is located in the North-East quadrant of the municipality;

7 the premises is a free-standing building that has “drive-through” pharmacy service;

8 the premises has approximately 14,490 square feet of retail space;

9 the premises has approximately 799 square feet of pharmacy space;

10 the premises is located on a major arterial street that runs east-west and accepts truck traffic; and

11 the alderman of the ward in which the premises is located has expressed, in writing, his or her support for the issuance of the license.

aa Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a church if:

1 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

2 the licensee shall only sell packaged liquors at the premises;

3 the licensee is a national retail chain having over 100 locations within the municipality;

4 the licensee has over 8,000 locations nationwide;

5 the licensee has locations in all 50 states;

6 the premises is located in the North-East quadrant of the municipality;

7 the premises is located across the street from a national grocery chain outlet;

8 the premises has approximately 16,148 square feet of retail space;

9 the premises has approximately 992 square feet of pharmacy space;

10 the premises is located on a major arterial street that runs north-south and accepts truck traffic; and

11 the alderman of the ward in which the premises is located has expressed, in writing, his or her support for the issuance of the license.

bb Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a church if:

1 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

2 the sale of alcoholic liquor at the premises is incidental to the sale of food;

3 the primary entrance to the premises and the primary entrance to the church are located on the same street;

4 the premises is across the street from the church;

5 the street on which the premises and the church are located is a major arterial street that runs east-west;

6 the church is an elder-led and Bible-based Assyrian church;

7 the premises and the church are both single-story buildings;

8 the storefront directly west of the restaurant is being used as a restaurant; and

9 the distance between the northern-most property line of the premises and the southern-most property line of the church is 78 feet.

cc Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of

a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a school if:

1 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

2 the licensee shall only sell packaged liquors at the premises;

3 the licensee is a national retail chain;

4 as of October 25, 2011, the licensee has 1,767 stores operating nationwide, 87 stores operating in the State, and 10 stores operating within the municipality;

5 the licensee shall occupy approximately 124,000 square feet of space in the basement and first and second floors of a building located across the street from a school;

6 the school opened in August of 2009 and occupies approximately 67,000 square feet of space; and

7 the building in which the premises shall be located has been listed on the National Register of Historic Places since April 17, 1970.

dd Notwithstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor within a full-service grocery store at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and is within 100 feet of a school if:

1 the premises is constructed on land that was purchased from the municipality at a fair market price;

2 the premises is constructed on land that was previously used as a parking facility for public safety employees;

3 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

4 the main entrance to the store is more than 100 feet from the main entrance to the school;

5 the premises is to be new construction;

6 the school is a private school;

7 the principal of the school has given written approval for the license;

8 the alderman of the ward where the premises is located has given written approval of the issuance of the license;

9 the grocery store level of the premises is between 60,000 and 70,000 square feet; and

10 the owner and operator of the grocery store operates 2 other grocery stores that have alcoholic liquor licenses within the same municipality.

ee Notwithstanding any provision in this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor within a full-service grocery store at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and is within 100 feet of a school if:

1 the premises is constructed on land that once contained an industrial steel facility;

2 the premises is located on land that has undergone environmental remediation;

3 the premises is located within a retail complex containing retail stores where some of the stores sell alcoholic beverages;

4 the principal activity of any restaurant in the retail complex is the sale of food, and the sale of alcoholic liquor is incidental to the sale of food;

5 the sale of alcoholic liquor is not the principal business carried on by the grocery store;

6 the entrance to any business that sells alcoholic liquor is more than 100 feet from the entrance to the school;

7 the alderman of the ward where the premises is located has given written approval of the issuance of the license; and

8 the principal of the school has given written consent to the issuance of the license.

ff Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a school if:

1 the sale of alcoholic liquor is not the principal business carried on at the premises;

2 the sale of alcoholic liquor at the premises is incidental to the operation of a theater;

3 the premises is a one and one-half-story building of approximately 10,000 square feet;

4 the school is a City of Chicago School District 299 school;

5 the primary entrance of the premises and the primary entrance of the school are at least 300 feet apart and no more than 400 feet apart;

6 the alderman of the ward in which the premises is located has expressed, in writing, his support for the issuance of the license; and

7 the principal of the school has expressed, in writing, that there is no objection to the issuance of a license under this subsection (ff).

gg Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor incidental to the sale of food within a restaurant or banquet facility established in a premises that is located in a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a church if:

1 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

2 the property on which the church is located and the property on which the premises are located are both within a district originally listed on the National Register of Historic Places on February 14, 1979;

3 the property on which the premises are located contains one or more multi-story buildings that are at least 95 years old and have no more than three stories;

4 the building in which the church is located is at least 120 years old;

5 the property on which the church is located is immediately adjacent to and west of the property on which the premises are located;

6 the western boundary of the property on which the premises are located is no less than 118 feet in length and no more than 122 feet in length;

7 as of December 31, 2012, both the church property and the property on which the premises are located are within 250 feet of City of Chicago Business-Residential Planned Development Number 38;

8 the principal religious leader at the place of worship has indicated his or her support for the issuance of the license in writing; and

9 the alderman in whose district the premises are located has expressed his or her support for the issuance of the license in writing.

For the purposes of this subsection, "banquet facility" means the part of the building that is located on the floor above a restaurant and caters to private parties and where the sale of alcoholic liquors is not the principal business.

hh Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor within a hotel and at an outdoor patio area attached to the hotel that are located in a municipality with a population in excess of 1,000,000 inhabitants and that are within 100 feet of a hospital if:

1 the sale of alcoholic liquor is not the principal business carried on by the licensee at the hotel;

2 the hotel is located within the City of Chicago Business Planned Development Number 468; and

3 the hospital is located within the City of Chicago Institutional Planned Development Number 3.

ii Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor within a restaurant and at an outdoor patio area attached to the restaurant that are located in a municipality with a population in excess of 1,000,000 inhabitants and that are within 100 feet of a church if:

1 the sale of alcoholic liquor at the premises is not the principal business carried on by the licensee and is incidental to the sale of food;

2 the restaurant has been operated on the street level of a 2-story building located on a corner lot since 2008;

3 the restaurant is between 3,700 and 4,000 square feet and sits on a lot that is no more than 6,200 square feet;

4 the primary entrance to the restaurant and the primary entrance to the church are located on the same street;

5 the street on which the restaurant and the church are located is a major east-west street;

6 the restaurant and the church are separated by a one-way northbound street;

7 the church is located to the west of and no more than 65 feet from the restaurant; and

8 the principal religious leader at the place of worship indicated his or her consent to the issuance of the license in writing.

jj Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at premises located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a church if:

1 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

2 the sale of alcoholic liquor is incidental to the sale of food;

3 the premises are located east of the church, on perpendicular streets, and separated by an alley;

4 the distance between the primary entrance of the premises and the primary entrance of the church is at least 175 feet;

5 the distance between the property line of the premises and the property line of the church is at least 40 feet;

6 the licensee has been operating at the premises since 2012;

7 the church was constructed in 1904;

8 the alderman of the ward in which the premises is located has expressed, in writing, his or her support for the issuance of the license; and

9 the principal religious leader of the church has delivered a written statement that he or she does not object to the issuance of a license under this subsection

kk Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a school if:

1 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

2 the licensee shall only sell packaged liquors on the premises;

3 the licensee is a national retail chain;

4 as of February 27, 2013, the licensee had 1,778 stores operating nationwide, 89 operating in this State, and 11 stores operating within the municipality;

5 the licensee shall occupy approximately 169,048 square feet of space within a building that is located across the street from a tuition-based preschool; and

6 the alderman of the ward in which the premises is located has expressed, in writing, his or her support for the issuance of the license.

ll Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a school if:

1 the sale of alcoholic liquor is not the principal business carried on by the licensee at the premises;

2 the licensee shall only sell packaged liquors on the premises;

3 the licensee is a national retail chain;

4 as of February 27, 2013, the licensee had 1,778 stores operating nationwide, 89 operating in this State, and 11 stores operating within the municipality;

5 the licensee shall occupy approximately 191,535 square feet of space within a building that is located across the street from an elementary school; and

6 the alderman of the ward in which the premises is located has expressed, in writing, his or her support for the issuance of the license.

mm Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of

a license authorizing the sale of alcoholic liquor within premises and at an outdoor patio or sidewalk cafe, or both, attached to premises that are located in a municipality with a population in excess of 1,000,000 inhabitants and that are within 100 feet of a hospital if:

1 the primary business of the restaurant consists of the sale of food where the sale of liquor is incidental to the sale of food;

2 as a restaurant, the premises may or may not offer catering as an incidental part of food service;

3 the primary business of the restaurant is conducted in space owned by a hospital or an entity owned or controlled by, under common control with, or that controls a hospital, and the chief hospital administrator has expressed his or her support for the issuance of the license in writing; and

4 the hospital is an adult acute care facility primarily located within the City of Chicago Institutional Planned Development Number 3.

nn Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a church if:

1 the sale of alcoholic liquor is not the principal business carried out on the premises;

2 the sale of alcoholic liquor at the premises is incidental to the operation of a theater;

3 the premises are a building that was constructed in 1913 and opened on May 24, 1915 as a vaudeville theater, and the premises were converted to a motion picture theater in 1935;

4 the church was constructed in 1889 with a stone exterior;

5 the primary entrance of the premises and the primary entrance of the church are at least 100 feet apart; and

6 the principal religious leader at the place of worship has indicated his or her consent to the issuance of the license in writing; and

7 the alderman in whose ward the premises are located has expressed his or her support for the issuance of the license in writing.

oo Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor at a premises that is located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a mosque, church, or other place of worship if:

1 the primary entrance of the premises and the primary entrance of the mosque, church, or other place of worship are perpendicular and are on different streets;

2 the primary entrance to the premises faces West and the primary entrance to the mosque, church, or other place of worship faces South;

3 the distance between the 2 primary entrances is at least 100 feet;

4 the mosque, church, or other place of worship was established in a location within 100 feet of the premises after a license for the sale of alcohol at the premises was first issued;

5 the mosque, church, or other place of worship was established on or around January 1, 2011;

6 a license for the sale of alcohol at the premises was first issued on or before January 1, 1985;

7 a license for the sale of alcohol at the premises has been continuously in effect since January 1, 1985, except for interruptions between licenses of no more than 90 days; and

8 the premises are a single-story, single-use building of at least 3,000 square feet and no more than 3,380 square feet.

pp Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor incidental to the sale of food within a restaurant or banquet facility established on premises that are located in a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of at least one church if:

1 the sale of liquor shall not be the principal business carried on by the licensee at the premises;

2 the premises are at least 6,500 square feet and no more than 7,500 square feet and is located in a single-story building;

3 the property on which the premises are located is within an area that, as of 2009, was designated as a Renewal Community by the United States Department of Housing and Urban Development;

4 the property on which the premises are located and the properties on which the churches are located are on the same street;

5 the property on which the premises are located is immediately adjacent to and east of the property on which at least one of the churches is located;

6 the property on which the premises are located is across the street and southwest of the property on which another church is located;

7 the principal religious leaders of the churches have indicated their support for the issuance of the license in writing; and

8 the alderman in whose ward the premises are located has expressed his or her support for the issuance of the license in writing.

For purposes of this subsection (pp), “banquet facility” means the part of the building that caters to private parties and where the sale of alcoholic liquors is not the principal business.

qq Notwithstanding any provision of this Section to the contrary, nothing in this Section shall prohibit the issuance or renewal of a license authorizing the sale of alcoholic liquor on premises that are located within a municipality with a population in excess of 1,000,000 inhabitants and within 100 feet of a church or school if:

1 the primary entrance of the premises and the closest entrance of the church or school are at least 200 feet apart and no greater than 300 feet apart;

2 the shortest distance between the premises and the church or school is at least 35 feet apart and no greater than 45 feet apart;

3 the premises are a single-story, steel-framed commercial building with at least 18,042 square feet, and was constructed in 1925 and 1997;

4 the owner of the business operated within the premises has been the general manager of a similar supermarket within one mile from the premises, which has had a valid license authorizing the sale of alcoholic liquor since 2002, and is in good standing with the City of Chicago;

5 the principal religious leader at the place of worship has indicated his or her support to the issuance or renewal of the license in writing;

6 the alderman of the ward has indicated his or her support to the issuance or renewal of the license in writing; and

7 the principal of the school has indicated his or her support to the issuance or renewal of the license in writing.

(Source: P.A. 95-331, eff. 8-21-07; 95-752, eff. 1-1-09; 96-283, eff. 8-11-09; 96-744, eff. 8-25-09; 96-851, eff. 12-23-09; 96-871, eff. 1-21-10; 96-1051, eff. 7-14-10; 97-9, eff. 6-14-11; 97-12, eff. 6-14-11; 97-634, eff. 12-16-11; 97-774, eff. 7-13-12; 97-780, eff. 7-13-12; 97-806, eff. 7-13-12; 97-1166, eff. 3-1-13; eff. 8-9-13; 98-463, eff. 8-16-13; 98-571, eff. 8-27-13; revised 9-24-13; 98-592, eff. 11-15-13) (from Chapter 43, paragraph 127)

5/6-12 Stores Selling School Supplies, Lunches, etc.

No license shall be issued to any person for the sale at retail of any alcoholic liquor at any store or other place of business where the majority of customers are minors of school age or where the principal business transacted consists of school books, school supplies, food, lunches or drinks for such minors.

(Source: P. A. 82-783) (from Chapter 43, paragraph 127a)

5/6-13 Access from Licensed Premises to Dwelling Quarters

Except in the case of wineries that have bed and breakfast facilities, hotels, and clubs, no alcoholic liquor shall be sold at retail upon any premises which has any access which leads from such premises to any other portion of the same building or structure used for dwelling or lodging purpose and which is permitted to be used or kept accessible for use by the public. This provision shall not prevent any connection between such premises and such other portion of the building or structure which is used only by the licensee, his family and personal guests.

(Source: P. A. 88-295) (from Chapter 43, paragraph 128)

5/6-14 Retail Sales on Sundays

No person shall sell at retail any alcoholic liquor on Sundays unless authorized by general ordinance or resolution of the city council, president and board of trustees or county board, as the case may be, provided, however that the city council, president and board of trustees or county board, as the case may be, may further restrict the permissible hours for the sale of alcoholic liquors under such licenses in its political subdivision as the public good and convenience may require.

(Source: P. A. 82-783) (from Chapter 43, paragraph 129)

5/6-15* Sale or Delivery in State, Political Subdivision, or Municipal Buildings — Liability Insurance

No alcoholic liquors shall be sold or delivered in any building belonging to or under the control of the State or any political subdivision thereof except as provided in this Act. The corporate authorities of any city, village, incorporated town or township may provide by ordinance, however, that alcoholic liquor may be sold or delivered in any specifically designated building belonging to or under the control of the municipality or township, or in any building located on land under the control of the municipality; provided that such township complies with all applicable local ordinances in any incorporated area of the township.

***Note: For the full text listed under this citation — which is revised regularly, and includes exceptions and regulations for various public buildings and lands — please visit **www.ilga.gov** on the web, click on the "Illinois Compiled Statutes" link, and then "Chapter 235: Liquor."*

(Source: Various Public Acts) (from Ch. 43, paragraph 130)

5/6-16 Sales to and Possession by Persons under 21, Intoxicated Persons — Proof of Identity and Age — Gatherings where One or More Persons are Under 18 — Violations and Penalties — Renting Hotel or Motel Rooms

a (i) No licensee nor any officer, associate, member, representative, agent, or employee of such licensee shall sell, give, or deliver alcoholic liquor to any person under the age of 21 years or to any intoxicated person, except as provided in Section 6-16.1. (ii) No express company, common carrier, or contract carrier nor any representative, agent, or employee on behalf of an express company, common carrier, or contract carrier that carrier or transports alcoholic liquor for delivery within this State shall knowingly give or knowingly deliver to a residential address any shipping container clearly labeled as containing alcoholic liquor and labeled as requiring signature of an adult of at least 21 years. An express company, common carrier, or contract carrier that carries or transports such alcoholic liquor for delivery within this State shall obtain a signature at the time of delivery acknowledging receipt of the alcoholic liquor by an adult who is at least 21 years of age. At no time while delivering alcoholic beverages within this State may any representative, agent, or employee of an express company, common carrier, or contract carrier that carries or transports alcoholic liquor for delivery within this State deliver the alcoholic liquor to a residential address without the acknowledgment of the consignee and without first obtaining a signature at the time of the delivery by an adult who is at least 21 years of age. A signature of a person on file with the express company, common carrier, or contract carrier does not constitute acknowledgment of the consignee. Any express company, common carrier, or contract carrier that transports alcoholic liquor for delivery within this State that violates this item (ii) of this subsection (a) by delivering alcoholic liquor without the acknowledgment of the consignee and without first obtaining a signature at the time of the delivery by an adult who is at least 21 years of age is guilty of a business offense for which the express company, common carrier, or contract carrier that transports alcoholic liquor within this State shall be fined not more than $1,001 for a first offense, not more than $5,000 for a second offense, and not more than $10,000 for a third or subsequent offense. An express company, common carrier, or contract carrier shall be held vicariously liable for the actions of its representatives, agents, or employees. For purposes of this Act, in addition to other methods authorized by law, an express company, common carrier, or contract carrier shall be considered served with process when a

representative, agent, or employee alleged to have violated this Act is personally served. Each shipment of alcoholic liquor delivered in violation of this item (ii) of this subsection (a) constitutes a separate offense. (iii) No person, after purchasing or otherwise obtaining alcoholic liquor, shall sell, give or deliver such alcoholic liquor to another person under the age of 21 years, except in the performance of a religious ceremony or service. Except as otherwise provided in item (ii), any express company, common carrier, or contract carrier that transports alcoholic liquor within this State that violates the provisions of items (i), (ii), or (iii) of this paragraph of this subsection (a) is guilty of a Class A misdemeanor and the sentence shall include, but shall not be limited to, a fine of not less than $500. If a licensee or officer, associate, member, representative, agent, or employee of the licensee, or a representative, agent, or employee of an express company, common carrier, or contract carrier that carries or transports alcoholic liquor for delivery within this State, is prosecuted under this paragraph of this subsection (a) for selling, giving, or delivering alcoholic liquor to a person under the age of 21 years, the person under 21 years of age who attempted to buy or receive the alcoholic liquor may be prosecuted pursuant to Section 6-20 of this Act, unless the person under 21 years of age was acting under the authority of a law enforcement agency, the Illinois Liquor Control Commission, or a local liquor control commissioner pursuant to a plan or action to investigate, patrol, or conduct any similar enforcement action.

For the purpose of preventing the violation of this section, any licensee, or his agent or employee, or a representative, agent, or employee of an express company, common carrier, or contract carrier that carries or transports alcoholic liquor for delivery within this State, shall refuse to sell, deliver or serve alcoholic beverages to any person who is unable to produce adequate written evidence of identity and of the fact that he or she is over the age of 21 years, if requested by the licensee, agent, employee, or representative.

Adequate written evidence of age and identity of the person is a document issued by a federal, state, county, or municipal government, or subdivision or agency thereof, including, but not limited to, a motor vehicle operator's license, a registration certificate issued under the Federal Selective Service Act, or an identification card issued to a member of the Armed Forces. Proof that the defendant-licensee, or his employee or agent, or a representative, agent, or employee of an express company, common carrier, or contract carrier that carries or transports alcoholic liquor for delivery within this State, demanded, was shown and reasonably relied upon such written evidence in any transaction, forbidden by this Section is an affirmative defense in any criminal prosecution therefor or to any proceedings for the suspension or revocation of any license based thereon. It shall not, however, be an affirmative defense if the agent or employee accepted the written evidence knowing it to be false or fraudulent. If a false or fraudulent Illinois driver's license or Illinois identification card is presented by a person less than 21 years of age to a licensee or the licensee's agent or employee for the purpose of ordering, purchasing, attempting to purchase, or otherwise obtaining or attempting to obtain the serving of any alcoholic beverage, the law enforcement officer or agency investigating the incident shall, upon the conviction of the person who presented the fraudulent license or identification, make a report of the matter to the Secretary of State on a form provided by the Secretary of State.

However, no agent or employee of the licensee or employee of an express company, common carrier, or contract carrier that carries or transports alcoholic liquor for delivery within this State shall be disciplined or discharged for selling or furnishing liquor to a person under 21 years of age if the agent or employee demanded and was shown, before furnishing liquor to a person under 21 years of age, adequate written evidence of age and identity of the person issued by a federal, state, county or municipal government, or subdivision or agency thereof, including but not limited to a motor vehicle operators's license, a registration certificate issued under the Federal Selective Service Act, or an identification card issued to a member of the Armed Forces. This paragraph, however, shall not apply if the agent or employee accepted the written evidence knowing it to be false or fraudulent.

Any person who sells, gives, or furnishes to any person under the age of 21 years any false or fraudulent written, printed, or photostatic evidence of the age and identity of such person or who sells, gives or furnishes to any person under the age of 21 years evidence of age and identification of any other person is guilty of a Class A misdemeanor and the person's sentence shall include, but shall not be limited to, a fine of not less than $500.

Any person under the age of 21 years who presents or offers to any licensee, his agent or employee, any written, printed or photostatic evidence of age and identity that is false, fraudulent, or not actually his or her own for the purpose of ordering, purchasing, attempting to purchase or otherwise procuring or attempting to procure, the serving of any alcoholic beverage, who falsely states in writing that he or she is at least 21 years of age when receiving alcoholic liquor from a representative, agent, or employee of an express company, common carrier, or contract carrier, or who has in his or her possession any false or fraudulent written, printed, or photostatic evidence of age and identity, is guilty of a Class A misdemeanor and the person's sentence shall include, but shall not be limited to the following: a fine of not less than $500 and at least 25 hours of community service. If possible, any community service shall be performed for an alcohol abuse prevention program.

Any person under the age of 21 years who has any alcoholic beverage in his or her possession on any street or highway or in any public place or in any place open to the public is guilty of a Class B misdemeanor. This Section does not apply to possession by a person under the age of 21 years making a delivery of an alcoholic beverage in pursuance of the order of his or her parent or in pursuance of his or her employment.

a-1 It is unlawful for any parent or guardian to knowingly permit his or her residence, or any other private property under his or her control, to be used by an invitee of the parent's child or the guardian's ward, if the invitee is under the age of 21, in a manner that constitutes a violation of this Section. A parent or guardian is deemed to have knowingly permitted his or her residence, or any other private property under his or her control, to be used in violation of this Section if he or she knowingly authorizes, or permits consumption of alcoholic liquor by underage invitees. Any person who violates this subsection (a-1) is guilty of a Class A misdemeanor and the person's sentence shall include, but shall not be

limited to, a fine of not less than $500. Where a violation of this subsection (a-1) directly or indirectly results in great bodily harm or death to any person, the person violating this subsection shall be guilty of a Class 4 felony. Nothing in this subsection (a-1) shall be construed to prohibit the giving of alcoholic liquor to a person under the age of 21 years in the performance of a religious ceremony or service in observation of a religious holiday.

b Except as otherwise provided in this Section whoever violates this Section shall, in addition to other penalties provided for in this Act, be guilty of a Class A misdemeanor.

c Any person shall be guilty of a Class A misdemeanor where he or she knowingly authorizes or permits a residence which he or she occupies to be used by an invitee under 21 years of age and:

1 the person occupying the residence knows that any such person under the age of 21 is in possession of or is consuming any alcoholic beverage; and

2 the possession or consumption of the alcohol by the person under 21 is not otherwise permitted by this Act.

For the purposes of this subsection (c) where the residence has an owner and a tenant or lessee, there is a rebuttable presumption that the residence is occupied only by the tenant or lessee. The sentence of any person who violates this subsection (c) shall include, but shall not be limited to, a fine of not less than $500. Where a violation of this subsection (c) directly or indirectly results in great bodily harm or death to any person, the person violating this subsection (c) shall be guilty of a Class 4 felony. Nothing in this subsection (c) shall be construed to prohibit the giving of alcoholic liquor to a person under the age of 21 years in the performance of a religious ceremony or service in observation of a religious holiday.

A person shall not be in violation of this subsection (c) if (A) he or she requests assistance from the police department or other law enforcement agency to either (i) remove any person who refuses to abide by the person's performance of the duties imposed by this subsection (c) or (ii) terminate the activity because the person has been unable to prevent a person under the age of 21 years from consuming alcohol despite having taken all reasonable steps to do so and (B) this assistance is requested before any other person makes a formal complaint to the police department or other law enforcement agency about the activity.

d Any person who rents a hotel or motel room from the proprietor or agent thereof for the purpose of or with the knowledge that such room shall be used for the consumption of alcoholic liquor by persons under the age of 21 years shall be guilty of a Class A misdemeanor.

e Except as otherwise provided in this Act, any person who has alcoholic liquor in his or her possession on public school district property on school days or at events on public school district property when children are present is guilty of a petty offense, unless the alcoholic liquor (i) is in the original container with the seal unbroken and is in the possession of a person who is not otherwise legally prohibited from possessing the alcoholic liquor or (ii) is in the possession of a person in or for the performance of a religious service or ceremony authorized by the school board.

(Source: P. A. 92-380, eff. 1-1-02 and P.A. 92-503, eff. 1-1-02; P.A. 92-507, eff. 1-1-02; P.A. 95-563, eff. 8-31-07; P.A. 97-1049, eff. 1-1-13) (from Chap. 43, para. 131)

5/6-16.1 Enforcement Actions

a A licensee or an officer, associate, member, representative, agent, or employee of a licensee may sell, give, or deliver alcoholic liquor to a person under the age of 21 years or authorize the sale, gift, or delivery of alcoholic liquor to a person under the age of 21 years pursuant to a plan or action to investigate, patrol, or otherwise conduct a "sting operation" or enforcement action against a person employed by the licensee or on any licensed premises if the licensee or officer, associate, member, representative, agent, or employee of the licensee provides written notice, at least 14 days before the "sting operation" or enforcement action, unless governing body of the municipality or county having jurisdiction sets a shorter period by ordinance, to the law enforcement agency having jurisdiction, the local liquor control commissioner, or both. Notice provided under this Section shall be valid for a "sting operation" or enforcement action conducted within 60 days of the provision of that notice, unless the governing body of the municipality or county having jurisdiction sets a shorter period by ordinance.

b A local liquor control commission or unit of local government that conducts alcohol and tobacco compliance operations shall establish a policy and standards for alcohol and tobacco compliance operations to investigate whether a licensee is furnishing (1) alcoholic liquor to persons under 21 years of age in violation of this Act or (2) tobacco to persons in violation of the Prevention of Tobacco Use by Minors and Sale and Distribution of Tobacco Products Act.

c The Illinois Law Enforcement Training Standards Board shall develop a model policy and guidelines for the operation of alcohol and tobacco compliance checks by local law enforcement officers. The Illinois Law Enforcement Training Standards Board shall also require the supervising officers of such compliance checks to have met a minimum training standard as determined by the Board. The Board shall have the right to waive any training based on current written policies and procedures for alcohol and tobacco compliance check operations and in-service training already administered by the local law enforcement agency, department, or office.

d The provisions of subsections (b) and (c) to not apply to a home rule unit with more than 2,000,000 inhabitants.

e A home rule unit, other than a home rule unit with more than 2,000,000 inhabitants, may not regulate enforcement actions in a manner inconsistent with the regulation of enforcement actions under this Section. This subsection (e) is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution the concurrent exercise by home rule units of powers and functions exercised by the State.

f A licensee who is the subject of an enforcement action or "sting operation" under this Section and is found, pursuant to the enforcement action, to be in compliance with this Act shall be notified by the enforcement agency action that no violation was found within 30 days after the finding.

(Source: P. A. 96-179, eff. 8-10-09; 96-446, eff. 1-1-10; 96-1000, eff. 7-2-10)

5/6-16.2 Prohibited Entry to a Licensed Premises

A municipality or county may prohibit a licensee or any officer, associate, member, representative, agent, or employee of a licensee from permitting a person under the age of 21 years to enter and remain in that portion of a licensed premises that sells, gives, or delivers alcoholic

liquor for consumption on the premises. No prohibition under this Section, however, shall apply to any licensed premises, such as without limitation a restaurant or food shop, where the selling, giving, or delivering alcoholic liquor is not the principal business of the licensee at those premises.

In instances where a person under the age of 21 years is prohibited from entering and remaining on the premises, proof that the defendant-licensee, or his employee or agent, demanded, was shown, and reasonably relied upon adequate written evidence for purposes of entering and remaining on the licensed premises is an affirmative defense in any criminal prosecution therefore or to any proceedings for the suspension or revocation of any license based thereon. It shall not, however, be an affirmative defense if the defendant-licensee, or his agent or employee, accepted the written evidence knowing it to be false or fraudulent.

Adequate written evidence of age and identity of the person is a document issued by a federal, state, county, or municipal government, or subdivision or agency thereof, including, but not limited to, a motor vehicle operator's license, a registration certificate issued under the Federal Selective Service Act, or an identification card issued to a member of the armed forces.

If a false or fraudulent Illinois driver's license or Illinois identification card is presented by a person less than 21 years of age to a licensee or the licensee's agent or employee for the purpose of obtaining entry and remaining on a licensed premises, the law enforcement officer or agency investigating the incident shall, upon the conviction of the person who presented the fraudulent license or identification, make a report of the matter to the Secretary of State on a form provided by the Secretary of State.

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

5/6-17 Civil Rights in Licensed Premises — Distributor Sales to Non-licensees

a No licensee licensed under the provisions of this Act shall deny or permit his agents and employees to deny any person the full and equal enjoyment of the accommodations, advantages, facilities and privileges of any premises in which alcoholic liquors are authorized to be sold subject only to the conditions and limitations established by law and applicable alike to all citizens.

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

(Source: P. A. 86-1469) (from Chapter 43, paragraph 133)

5/6-17-1 Distributors — Sales to Retailers

The General Assembly hereby finds and declares that for the purposes of ensuring that all retail licensees have the opportunity to receive alcoholic liquor, reducing the amount of spoiled and over aged alcoholic liquor sold to customers, and maintaining the distribution system and the State's ability to regulate against illegal importation of alcoholic liquor, it is necessary to prevent discrimination among retail licensees as provided in this Section.

A distributor or importing distributor designated as a distributor or importing distributor for alcoholic liquor within a designated geographic area or areas under Section 6-9 of this Act shall use its best efforts to make available for sale to retail licensees, in its designated geographic area or areas, each brand of alcoholic liquor which the distributor or the importing distributor has been authorized to distribute. Nothing in this Section prohibits a distributor or importing distributor from establishing purchase requirements unless the requirements have the effect of excluding a majority of the retail licensees in the designated geographic area or areas from purchasing the alcoholic liquor.

(Source: P. A. 91-0186, eff. 1-1-00)

5/6-17.2 Importation of Alcoholic Liquor into this State

A person who imports into this State from any point in the United States outside this State, whether for himself or for another, any alcoholic liquor for sale or resale is required to hold a license issued by the Commission in accordance with this Act, except as otherwise expressly authorized by this Act.

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

5/6-18 Home Rule Units — Powers

No home rule unit, as defined in Article VII of the Illinois Constitution, may amend or alter or in any way change the legal age at which persons may purchase, consume or possess alcoholic liquors as provided in this Act, and it is declared to be the law of this State, pursuant to paragraphs (h) and (i) of Section 6 of Article VII of the Constitution, that the establishment of such legal age is an exercise of exclusive State power which may not be exercised concurrently by a home rule unit.

(Source: P. A. 82-783) (from Chapter 43, paragraph 133a)

5/6-19 Sales on Credit — Exceptions as to Clubs and Motels

(Repealed by P. A. 90-432, eff. 1-1-98)

5/6-20 Transfer, Possession, and Consumption of Alcoholic Liquor — Restrictions

a Any person to whom the sale, gift or delivery of any alcoholic liquor is prohibited because of age shall not purchase, or accept a gift of such alcoholic liquor or have such alcoholic liquor in his possession.

b If a licensee or his or her agents or employees believes or has reason to believe that a sale or delivery of any alcoholic liquor is prohibited because of the non-age of the prospective recipient, he or she shall, before making such sale or delivery demand presentation of some form of positive identification, containing proof of age, issued by a public officer in the performance of his or her official duties.

c No person shall transfer, alter, or deface such an identification card; use the identification card of another; carry or use a false or forged identification card; or obtain an identification card by means of false information.

d No person shall purchase, accept delivery or have possession of alcoholic liquor in violation of this Section.

e The consumption of alcoholic liquor by any person under 21 years of age is forbidden.

f Whoever violates any provisions of this Section shall be guilty of a Class A misdemeanor.

g The possession and dispensing, or consumption by a person under 21 years of age of alcoholic liquor in the performance of a religious service or ceremony, or the consumption by a person under 21 years of age under the direct supervision and approval of the parents or parent or those persons standing in

loco parents of such person under 21 years of age in the privacy of a home, is not prohibited by this Act.

h The provisions of this Act prohibiting the possession of alcoholic liquor by a person under 21 years of age and dispensing of alcoholic liquor to a person under 21 years of age do not apply in the case of a student under 21 years of age, but 18 years of age or older, who:

1 tastes, but does not imbibe, alcoholic liquor only during times of a regularly scheduled course while under the direct supervision of an instructor who is at least 21 years of age and employed by an educational institution described in subdivision (2);

2 is enrolled as a student in a college, university, or post-secondary educational institution that is accredited or certified by an agency recognized by the United States Department of Education or a nationally recognized accrediting agency or association, or that has a permit of approval issued by the Board of Higher Education pursuant to the Private Business and Vocational Schools Act of 2012;

3 is participating in a culinary arts, food service, or restaurant management degree program of which a portion of the program includes instruction on responsible alcoholic beverage serving methods modeled after the Beverage Alcohol Sellers and Server Education and Training (BASSET) curriculum; and

4 tastes, but does not imbibe, alcoholic liquor for instructional purposes up to, but not exceeding, 6 times per class as a part of a required course in which the student temporarily possesses alcoholic liquor for tasting, not imbibing, purposes only in a class setting on the campus and, thereafter, the alcoholic liquor is possessed and remains under the control of the instructor.

(Source: P. A. 95-166, eff. 1-1-08; 95-355, eff. 1-1-08; P.A. 97-1058, eff. 8-24-12) (from Chapter 43, paragraph 134a)

5/6-21 Actions for Damages Caused by Intoxication — Lessor's Liability — Forfeiture of Lease — Maximum Recovery — Limitations — Jurisdiction — Service

a Every person who is inured within this State, in person or property, by any intoxicated person has a right of action in his or her own name, severally or jointly, against any person, licensed under the laws of this State or of any other state to sell alcoholic liquor, who, by selling or giving alcoholic liquor, within or without the territorial limits of this State, causes the intoxication of such person. Any person at least 21 years of age who pays for a hotel or motel room or facility knowing that the room or facility is to be used by any person under 21 years of age for the unlawful consumption of alcoholic liquors and such consumption causes the intoxication of the person under 21 years of age, shall be liable to any person who is injured in person or property by the intoxicated person under 21 years of age. Any person owning, renting, leasing or permitting the occupation of any building or premises with knowledge that alcoholic liquors are to be sold therein, or who having leased the same for other purposes, shall knowingly permit therein the sale of any alcoholic liquors that have caused the intoxication of any person, shall be liable, severally or jointly, with the person selling or giving the liquors. However, if such building or premises belong to a minor or other person under guardianship the guardian of such person shall be held liable instead of the ward. A married woman has the same right to bring the action and to control it and the amount recovered as an unmarried woman. All damages recovered by a minor under this Act shall be paid either to the minor, or to his or her parent, guardian or next friend as the court shall direct. The unlawful sale or gift of alcoholic liquor works a forfeiture of all rights of the lessee or tenant under any lease or contract of rent upon the premises where the unlawful sale or gift takes place. All actions for damages under this Act may be by any appropriate action in the circuit court. An action shall lie for injuries to either means of support or loss of society, but not both, caused by an intoxicated person or in consequence of the intoxication of any person resulting as hereinabove set out. "Loss of society" means the mutual benefits that each family member receives from the other's continued existence, including love, affection, care, attention, companionship, comfort, guidance, and protection. "Family" includes spouse, children, parents, brothers, and sisters. The action, if the person from whom support or society was furnished is living, shall be brought by any person injured in means of support or society in his or her name for his or her benefit and the benefit of all other persons injured in means of support or society. However, any person claiming to be injured in means of support or society and not included in any action brought hereunder may join by motion made within the times herein provided for bringing such action or the personal representative of the deceased person from whom such support or society was furnished may so join. In every such action the jury shall determine the amount of damages to be recovered without regard to and with no special instructions as to the dollar limits on recovery imposed by this Section. The amount recovered in every such action is for the exclusive benefit of the person injured in loss of support or society and shall be distributed to such persons in the proportions determined by the verdict rendered or judgment entered in the action. If the right of action is settled by agreement with the personal representative of a deceased person from whom support or society was furnished, the court having jurisdiction of the estate of the deceased person shall distribute the amount of the settlement to the person injured in loss of support or society in the proportion, as determined by the court, that the percentage of dependency of each such person upon the deceased person bears to the sum of the percent ages of dependency of all such persons upon the deceased person. For all causes of action involving persons injured, killed, or incurring property damage before September 12,1985 but before July 1, 1998, in no event shall the judgment or recovery under this Act for injury to the person or to the property of any person as hereinabove set out exceed $15,000, and recovery under this Act for loss of means of support resulting from the death or injury of any person, as herein above set out, shall not exceed $20,000. For all causes of action involving persons injured, killed, or incurring property damage after September 12, 1985, in no event shall the judgment or recovery for injury to the person or property of any person exceed $30,000 for each person incurring dam ages, and recovery under this Act for loss of means of support resulting from the death or injury of any person shall not exceed $40,000. For all causes of action involving persons injured, killed, or incurring property damage on or after July 1, 1998, in no event shall the judgment or recovery for injury to the person or property of any person exceed $45,000 for each person

incurring damages, and recovery under this Act for either loss of means of support or loss of society resulting from the death or injury of any person shall not exceed $55,000. Beginning in 1999, every January 20, these liability limits shall automatically be increased or decreased, as applicable, by a percentage equal to the percentage change in the consumer price index-u during the preceding 12-month calendar year. "Consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Comptroller and made available via the Comptroller's official website by January 31 of every year and to the chief jude of each judicial circuit. The liability limits at the time at which damages subject to such limits are awarded by final judgment or settlement shall be utilized by the courts. Nothing in this Section bars any person from making separate claims which, in the aggregate, exceed any one limit where such person incurs more than one type of compensable damage, including personal injury, property damage, and loss to means of support or society. However, all persons claiming loss to means of support or society shall be limited to an aggregate recovery not to exceed the single limitation set forth herein for the death or injury of each person from whom support or society is claimed.

Nothing in this Act shall be construed to confer a cause of action for injuries to the person or property of the intoxicated person himself, nor shall anything in this Act be construed to confer a cause of action for loss of means of support or society on the intoxicated person himself or on any person claiming to be supported by such intoxicated person or claiming the society of such person. In conformance with the rule of statutory construction enunciated in the general Illinois saving provision in Section 4 of "An Act to revise the law in relation to the construction of the statutes", approved March 5, 1874, as amended, no amendment of this Section purporting to abolish or having the effect of abolishing a cause of action shall be applied to invalidate a cause of action accruing before its effective date, irrespective of whether the amendment was passed before or after the effective date of this amendatory Act of 1986.

Each action hereunder shall be barred unless commenced within one year next after the cause of action accrued. However, a licensed distributor or brewer whose only connection with the furnishing of alcoholic liquor which is alleged to have caused intoxication was the furnishing or maintaining of any apparatus for the dispensing or cooling of beer is not liable under this Section, and if such licensee is named as a defendant, a proper motion to dismiss shall be granted.

b Any person licensed under any state or local law to sell alcoholic liquor, whether or not a citizen or resident of this State, who in person or through an agent causes the intoxication, by the sale or gift of alcoholic liquor, of any person who, while intoxicated, causes injury to any person or property in the State of Illinois thereby submits such licensed person, and, if an individual, his or her personal representative, to the jurisdiction of the courts of this State for a cause of action arising under subsection (a) above.

Service of process upon any person who is subject to the jurisdiction of the courts of this State, as provided in this subsection, may be made by personally serving the summons upon the defendant outside this State, as provided in the Code of Civil Procedure, as now or hereafter amended, with the same force and effect as though summons had been personally served within this State. Only causes of action arising under subsection (a) above may be asserted against a defendant in an action in which jurisdiction over him or her is based upon this subsection.

Nothing herein contained limits or affects the right to serve any process in any other manner now or hereafter provided by law.

(Source: P. A. 94-982, eff. 6-30-06) (from Chapter 43, paragraph 135)

5/6-22 Refilling Original Packages — Retail Sales from Original Packages

No person except a manufacturer or distributor, or importing distributor, shall fill or refill, in whole or in part, any original package of alcoholic liquor with the same or any other kind or quality of alcoholic liquor, and it shall be unlawful for any person to have in his possession for sale at retail any bottles, casks or other containers containing alcoholic liquor, except in original packages.

(Source: P. A. 82-783) (from Chapter 43, paragraph 137)

5/6-23 Agreements not to Sell Liquor of Another Manufacturer Void

No manufacturer or distributor or importing distributor or foreign importer shall enter into any contract with any person licensed to sell at retail whereby such licensee agrees not to sell any alcoholic liquors manufactured or distributed by any other manufacturer or distributor or importing distributor or foreign importer, and any provision in any contract violative of this Section, shall render the whole of such contract void and no action shall be brought thereon in any court. However, nothing in this Section shall prohibit the Department of Agriculture from entering into contracts for exclusive facilities upon the State Fair Grounds on an equal basis.

(Source: P. A. 85-142) (from Chapter 43, paragraph 138)

5/6-24 Displaying License

Every licensee shall cause his license or licenses to be framed and hung in plain view in a conspicuous place on the licensed premises. An airplane license shall be maintained at the licensee's business premises in Illinois.

(Source: P. A. 82-783) (from Chapter 43, paragraph 139)

5/6-24a Display of Birth Defects Warning Signs

a The General Assembly finds that there is a need for public information about the risk of birth defects (specifically Fetal Alcohol Syndrome) when women consume alcoholic liquor during pregnancy. The United States Surgeon General has recommended abstinence from alcohol during pregnancy. Since Fetal Alcohol Syndrome and fetal alcohol effects are preventable, the General Assembly finds that it is in the public interest to provide warning about the risk of alcohol-related birth defects at places where alcoholic liquors are sold.

b Every holder of a retail license, whether the licensee sells or offers for sale alcoholic liquors for use or consumption on or off the retail license premises, shall cause a sign with the message:

> **"Government Warning: According to the Surgeon General, women should not drink alcoholic beverages during preg-nancy because of the risk of birth defects. If you need assistance for substance abuse, please call the Office of Alcoholism and Substance Abuse (OASA) at 1-800-843-6154."**

to be framed and hung in plain view. These signs shall be no larger than 8 1/2 inches by 11 inches.

c In the event there is no warning sign posted on the retailer's premises, it shall be the responsibility of the Illinois Liquor Control Commission to furnish the retailer with a warning sign. The retailer shall have 30 days from receipt of the warning sign to post it on the licensed premises. Thereafter, a retailer who violates this Section is subject to a written warning for the first violation. For a second or subsequent violation, the retailer shall pay a fine of at least $20 but not more than $100 for each such violation. For the third and subsequent violations, each day the activity continues shall be a separate violation.

(Source: P. A. 96-387, eff. 1-1-10) (from Chapter 43, paragraph 139a)

5/6-25 Requirements for Restaurant and Club Licenses

No person shall receive a local license to sell alcoholic liquor upon any premises as a restaurant nor as a club unless it has the qualifications respectively described in Sections 1-3.23 and 1-3.24. No restaurant, licensed as such, shall sell alcoholic liquor except with meals.

(Source: P. A. 82-783) (from Chapter 43, paragraph 142)

5/6-26 Minimum size of Container for Unmixed Whiskey, Gin or Rum

No unmixed spirits shall be sold or offered for sale at retail for consumption on the premises, except in a container having a minimum capacity of at least one fluid ounce and which contains at the time of sale at least one fluid ounce of the beverage being sold. The provisions of this Section shall not prohibit the sale of unmixed spirits on boats or railroad cars licensed to sell liquor for consumption on the premises in containers regularly used and having a smaller fluid capacity.

(Source: P. A. 89-0250, eff. 1-1-96) (from Chapter 43, paragraph 144a)

5/6-27 Licensing of Seller and Server Education Programs

a Any program designed to educate or train employees who sell or serve alcoholic beverages at retail to identify and address persons displaying problems with alcohol misuse or abuse shall be licensed by the State Commission.

b A seller and server education program license in effect on the effective date of this amendatory Act of the 91st General Assembly shall remain in effect until June 30, 2000.

(Source: P. A. 91-922, eff. 7-7-00) (from Chapter 43, paragraph 144c)

5/6-28 Happy Hours Prohibited

a All retail licensees shall maintain a schedule of the prices charged for all drinks of alcoholic liquor to be served and consumed on the licensed premises or in any room or part thereof. Whenever a hotel or multi-use establishment which holds a valid retailer's license operates on its premises more than one establishment at which drinks of alcoholic liquor are sold at retail, the hotel or multi-use establishment shall maintain at each such establishment a separate schedule of the prices charged for such drinks at that establishment.

b No retail licensee or employee or agent of such licensee shall:

1 serve 2 or more drinks of alcoholic liquor at one time to one person for consumption by that one person, except conducting product sampling pursuant to Section 6-31 or selling or delivering wine by the bottle or carafe;

2 sell, offer to sell or serve to any person an unlimited number of drinks of alcoholic liquor during any set period of time for a fixed price, except at private functions not open to the general public;

3 sell, offer to sell or serve any drink of alcoholic liquor to any person on any one date at a reduced price other than that charged other purchasers of drinks on that day where such reduced price is a promotion to encourage consumption of alcoholic liquor, except as authorized in paragraph (7) of subsection (c);

4 increase the volume of alcoholic liquor contained in a drink, or the size of a drink of alcoholic liquor, without increasing proportionately the price regularly charged for the drink on that day;

5 encourage or permit, on the licensed premises, any game or contest which involves drinking alcoholic liquor or the awarding of drinks of alcoholic liquor as prizes for such game or contest on the licensed premises; or

6 advertise or promote in any way, whether on or off the licensed premises, any of the practices prohibited under paragraphs (1) through (5).

c Nothing in subsection (b) shall be construed to prohibit a licensee from:

1 offering free food or entertainment at any time;

2 including drinks of alcoholic liquor as part of a meal package;

3 including drinks of alcoholic liquor as part of a hotel package;

4 negotiating drinks of alcoholic liquor as part of a contract between a hotel or multi-use establishment and another group for the holding of any function, meeting, convention or trade show;

5 providing room service to persons renting rooms at a hotel;

6 selling pitchers (or the equivalent, including but not limited to buckets), carafes, or bottles of alcoholic liquor which are customarily sold in such manner, or selling bottles of spirits, and delivered to 2 or more persons at one time;

7 increasing prices of drinks of alcoholic liquor in lieu of, in whole or in part, a cover charge to offset the cost of special entertainment not regularly scheduled; or

8 including drinks of alcoholic liquor as part of an entertainment package where the licensee is separately licensed by a municipal ordinance that (A) restricts dates of operation to dates during which there is an event at an adjacent stadium, (B) restricts hours of serving alcoholic liquor to 2 hours before the event and one hour after the event, (C) restricts alcoholic liquor sales to beer and wine, (D) requires tickets for admission to the establishment, and (E) prohibits sale of admission tickets on the day of an event and permits the sale of admission tickets for single events only.

d A violation of this Act shall be grounds for suspension or revocation of the retailer's license as provided by this Act.

(Source: P. A. 94-1112, eff. 2-27-07; 98-571, eff. 8-27-13) (from Chapter 43, paragraph 144d)

5/6-29 Winery Shipper's License

a The General Assembly declares that the following is the intent of this Section:

1 To authorize direct shipment of wine by an out-of-state maker of wine on the same basis permitted an in-state maker of wine pursuant to the authority of the State under the provisions of Section 2 of the Twenty-First Amendment to the United States Constitution and in conformance with the United States Supreme Court decision decided on May 16, 2005 in Granholm v. Hearld.

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

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

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

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

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

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

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

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

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

(Source: P. A. 95-634, eff. 6-1-08) (from Chapter 43, paragraph 144e)

5/6-29.1 Direct Shipments of Alcoholic Liquor

a The General Assembly makes the following findings:

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

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

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

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

5 Therefore, the paramount purposes of this amendatory Act is to continue to carefully limit direct shipment sales of wine produced by makers of wine and to continue to prohibit such direct shipment sales for spirits and beer.

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

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

Any person manufacturing, distributing, or selling alcoholic liquor who knowingly ships or transports or causes the shipping or transportation of any alcoholic liquor from a point outside this State to a person in this state who does not hold a manufacturer's, distributor's, importing distributor's, or nonresident dealer's license issued by the Liquor Control Commission, other than a shipment of sacramental wine to a bona fide religious organization, a shipment authorized by Section 6-29, or any other shipment authorized by this Act, is in

violation of this Act.

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

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

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

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

5/6-30 Riverboat Gambling Excursions — Sale and Consumption of Alcoholic Liquor

Notwithstanding any other provision of this Act, the Illinois Gaming Board shall have exclusive authority to establish the hours for sale and consumption of alcoholic liquor on board a riverboat during riverboat gambling excursions conducted in accordance with the Riverboat Gambling Act.

(Source: P. A. 87-826) (from Chapter 43, paragraph 144f)

5/6-31 Product Sampling

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

b Notwithstanding the provisions of subsection (a), an on-premises retail licensee may offer for sale and serve more than one drink per person for sampling purposes without violating paragraph (1) of subsection (b) of Section 6-28 or paragraph (6) of subsection (c) of Section 6-28 of this Act, provided the total quantity of the sampling package, regardless of the number of containers in which the alcoholic liquor is being served, does not exceed 1 ounce of distilled spirits, 4 ounces of wine, or 16 ounces of beer. In any event, all provisions of Section 6-28 shall apply to an on-premises retail licensee that conducts product sampling.

(Source: P. A. 90-626, eff. 1-1-99)

5/6-32 Safety Provisions

a A retailers on premise consumption licensee may not permit the use of any pyrotechnic device within its licensed premises without the prior authorization of the Illinois State Fire Marshal. A retailers on premise consumption licensee, or any agent or employee of licensee, may not use mace, pepper spray, or any other toxic air-released compound within its licensed premises. Violation of this subsection (a) by any licensee or any employee or agent of a licensee is a Class 4 felony.

b No person may impede any person who is attempting to exit the premises of a retailers on premise consumption licensee due to an emergency that constitutes a threat to the health or safety of persons within the licensed premises. For the purpose of this Section, the term "impede a person who is attempting to exit" includes physically restraining the person or blocking or locking an exit while the licensed premises is open to the public. Violation of this subsection (b) is a Class 4 felony.

c A retailers on premise consumption licensee with an authorized capacity (i) of a t least 250 person, (ii) set by the State Fire Marshal, or (iii) set by local ordinance, whichever is lowest, must place a panic bar on each exit of its licensed premises. A retailers on premise consumption licensee with an authorized capacity of at least 500 persons that conducts live entertainment within its licensed premises must, before the commencement of the live entertainment, make an announcement to the patrons of the licensed premises that generally informs those patrons of the locations of exits and fire escapes at the licensed premises.

(Source: 235 ILCS/P. A. 93-0551, eff. 8-19-03)

5/6-33 Sealing and Removal of Open Wine Bottles from a Restaurant

Notwithstanding any other provision of this Act, a restaurant licensed to sell alcoholic liquor in this State may permit a patron to remove one unsealed and partially consumed bottle of wine for off-premise consumption provided that the patron has purchased a meal and consumed a portion of the bottle of wine with the meal on the restaurant premises. A partially consumed bottle of wine that is to be removed from the premises pursuant to this Section shall be securely sealed by the licensee or an agent of the licensee prior to removal from the premises and placed in a transparent one-time use tamper-proof bag. The licensee or agent of the licensee shall provide a dated receipt for the bottle of wine to the patron. Wine that is resealed in accordance with the provisions of this Section and not tampered with and transported in accordance with the restrictions of subsections (a) and (b) of Section 11-502 of the Illinois Vehicle Code shall not be deemed to violate Section 11-502 of the Illinois Vehicle Code.

(Source: P. A. 94-1047, eff. 1-1-07; 95-331, eff. 8-21-07; 95-847, eff. 8-15-08)

5/6-34 Alcohol without Liquid Machines

a No person shall bring into this State for use or sale any alcohol without liquid machine.

b For the purposes of this Section, "alcohol without liquid machine" means a device designed or marketed for the purposes of mixing alcohol with oxygen or another gas to produce a mist for inhalation for recreational purposes.

(Source: P. A. 94-745, eff. 5-8-06; 95-331, eff. 8-21-07)

5/6-35 Alcopops

a For purposes of this Section, "alcopop" means a flavored alcoholic beverage or flavored malt beverage that includes (i) a malt beverage containing a malt base or beer and added natural or artificial blending material, such as fruit juices, flavors, flavorings, colorings, or preservatives where such blending material constitutes .5% or more of the alcohol by volume contained in the finished beverage; (ii) a beverage containing wine and more than 15% added natural or artificial blending material, such as fruit juices, flavors, flavorings, or

adjuncts, water (plain, carbonated, or sparkling), colorings, or preservatives; (iii) a beverage containing distilled alcohol and added natural or artificial blending material, such as fruit juices, flavors, flavorings, colorings, or preservatives; or (iv) an alcohol malt beverage containing caffeine, guarana, taurine, or ginseng, where the beverage constitutes 0.5% or more of alcohol by volume.

b No entity may advertise, promote, or market any alcopop beverages toward children. Advertise, promote, or market includes, but is not limited to the following:

1 the use of cartoons and youth-orientated photos in advertising, promotion, packaging, or labeling of alcohol products;

2 sponsorships of athletic events where the intended audience is primarily children;

3 billboards advertising alcopops, as defined in items (i), (ii), and (iii) of subsection (a) of this Section, placed within 500 feet of schools, public parks, amusement parks, and places of worship; and

4 the display of any alcopop beverage in any video game, theater production, or other live performances where the intended audience is primarily children.

c No entity shall sell for consumption an alcohol malt beverage containing caffeine, guarana, taurine, or ginseng, where the beverage constitutes 0.5% or more of alcohol by volume, unless individual containers of the beverage have imprinted on each individual container the following:

1 the words “contains alcohol”; and

2 the alcohol content of the beverage.

d Any person who violates this Section is guilty of a business offense and shall be fined $500 for a first offense and $1,000 for a second or subsequent offense.

e Nothing in this Section shall be construed to be inconsistent with any other provision of this Section or any other State or federal laws, rules, or regulations regarding the labeling of alcoholic beverages.

(Source: P. A. 95-618, eff. 6-1-08; 95-860, eff. 1-1-09)

5/6-36 Homemade Brewed Beverages

a No license or permit is required under this Act for the making of homemade brewed beverages or for the possession, transportation, or storage of homemade brewed beverages by any person 21 years of age or older, if all of the following apply:

1 the person who makes the homemade brewed beverages receives no compensation;

2 the homemade brewed beverages is not sold or offered for sale; and

3 the total quantity of homemade brewed beverages made, in a calendar year, by the person does not exceed 100 gallons if the household has only one person 21 years of age or older or 200 gallons if the household has 2 or more persons 21 years of age or older.

b A person who makes, possesses, transports, or stores homemade brewed beverages in compliance with the limitations specified in subsection (a) is not a brewer, craft brewer, wholesaler, retailer, or a manufacturer of beer for the purposes of this Act.

c Homemade brewed beverages made in compliance with the limitations specified in subsection (a) may be consumed by the person who made it and his or her family, neighbors, and friends at any private residence or other private location where the possession and consumption of alcohol is permissible under this Act, local ordinances, and other applicable law, provided that the homemade brewed beverages are not made available for consumption by the general public.

d Homemade brewed beverages made in compliance with the limitations specified in subsection (a) may be used for purposes of a public exhibition, demonstration, tasting, or sampling with sampling sizes as authorized by Section 6-31, if the event is held at a private residence or at a location other than a retail licensed premises. If the public event is not held at a private residence, the event organizer shall obtain a homebrewer special event permit for each location, and is subject to the provisions in subsection (a) of Section 6-21. Homemade brewed beverages used for purposes described in this subsection (d), including the submission or consumption of the homemade brewed beverages, are not considered sold or offered for sale under this Act. A public exhibition, demonstration, tasting, or sampling with sampling sizes as authorized by Section 6-31 held by a licensee on a location other than a retail licensed premises may require an admission charge to the event, but no separate or additional fee may be charged for the consumption of a person’s homemade brewed beverages at the public exhibition, demonstration, tasting, or sampling with sampling sizes as authorized by Section 6-31. Event admission charges that are collected may be partially used to provide prizes to makers of homemade brewed beverages, but the admission charges may not be divided in any fashion among the makers of the homemade brewed beverages who participate in the event. Homemade brewed beverages used for purposes described in this subsection (d) are not considered sold or offered for sale under this Act if a maker of homemade brewed beverages receives free event admission or discounted event admission in return for the maker’s donation of the homemade brewed beverages to an event specified in this subsection (d) that collects event admission charges; free admission or discounted admission to the event is not considered compensation under this Act. No admission fee and no charge for the consumption of a person’s homemade brewed beverage may be collected if the public exhibition, demonstration, tasting, sampling with sampling sizes as authorized by Section 6-31 is held at a private residence.

e A person who is not a licensee under this Act may at a private residence, and a person who is a licensee under this Act may on the licensed premises, conduct, sponsor, or host a contest, competition, or other event for the exhibition, demonstration, judging, tasting, or sampling of homemade brewed beverages made in compliance with the limitations specified in subsection (a), if the person does not sell the homemade brewed beverages and, unless the person is the brewer of the homemade brewed beverages, does not acquire any ownership interest in the homemade brewed beverages. If the contest, competition, exhibition, demonstration, or judging is not held at a private residence, the consumption of the homemade brewed beverages is limited to qualified judges and stewards as defined by a national or international beer judging program, who are identified by the event organizer in advance of the contest, competition, exhibition, demonstration, or judging. Homemade brewed beverages used for the purposes described in this subsection (e), includ-

ing the submission or consumption of the homemade brewed beverages, are not considered sold or offered for sale under this Act and any prize awarded at a contest or competition or as a result of an exhibition, demonstration, or judging is not considered compensation under this Act. An exhibition, demonstration, judging, contest, or competition held by a licensee on a licensed premises may require an admission charge to the event, but no separate or additional fee may be charged for the consumption of a person's homemade brewed beverage at the exhibition, demonstration, judging, contest, or competition. A portion of event admission charges that are collected may be used to provide prizes to makers of homemade brewed beverages, but the admission charges may not be divided in any fashion among the makers of the homemade brewed beverages who participate in the event. Homemade brewed beverages used for purposes described in this subsection (e) are not considered sold or offered for sale under this Act if a maker of homemade brewed beverages receives free event admission or discounted event admission in return for the maker's donation of the homemade brewed beverages to an event specified in this subsection (e) that collects event admission charges; free admission or discounted admission to the event is not considered compensation under this Act. No admission fee and no charge for the consumption of a person's homemade brewed beverage may be charged if the exhibition, demonstration, judging, contest, or competition is held at a private residence. The fact that a person is acting in a manner authorized by this Section is not, by itself, sufficient to constitute a public nuisance under Section 10-7 of this Act. If the contest, competition, or other event is held on licensed premises, the licensee may allow the homemade brewed beverages to be stored on the premises if the homemade brewed beverages are clearly identified, kept separate from any alcohol beverages owned by the licensee. If the contest, competition, or other event is held on licensed premises, other provisions of this Act not inconsistent with this Section apply.

f A commercial enterprise engaged primarily in selling supplies and equipment to the public for use by homebrewers may manufacture homemade brewed beverages for the purpose of tasting the homemade brewed beverages at the location of the commercial enterprise, provided that the homemade brewed beverages are not sold or offered for sale. Homemade brewed beverages provided at a commercial enterprise for tasting under this subsection (f) shall be in compliance with Sections 6-16, 6-21, and 6-31 of this Act. A commercial enterprise engaged solely in selling supplies and equipment for use by homebrewers shall not be required to secure a license under this Act, however, such commercial enterprise shall secure liquor liability insurance coverage in an amount at least equal to the maximum liability amounts set forth in subsection (a) of Section 6-21 of this Act.

g Homemade brewed beverages are not subject to Section 8-1 of this Act.

(Source: P.A. 98-55, eff. 7-5-13)

Article VII — Licenses

Section

5/7-1 Application for Retail License — Requisites

5/7-2 License Fee Payable with Applications

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5/7-4 Examination of Applicant

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5/7-13 Granting Licenses after Revocation; Waiting Period; Discretion

5/7-14 Separate License for each Premises — Transfer to other Premises

5/7-1 Application for State License — Requisites

An applicant for a retail license from the State Commission shall submit to the State Commission an application in writing under oath stating:

1 The applicant's name and mailing address;

2 The name and address of the applicant's business;

3 If applicable, the date of the filing of the "assumed name" of the business with the County Clerk;

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

5 The number, the date of issuance and the date of expiration of the applicants current local retail liquor license;

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

7 The name and address of the landlord if the premises are leased;

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

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

10 The applicant's current State liquor license number;

11 The date the applicant began liquor sales at his place of business;

12 The address of the applicant's warehouse if he warehouses liquor;

13 The applicant's Retailer's Occupation Tax (ROT) Registration Number;

14 The applicant's document locator number on his Federal Special Tax Stamp;

15 Whether the applicant is delinquent in the payment of the Retailer's Occupational Tax (Sales Tax), and if so, the reasons therefor;

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

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

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

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

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

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

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

23 Whether the applicant, or any other person, directly in his place of business is a public official, and if so, the particulars thereof;

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

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

In addition to any other requirement of this Section, an applicant for a special use permit license and a special event retailer's license shall also submit (A) proof satisfactory to the Commission that the applicant has a resale number issued under Section 2c of the Retailers' Occupation Tax Act or that the applicant is registered under Section 2a of the Retailers' Occupation Tax Act, (B) proof satisfactory to the Commission that the applicant has a current, valid exemption identification number issued under Section 1q of the Retailers' Occupation

Tax Act and a certification to the Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a statement that the applicant is not registered under Section 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers' Occupation Tax Act, and does not hold an exemption number under Section 1q of the Retailers' Occupation Tax Act. The applicant shall also submit proof of adequate dram shop insurance for the special event prior to being issued a license.

In addition to the foregoing information, such application shall contain such other and further information as the State Commission and the local commission may, by rule or regulation not inconsistent with law, prescribe. If the applicant reports a felony conviction as required under paragraph (21) of this Section, such conviction may be considered by the Commission in determining qualifications for licensing, but shall not operate as a bar to licensing.

If said application is made in behalf of a partnership, firm, association, club or corporation, then the same shall be signed by one member of such partnership, president or secretary of such corporation or an authorized agent of said partnership or corporation.

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

(Source: P. A. 90-596, eff. 6-24-98) (from Chapter 43, paragraph 145)

5/7-2 License Fee Payable with Application

All applications to the State Commission shall be accompanied by the deposit of a check or draft drawn on a bank or savings and loan association within this State or United States postal money order in the full amount of the license fee required to be paid for the kind of license applied for, which fee shall be returned to such applicant if such application is denied.

(Source: P. A. 89-0250, eff. 1-1-96) (from Chapter 43, paragraph 146)

5/7-3 Revocation of License — Forfeiture of Bond

If a licensee shall be convicted of the violation of any of the provisions of this Act, or his license shall be revoked and no appeal is taken from said order of revocation or any appeal taken therefrom is decided adversely to the licensee, said bond (if one is required) shall thereupon be forfeited.

(Source: P. A. 83-1254) (from Chapter 43, paragraph 147)

5/7-4 Examination of Applicant

At any time during the pendency of an application the State Commission shall have the right to compel the applicant to submit to any examination and to produce any books and records which, in the judgment of the State Commission, are material to the determination of whether the applicant is qualified to receive a license under the provisions of this Act, or whether the premises sought to be licensed are suitable for such purposes. The State Commission shall also have the right to require the applicant to answer any charges made in any objection to the issuance of the license or made by the chief of police, prosecuting official, mayor or president of cities, towns, and villages or by the sheriff or prosecuting attorney of counties relative to the same. The failure of any applicant to appear at the time and place fixed by the State Commission for his examination or to produce books and records requested, unless for good cause shown, shall be deemed to be an admission that the applicant is not qualified to receive a license.

(Source: P. A. 82-783) (from Chapter 43, paragraph 148)

5/7-5 Revocation or Suspension of Local License — Fines — Notice — Hearing — Appeal

The local liquor control commissioner may revoke or suspend any license issued by him if he determines that the licensee has violated any of the provisions of this Act or of any valid ordinance or resolution enacted by the particular city council, president, or board of trustees or county board (as the case may be) or any applicable rule or regulations established by the local liquor control commissioner or the State Commission which is not inconsistent with law. Upon notification by the Illinois Department of Revenue, the State Commission, in accordance with Section 3-12, may refuse the issuance or renewal of a license, fine a licensee, or suspend or revoke any license issued by the State Commission if the licensee or license applicant has violated the provisions of Section 3 of the Retailers' Occupation Tax Act. In addition to the suspension, the local liquor control commissioner in any county or municipality may levy a fine on the licensee for such violations. The fine imposed shall not exceed $1,000 for first violation within a 12-month period, $1,500 for a second violation within a 12-month period, and $2,500 for a third or subsequent violation within a 12-month period. Each day on which a violation continues shall constitute a separate violation. Not more than $15,000 in fines under this Section may be imposed against any licensee during the period of his license. Proceeds from such fines shall be paid into the general corporate fund of the county or municipal treasury, as the case may be.

However, no such license shall be so revoked or suspended and no licensee shall be fined except after a public hearing by the local liquor control commissioner with a 3 day written notice to the licensee affording the licensee an opportunity to appear and defend. All such hearings shall be open to the public and the local liquor control commissioner shall reduce all evidence to writing and shall maintain an official record of the proceedings. If the local liquor control commissioner has reason to believe that any continued operation of a particular licensed premises will immediately threaten the welfare of the community he may, upon the issuance of a written order stating the reason for such conclusion and without notice or hearing order the licensed premises closed for not more than 7 days, giving the licensee an opportunity to be heard during that period, except that if such licensee shall also be engaged in the conduct of another business or businesses on the licensed premises such order shall not be applicable to such other business or businesses.

The local liquor control commissioner shall within 5 days after such hearing, if he determines after such hearing that the license should be revoked or suspended or that the licensee should be fined, state the reason or reasons for such determination in a written order, and either the amount of the fine, the period of suspension, or that the license has been revoked, and shall serve a copy of such order within the 5 days upon the licensee.

If the premises for which the license was issued are located outside of a city, village or incorporated town having a population of 500,000 or more inhabitants, the licensee after the receipt of such order of suspension or revocation shall have the privilege within a period of 20 days after the receipt of such order of suspension or revocation of appealing the order to the State Commission for a decision sustaining, reversing or modifying the order of the local liquor control commissioner. If the State Commission affirms the local commissioner's order to suspend or revoke the license at the first hearing, the appellant shall cease to engage in the business for which the license was issued, until the local commissioner's order is terminated by its own provisions or reversed upon rehearing or by the courts.

If the premises for which the license was issued are located within a

city, village or incorporated town having a population of 500,000 or more inhabitants, the licensee shall have the privilege, within a period of 20 days after the receipt of such order of fine, suspension or revocation, of appealing the order to the local license appeal commission and upon the filing of such an appeal by the licensee the license appeal commission shall determine the appeal upon certified record of proceedings of the local liquor commissioner in accordance with the provisions of Section 7-9. Within 30 days after such appeal was heard the license appeal commission shall render a decision sustaining or reversing the order of the local liquor control commissioner.

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

5/7-6 Proceedings — License Revocations and Suspensions — Fines

All proceedings for the revocation or suspension of licenses of manufacturers, distributors, importing distributors, non-resident dealers, foreign importers, non-beverage users, railroads, airplanes and boats shall be before the State Commission. All such proceedings and all proceedings for the revocation or suspension of a retailer's license before the State Commission shall be in accordance with rules and regulations established by it not inconsistent with law. However, no such license shall be so revoked or suspended except after a hearing by the State Commission with reasonable notice to the licensee served by registered or certified mail with return receipt requested at least 10 days prior to the hearings at the last known place of business of the licensee and after an opportunity to appear and defend. Such notice shall specify the time and place of the hearing, the nature of the charges, the specific provisions of the Act and rules violated, and the specific facts supporting the charges or violation. The findings of the Commission shall be predicated upon competent evidence.

The revocation of a local license shall automatically result in the revocation of a State license. Upon notification by the Illinois Department of Revenue, the State Commission in accordance with Section 3-12, may refuse the issuance or renewal of a license, fine a licensee, or suspend or revoke any license issued by the State Commission if the licensee or license applicant has violated the provisions of Section 3 of the Retailers' Occupation Tax Act. All procedures for the suspension or revocation of a license, as enumerated above, are applicable to the levying of fines for violations of this Act or any rule or regulation
issued pursuant thereto.

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

5/7-7 Complaint of Violation — Hearing

Any five residents of the city, village or county shall have the right to file a complaint with the local commission stating that any retailer licensee, subject to the jurisdiction of the local commission, has been or is violating the provisions of this Act or the rules or regulations issued pursuant hereto. Such complaint shall be in writing in the form prescribed by the local commission and shall be signed and sworn to by the parties complaining. The complaint shall state the particular provision, rule or regulation believed to have been violated and the facts in detail upon which belief is based. If the local commission is satisfied that the complaint substantially charges a violation and that from the facts alleged there is reasonable cause for such belief, it shall set the matter for hearing and shall serve notice upon the licensee of the time and place of such hearing and of the particular charge in the complaint.

(Source: P. A. 82-783) (from Chapter 43, paragraph 151)

5/7-8 License Appeal Commission in Municipalities Over 500,000

For each city, village or incorporated town having a population of 500,000 or more inhabitants, there is established a license appeal commission consisting of the chairman of the Illinois Liquor Control Commission, the most senior member of the Illinois Liquor Control Commission who is not of the same political party as the chairman, and one person who is a resident of the particular city, village or incorporated town selected by the council or president and board of trustees, as the case may be, who shall serve for a term of 4 years and until his successor is selected and takes office. Neither the mayor, president of the board of trustees, nor any member of the council or board of trustees shall be eligible for membership on a license appeal commission. Each of the 2 members of the Illinois Liquor Control Commission shall receive a $200 per diem for their work on the license appeal commission, and the other member shall receive an annual salary which shall be paid by the particular city, village or incorporated town. The secretary of the Illinois Liquor Control Commission shall be ex-officio the secretary for each license appeal commission.

(Source: P. A. 91-798, eff. 6-9-00; P.A. 91-922, eff. 7-7-00) (from Chapter 43, paragraph 152)

5/7-9 Appeals from Order of Local Commission

Except as provided in this Section, any order or action of a local liquor control commissioner levying a fine or refusing to levy a fine on a licensee, granting or refusing to grant a license, revoking or suspending or refusing to revoke or suspend a license or refusing for more than 30 days to grant a hearing upon a complaint to revoke or suspend a license may, within 20 days after notice of such order or action, be appealed by any resident of the political subdivision under the jurisdiction of the local liquor control commissioner or any person interested, to the State Commission.

In any case where a licensee appeals to the State Commission from an order or action of the local liquor control commission having the effect of suspending or revoking a license, denying a renewal application, or refusing to grant a license, the licensee shall resume the operation of the licensed business pending the decision of the State Commission and the expiration of the time allowed for an application for rehearing. If an application for rehearing is filed, the licensee shall continue the operation of the licensed business until the denial of the application or, if the rehearing is granted, until the decision on rehearing.

In any case in which a licensee appeals to the State Commission a suspension or revocation by a local liquor control commissioner that is the second or subsequent such suspension or revocation placed on that licensee within the preceding 12 month period, the licensee shall consider the suspension or revocation to be in effect until a reversal of the local liquor control commissioner's action has been issued by the State Commission and shall cease all activity otherwise authorized by the license. The State Commission shall expedite, to the greatest extent possible, its consideration of any appeal that is an appeal of a second or subsequent suspension or revocation within the past 12 month period.

The appeal shall be limited to a review of the official record of the proceedings of such local liquor control commissioner if the county board, city council or board of trustees, as the case may be, has adopted a resolution requiring that such review be on the record. If such resolution is adopted, a certified official record of the proceedings

taken and prepared by a certified court reporter or certified shorthand reporter shall be filed by the local liquor control commissioner within 5 days after notice of the filing of such appeal, if the appellant licensee pays for the cost of the transcript. The State Commission shall review the propriety of the order or action of the local liquor control commissioner and shall consider the following questions:

- **a** whether the local liquor control commissioner has proceeded in the manner provided by law;
- **b** whether the order is supported by the findings;
- **c** whether the findings are supported by substantial evidence in the light of the whole record.

The only evidence which may be considered in the review, shall be the evidence found in the certified official record of the proceedings of the local liquor control commissioner. No new or additional evidence shall be admitted or considered. The State Commission shall render a decision affirming, reversing or modifying the order or action reviewed within 30 days after the appeal was heard.

In the event such appeal is from an order of a local liquor control commissioner of a city, village or incorporated town of 500,000 or more inhabitants, granting or refusing to grant a license or refusing for more than 30 days to grant a hearing upon a complaint to revoke or suspend a license, the matter of the propriety of such order or action shall be tried de novo by the license appeal commission as expeditiously as circumstances permit.

In the event such appeal is from an order or action of a local liquor control commissioner of a city, village or incorporated town of 500,000 or more inhabitants, imposing a fine or refusing to impose a fine on a licensee, revoking or suspending or refusing to revoke or suspend a license, the license appeal commission shall determine the appeal by a review of the official record of the proceedings of such local liquor control commissioner. A certified record of the proceedings shall be promptly filed with the license appeal commission by such local liquor control commissioner after notice of the filing of such appeal if the appellant licensee pays for the cost of the transcript and promptly delivers the transcript to the local liquor control commission or its attorney. The review by the license appeal commission shall be limited to the questions:

- **a** whether the local liquor control commissioner has proceeded in the manner provided by law;
- **b** whether the order is supported by the findings;
- **c** whether the findings are supported by substantial evidence in the light of the whole record.

No new or additional evidence in support of or in opposition to such order or action under appeal shall be received other than that contained in such record of the proceedings. Within 30 days after such appeal was heard, the license appeal commission shall render its decision in accordance with the provisions of Section 7-5.

In cites, villages and incorporated towns having a population of 500,000 or more inhabitants, appeals from any order or action shall lie to the license appeal commission of such city, village or incorporated town. All of the provisions of this Section and Section 7-10 relative to proceedings upon appeals before the State Commission and relative to appeals from the decisions of the State Commission shall apply also to proceedings upon appeals before any license appeal commission and appeals from the decisions of license appeal commission.

In any trial de novo hearing before the State Commission or license appeal commission, the local liquor control commissioner shall be entitled to 10 days notice and to be heard. All such trial de novo hearings shall be open to the public and the Illinois Liquor Control Commission and the license appeal commission shall reduce all evidence offered thereto to writing.

If after trial de novo hearing or review as provided herein, the State Commission or the license appeal commission (as the case may be) shall decide that the license has been improperly issued, denied, revoked, suspended or refused to be revoked or suspended or a hearing to revoke or suspend has been improperly refused or that the licensee has been improperly fined or not fined, it shall enter an order in conformity with such findings, which order shall be in writing.

A certified copy of the order shall be transmitted to the particular local liquor control commissioner and it shall be the duty of the local liquor control commissioner to take such action as may be necessary to conform with the order.

In any trial de novo hearing before the State Commission or the license appeal commission, the licensee shall submit to examination and produce books and records material to the business conducted under the license in like manner as before the local liquor control commissioner, and the failure of the licensee to submit to such an examination or to produce such books and records, or to appear at the hearing on such appeal, shall constitute an admission that he has violated the provisions of this Act. In the event the appeal is from an order of the local liquor control commissioner denying a renewal application, the licensee shall have on deposit with the local liquor control commissioner an amount sufficient to cover the license fee for the renewal period and any bond that may be required.

(Source: P. A. 88-613, eff. 1-1-95) (from Chapter 43, paragraph 153)

5/7-10 Service of Copy of Decisions of State Commission — Rehearing

A copy of the rule, regulation, order or decision of the State Commission or the license appeal commission, in any proceeding before it, certified under the seal of said Commission, shall be served upon each party of record to the proceeding before the Commission and service upon any attorney of record for any such party shall be deemed service upon such party. Each party appearing before said Commission shall enter his appearance and indicate to the Commission his address for the service of a copy of any rule, regulation, order, decision or notice and the mailing of a copy of any rule, regulation or order of said Commission or of any notice by said Commission, in said proceeding, to said party at such address shall be deemed service thereof upon such party.

Within 20 days after the service of any rule, regulation, order or decision of said Commission upon any party to the proceeding, such party may apply for a rehearing in respect to any matters determined by said Commission. If a rehearing is granted, the Commission shall hold the rehearing and render a decision within 20 days from the filing of the application for rehearing with the secretary of the Commission. The time for holding such rehearing and rendering a decision may be extended for a period not to exceed 30 days, for good cause shown, and by notice in writing to all parties of interest. No action for the judicial review of any decision of said Commission shall be allowed unless the party commencing such action has first filed an application for a rehearing and the Commission has acted upon said application. Only one rehearing may be granted by the Commission on application of any one party.

(Source: P. A. 82-783) (from Chapter 43, paragraph 154)

5/7-11 Review under Administrative Review Law

All final administrative decisions of the State Commission under this Act shall be subject to judicial review pursuant to the provisions of the Administrative Review Law and the rules adopted pursuant thereto. Judicial review may be requested by any party in interest, including but not limited to the local liquor control commissioner. The term "administrative decision" is defined as in Section 3-101 of the Code of Civil Procedure.

(Source: P. A. 86-1279) (from Chapter 43, paragraph 154a)

5/7-12 Conviction to Cause Forfeiture of License Moneys and License Revocation

Whenever any licensee shall have been convicted by any court of a wilful violation of any of the provisions of this Act, he shall, in addition to the penalties for such offense, incur a forfeiture of his state and local license and all moneys that have been paid therefor; the local commission shall thereupon revoke his license or the State Commission shall revoke his license as the case may be.

(Source: P. A. 82-783) (from Chapter 43, paragraph 155)

5/7-13 Granting Licenses after Revocation; Waiting Period; Discretion

When any license shall have been revoked for any cause, no license shall be granted to any person for the period of one year thereafter for the conduct of the business of manufacturing, distributing, or selling alcoholic liquor in the premises described in the revoked license unless the revocation order has been vacated or unless the revocation order was entered as to the licensee only.

Nothing in this Section shall prohibit the issuance of a retail license authorizing the sale of alcoholic liquor incidental to a restaurant if (1) the primary business of the restaurant consists of the sale of food where the sale of liquor is incidental to the sale of food and the applicant is a completely new owner of the restaurant, (2) the immediately prior owner or operator of the premises where the restaurant is located operated the premises as a restaurant and held a valid retail license authorizing the sale of alcoholic liquor at the restaurant for at least part of the 24 months before the change of ownership, and (3) the restaurant is located 75 or more feet from a school.

(Source: P. A. 91-0623, eff. 1-1-00) (from Chapter 43, paragraph 156)

5/7-14 Separate License for each Premise — Transfer to other Premises

Licenses issued hereunder apply only to the premises described in the application and in the license issued thereon, and only one location shall be so described in each license. After a license has been granted for particular premises, the State Commission or the local commissioner, as the case may be, upon proper showing, may endorse upon said license permission to abandon the premises therein described and remove therefrom to other premises approved by him or it, but in order to obtain such approval the licensee shall file with the State Commission and local commissioner a request in writing and a statement under oath which shall show that the premises to which removal is to be made comply in all respects with the requirements of this Act. A transfer may only be requested to a premise within the same jurisdiction that issued the original local liquor license.

(Source: P. A. 89-0250, eff. 1-1-96) (from Chapter 43, paragraph 157)

Article VIIA — Warehouses

Section

5/7A-1 Terms Defined

5/7A-2 Certificate of Registration for Alcoholic Liquor Warehouseman

5/7A-3 Storage with Warehouseman not Having Certificate of Registration

5/7A-4 Monthly Report of Warehouseman

5/7A-5 Records

5/7A-6 Violations

5/7A-1 Terms Defined

For the purposes of this Article:

"Warehouse" means any room, house, structure, building, place, yard or protected enclosure wherein personal property belonging to another is stored for a compensation.

"Warehouseman" means any person, firm, partnership, association or corporation owning, controlling, operating, managing or leasing any warehouse within this State. "For compensation" means any direct or indirect charge for storage.

(Source: P. A. 82-783) (from Chapter 43, paragraph 157a)

5/7A-2 Certificate of Registration for Alcoholic Liquor Warehouseman

On and after August 1, 1937, it shall be unlawful for any warehouseman to receive, hold, store or deliver any alcoholic liquors without a certificate of registration from the Department. Application for a certificate of registration shall be made to the Department and shall state:

1 The name of the applicant;

2 The address of his warehouse (if he operates more than one such warehouse, he shall state the address of each such warehouse).

Upon the receipt of the application in proper form, the Department shall issue to such applicant a certificate of registration bearing a distinctive number which he shall conspicuously display on the premises for which it is issued. The applications shall be made on forms prepared and furnished by the Department and shall contain such other information as the Department may reasonably require to carry out the provisions of this Act.

(Source: P. A. 82-783) (from Chapter 43, paragraph 157b)

5/7A-3 Storage with Warehouseman not Having Certificate of Registration

It shall be unlawful for any person to store any alcoholic liquors with or deliver any alcoholic liquors to any warehouseman who has not received a certificate of registration from the Department.

(Source: P. A. 82-783) (from Chapter 43, paragraph 157c)

5/7A-4 Monthly Report of Warehouseman

On or before the fifteenth day of each calendar month, every warehouseman holding a certificate of registration under this Article shall file a return with the Department covering the preceding calendar month stating:

1 The name of the warehouseman and the number of his certificate of registration;

2 The address of the warehouse;

3 The name and address of each person from whom any alcoholic liquors were actually or constructively received by him as a warehouseman, the date on which same were so received, the number and size of the containers in which any alcoholic liquors were so received, and the number and size of the containers to the credit of each such person at the end of the preceding calendar month; and

4 The name and address of each person to whom any alcoholic liquors were actually or constructively delivered by him as a warehouseman, the date on which same were so delivered, the number and size of the containers in which any alcoholic liquors were so delivered and from whom any alcoholic liquors so delivered were actually or constructively received.

(Source: P. A. 82-783) (from Chapter 43, paragraph 157d)

5/7A-5 Records

Each warehouseman included in this Article shall keep or cause to be kept, at his registered address, a record showing all alcoholic liquors actually or constructively received by him as a warehouseman, held, stored or actually or constructively delivered by him as a warehouseman, the name and address of the person depositing same, the name and address of the person to whom delivered and any other information necessary to the proper conduct of such warehouse. Such records shall, at all times during business hours of the day, be subject to inspection by the Department or its duly authorized agents and employees. Such records shall be preserved for a period of two (2) years, unless the Department, in writing, authorizes their destruction or disposal at an earlier date. Such records, reflecting business done at any time after July 1, 1945, shall be preserved for a period of three (3) years, unless the Department, in writing, authorizes their destruction or disposal at an earlier date.

(Source: P. A. 82-783) (from Chapter 43, paragraph 157e)

5/7A-6 Violations

Any person who violates any of the provisions of this Article or any of the rules and regulations of the Department for the administration and enforcement of the provisions of this Article is guilty of a Class B misdemeanor. In case of a continuing violation each day's continuance thereof shall be a separate and distinct offense.

(Source: P. A. 82-783) (from Chapter 43, paragraph 157f)

Article VIII — Taxation of Liquor

Section

5/8-1	Tax on Manufacture and Importation — Retailers and Distributors — Exemptions
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5/8-14	Retailer's Occupation Tax Act — Incorporation by Reference

5/8-1 Tax on Manufacture and Importation — Retailers and Distributors — Exemptions

A tax is imposed upon the privilege of engaging in business as a manufacturer or as an importing distributor of alcoholic liquor other than beer at the rate of 18.5 cents per gallon until September 1, 2009, and 23.1 cents per gallon beginning September 1, 2009 for cider containing not less than 0.5% alcohol by volume nor more than 7% alcohol by volume, 73 cents per gallon until September 1, 2009 and $1.39 per gallon beginning September 1, 2009 for wine other than cider containing less than 7% alcohol by volume, and $4.50 per gallon until September 1,2009, and $8.55 per gallon beginning September 1, 2009, on alcohol and spirits manufactured and sold or used by such manufacturer, or as agent for any other person, or sold or used by such importing distributor, or as agent for any other person. A tax is imposed upon the privilege of engaging in business as a manufacturer of beer or as an importing distributor of beer at the rate of 18.5 cents per gallon until September 1, 2009, and 23.1 cents per gallon beginning September 1, 2009, on all beer manufactured and sold or used by such manufacturer, or as agent for any other person, or sold or used by such importing distributor, or as agent for any other person. Any brewer manufacturing beer in this State shall be entitled to and given a credit or refund of 75% of the tax imposed on each gallon of beer up to 4.9 million gallons per year in any given calendar year for tax paid or payable on beer produced and sold in the State of Illinois.

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

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

The increase made by this amendatory Act of the 91st General Assembly in the rates of taxes imposed under this Section Shall apply beginning on July 1, 1999.

A tax at the rate of 1 cent per gallon on beer and 48 cents per gallon on alcohol and spirits is also imposed upon the privilege of engaging in business as a retailer or as a distributor who is not also an importing distributor with respect to all beer and all alcohol and spirits owned or possessed by such retailer or distributor when this amendatory Act of 1969 becomes effective, and with respect to which the additional tax imposed by this amendatory Act upon manufacturers and importing distributors does not apply. Retailers and distributors who are subject to the additional tax imposed by this paragraph of this Section shall be required to inventory such alcoholic liquor and to pay this additional tax in a manner prescribed by the Department.

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

However, such tax is not imposed upon any such business as to any alcoholic liquor shipped outside Illinois by an Illinois licensed manufacturer or importing distributor, nor as to any alcoholic liquor delivered in Illinois by an Illinois licensed manufacturer or importing distributor to a purchaser for immediate transportation by the purchaser to another state into which the purchaser has a legal right, under the laws of such state, to import such alcoholic liquor, nor as to any alcoholic liquor other than beer sold by one Illinois licensed manufacturer or importing distributor to another Illinois licensed manufacturer or importing distributor to the extent to which the sale of alcoholic liquor other than beer by one Illinois licensed manufacturer or importing distributor to another Illinois licensed manufacturer or importing distributor is authorized by the licensing provisions of this Act, nor to alcoholic liquor whether manufactured in or imported into this State when sold to a "non-beverage user" licensed by the State for use in the manufacture of any of the following when they are unfit for beverage purposes:

Patent and proprietary medicines and medicinal, antiseptic, culinary and toilet preparations; Flavoring extracts and syrups and food products; Scientific, industrial and chemical products, excepting denatured alcohol; Or for scientific, chemical, experimental or mechanical purposes; Nor is the tax imposed upon the privilege of engaging in any business in interstate commerce or otherwise, which business may not, under the Constitution and Statutes of the United States, be made the subject of taxation by this State.

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

If any alcoholic liquor manufactured in or imported into this State is sold to a licensed manufacturer or importing distributor by a licensed manufacturer or importing distributor to be used solely as an ingredient in the manufacture of any beverage for human consumption, the tax imposed upon such purchasing manufacturer or importing distributor shall be reduced by the amount of the taxes which have been paid by the selling manufacturer or importing distributor under this Act as to such alcoholic liquor so used to the Department of Revenue.

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

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

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

(Source: P. A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38, eff. 7-13-09; 96-1000, eff. 7-2-10) (from Chapter 43, paragraph 158)

5/8-2 Payment of Tax — Reports — Presumptions — Bond — Revocation or Suspension of License for Violations

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

Each manufacturer and each importing distributor shall make payment under one of the following methods: (1) on or before the 15th day of each calendar month, file in person or by United States first-class mail, postage pre-paid, with the Department of Revenue, on forms prescribed and furnished by the Department, a report in writing in such form as may be required by the Department in order to compute, and assure the accuracy of, the tax due on all taxable sales and uses of alcoholic liquor occurring during the preceding month. Payment of the tax in the amount disclosed by the report shall accompany the report or, (2) on or before the 15th day of each calendar month, electronically file with the Department of Revenue, on forms prescribed and furnished by the Department, an electronic report in such form as may be required by the Department in order to compute, and assure the accuracy of, the tax due on all taxable sales and uses of alcoholic liquor occurring during the preceding month. An electronic payment of the tax in the amount disclosed by the report shall accompany the report. A manufacturer or distributor who files an electronic report and electronically pays the tax imposed pursuant to Section 8-1 to the Department of Revenue on or before the 15th day of the calendar month following the calendar month in which such alcoholic liquor is sold or used by that manufacturer or importing distributor other than in an authorized tax-free manner shall pay to the Department the amount of the tax imposed pursuant to Section 8-1, less a discount which is allowed to reimburse the manufacturer, or importing distributor for the expenses incurred in keeping and maintaining records, preparing and filing the electronic returns, remitting the tax, and supplying data to the Department upon request.

The discount shall be in an amount as follows:

1. For original returns due on or after January 1, 2003, through September 30, 2003, the discount shall be 1.75% or $1,250 per return, whichever is less;
2. For original returns due on or after October 1, 2003, through September 30, 2004, the discount shall be 2% or $3,000 per return, whichever is less; and
3. For original returns due on or after October 1, 2004, the discount shall be 2% or $2,000 per return, whichever is less.

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

It shall be presumed that all alcoholic liquors acquired or made by any importing distributor or manufacturer have been sold or used by him in this State and are the basis for the tax imposed by this Article unless proven, to the satisfaction of the Department, that such alcoholic liquors are:

1. still in the possession of such importing distributor or manufacturer, or
2. prior to the termination of possession have been lost by theft or through unintentional destruction, or
3. that such alcoholic liquors are otherwise exempt from taxation under this Act.

The Department may require any foreign importer to file monthly information returns, by the 15th day of the month following the month which any such return covers, if the Department determines this to be necessary to the proper performance of the Department's functions and duties under this Act. Such return shall contain such information as the Department may reasonably require.

Every manufacturer and importing distributor shall also file, with the Department, a bond in an amount not less than $1,000 and not to exceed $100,000 on a form to be approved by, and with a surety or sureties satisfactory to, the Department. Such bond shall be conditioned upon the manufacturer or importing distributor paying to the Department all monies becoming due from such manufacturer or importing distributor under this Article. The Department shall fix the penalty of such bond in each case, taking into consideration the amount of alcoholic liquor expected to be sold and used by such manufacturer or importing distributor, and the penalty fixed by the Department shall be sufficient, in the Department's opinion, to protect the State of Illinois against failure to pay any amount due under this Article, but the amount of the penalty fixed by the Department shall not exceed twice the amount of tax liability of a monthly return, nor shall the amount of such penalty be less than $1,000. The Department shall notify the Commission of the Department's approval or disapproval of any such manufacturer's or importing distributor's bond, or of the termination or cancellation of any such bond, or of the Department's direction to a manufacturer or importing distributor that he must file additional bond in order to comply with this Section. The Commission shall not issue a license to any applicant for a manufacturer's or importing distributor's license unless the Commission has received a notification from the Department showing that such applicant has filed a satisfactory bond with the Department hereunder and that such bond has been approved by the Department. Failure by any licensed manufacturer or importing distributor to keep a satisfactory bond in effect with the Department or to furnish additional bond to the Department, when required hereunder by the Department to do so, shall be grounds for the revocation or suspension of such manufacturer's or importing distributor's license by the Commission. If a manufacturer or importing distributor fails to pay any amount due under this Article, his bond with the Department shall be deemed forfeited, and the Department may institute a suit in its own name on such bond.

After notice and opportunity for a hearing the State Commission may revoke or suspend the license of any manufacturer or importing distributor who fails to comply with the provisions of this Section. Notice of such hearing and the time and place thereof shall be in writing and shall contain a statement of the charges against the licensee. Such notice may be given by United States registered or certified mail with return receipt requested, addressed to the person concerned at his last known address and shall be given not less than 7 days prior to the date fixed for the hearing. An order revoking or suspending a license under the provisions of this Section may be reviewed in the manner provided in Section 7-10 of this Act. No new license shall be granted to a person whose license has been revoked for a violation of this Section or, in case of suspension, shall such suspension be terminated until he has paid to the Department all taxes and penalties which he owes the State under the provisions of this Act.

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

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

Every prior continuous compliance taxpayer shall be exempt from the bond requirements of this Act until the Department has determined the taxpayer to be delinquent in the filing of any return or deficient in the payment of any tax under this Act. Any taxpayer who fails to pay an admitted or established liability under this Act may also be required to post bond or other acceptable security with the Department guaranteeing the payment of such admitted or established liability.

The Department shall discharge any surety and shall release and return any bond or security deposit assigned, pledged or otherwise provided to it by a taxpayer under this Section within 30 days after:

1. such taxpayer becomes a prior continuous compliance taxpayer; or
2. such taxpayer has ceased to collect receipts on which he is required to remit tax to the Department, has filed a final tax return, and has paid to the Department an amount sufficient to discharge his remaining tax liability as determined by the Department under this Act.

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

5/8-3 Taxes Paid in Error — Credit Memorandum — Assignment — Cash Refund

If it appears, after claim therefor filed with the Department, that an amount of tax or penalty or interest has been paid which was not due under this Article, whether as the result of a mistake of fact or an error of law, except as hereinafter provided, then the Department shall issue a credit memorandum or refund to the person who made the erroneous payment or, if that person died or became a person under legal disability, to his or her legal representative, as such.

If it is determined that the Department should issue a credit or refund under this Article, the Department may first apply the amount thereof against any amount of tax or penalty or interest due hereunder from the person entitled to such credit or refund. For this purpose, if proceedings are pending to determine whether or not any tax or penalty or interest is due under this Article from such person, the Department may withhold issuance of the credit or refund pending the final disposition of such proceedings and may apply such credit or refund against any amount found to be due to the Department as a result of such proceedings. The balance, if any, of the credit or refund shall be issued to the person entitled thereto.

If no tax or penalty or interest is due an no proceeding is pending to determine whether such taxpayer is indebted to the Department for tax or penalty or interest the credit memorandum or refund shall be issued to the claimant; or (in the case of a credit memorandum) the credit memorandum may be assigned and set over by the lawful holder thereof, subject to reasonable rules of the Department, to any other person who is subject to this Article, and the amount thereof shall be applied by the Department against any tax or penalty or interest due or to become due under this Article from such assignee.

As to any claim filed hereunder with the Department on and after each January 1 and July 1, no amount of tax or penalty or interest, erroneously paid (either in total or partial liquidation of a tax or penalty or interest under this Article) more than 3 years prior to such January 1 and July 1, respectively, shall be credited or refunded.

Any credit or refund that is allowed under this Act shall bear interest at the rate and in the manner specified in the Uniform Penalty and Interest Act.

In case the Department determines that the claimant is entitled to a refund, such refund shall be made only from such appropriation as may be available for that purpose. If it appears unlikely that the amount appropriated would permit everyone having a claim allowed during the period covered by such appropriation to elect to receive a cash refund, the Department, by rule or regulation, shall provide for the payment of refunds in hardship cases and shall define what types of cases qualify as hardship cases.

(Source: P. A. 87-205 database correction 2-10-93)
(from Chapter 43, paragraph 159a)

5/8-4 Failure to File — Incorrect Return — Notice by Department — Protest and Demand for Hearing

If a person fails to file a return as required by this Article, or having filed an incorrect or insufficient return, fails to file a corrected or sufficient return, as the case may require, within 10 days after the giving of notice to him by the Department that such corrected or sufficient return is required, the Department shall determine the amount of tax due at any time within 3 years after the making of the earliest disposition of alcoholic liquor included in such determination, and shall give written notice, by means of a notice of tax liability, of such determination to such person. Protest thereto and demand for a hearing may be made and final assessments arrived at in accordance with Section 8-5.

(Source: P. A. 82-783) (from Chapter 43, paragraph 163)

5/8-5 Examination and Correction of Return — Proof of Correction — Notice of Assessment — Protest — Action — Claim Against Estate — Penalty

As soon as practicable after any return is filed, the Department shall examine such return and shall correct such return according to its best judgment and information, which return so corrected by the

Department shall be prima facie correct and shall be prima facie evidence of the correctness of the amount of tax due, as shown therein. Instead of requiring the licensee to file an amended return, the Department may simply notify the licensee of the correction or corrections it has made. Proof of such correction by the Department, or of the determination of the amount of tax due as provided in Sections 8-4 and 8-10, may be made at any hearing before the Department or in any legal proceeding by a reproduced copy of the Department's record relating thereto in the name of the Department under the certificate of the Director of Revenue. Such reproduced copy shall, without further proof, be admitted into evidence before the Department or in any legal proceeding and shall be prima facie proof of the correctness of the amount of tax due, as shown therein. If the return so corrected by the Department discloses the sale or use, by a licensed manufacturer or importing distributor, of alcoholic liquors as to which the tax provided for in this Article should have been paid, but has not been paid, in excess of the alcoholic liquors reported as being taxable by the licensee, and as to which the proper tax was paid the Department shall notify the licensee that it shall issue the taxpayer a notice of tax liability for the amount of tax claimed by the Department to be due, together with penalties at the rates prescribed by Sections 3-3, 3-5 and 3-6 of the Uniform Penalty and Interest Act, which amount of tax shall be equivalent to the amount of tax which, at the prescribed rate per gallon, should have been paid with respect to the alcoholic liquors disposed of in excess of those reported as being taxable. In a case where no return has been filed, the Department shall determine the amount of tax due according to its best judgment and information and shall issue the taxpayer a notice of tax liability for the amount of tax claimed by the Department to be due as herein provided together with penalties at the rates prescribed by Sections 3-3, 3-5 and 3-6 of the Uniform Penalty and Interest Act. If, in administering the provisions of this Act, a comparison of a licensee's return or returns with the books, records and physical inventories of such licensee discloses a deficiency which cannot be allocated by the Department to a particular month or months, the Department shall issue the taxpayer a notice of tax liability for the amount of tax claimed by the Department to be due for a given period, but without any obligation upon the Department to allocate such deficiency to any particular month or months, together with penalties at the rates prescribed by Sections 3-3, 3-5 and 3-6 of the Uniform Penalty and Interest Act, which amount of tax shall be equivalent to the amount of tax which, at the prescribed rate per gallon, should have been paid with respect to the alcoholic liquors disposed of in excess of those reported being taxable, with the tax thereon having been paid under which circumstances the aforesaid notice of tax liability shall be prima facie correct and shall be prima facie evidence of the correctness of the amount of tax due as shown therein; and proof of such correctness may be made in accordance with, and the admissibility of a reproduced copy of such notice of the Department's notice of tax liability shall be governed by, all the provisions of this Act applicable to corrected returns.

If the licensee dies or becomes a person under legal disability at any time before the Department issues its notice of tax liability, such notice shall be issued to the administrator, executor or other legal representative, as such, of the deceased or licensee who is under legal disability.

If such licensee or legal representative, within 60 days after such notice of tax liability, files a protest to such notice of tax liability and requests a hearing thereon, the Department shall give at least 7 days' notice to such licensee or legal representative, as the case may be, of the time and place fixed for such hearing and shall hold a hearing in conformity with the provisions of this Act, and pursuant thereto shall issue a final assessment to such licensee or legal representative for the amount found to be due as a result of such hearing. If a protest to the notice of tax liability and a request for a hearing thereon is not filed within 60 days after such notice of tax liability, such notice of tax liability shall become final without the necessity of a final assessment being issued and shall be deemed to be a final assessment.

In case of failure to pay the tax, or any portion thereof, or any penalty provided for herein, when due, the Department may recover the amount of such tax, or portion thereof, or penalty in a civil action; or if the licensee dies or becomes a person under legal disability, by filing a claim therefor against his or her estate; provided that no such claim shall be filed against the estate of any deceased or of the licensee who is under legal disability for any tax or penalty or portion thereof except in the manner prescribed and within the time limited by the Probate Act of 1975, as amended.

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

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

(Source: P. A. 87-205; 87-879; database correction 2-10-93) (from Chapter 43, paragraph 163a)

5/8-6 Hearings or Investigations — Scope and Conduct

The Department, or any officer or employee designated in writing by the Director thereof, for the purpose of administering and enforcing the provisions of this Act, may hold investigations and hearings concerning any matters covered by this Act. In holding or conducting any hearing or investigation authorized under this Act, the Department or any officer or employee of the Department designated, in writing, by the Director thereof, may examine any books, papers, records or memoranda bearing upon the manufacture, importation, sale or use of alcoholic liquors by any licensee, and may require the attendance of such licensee or of any officer, agent or employee of such licensee, or of any person having knowledge of such facts, and may take testimony and require proof for its information. In the conduct of any investigation or hearing, neither the Department nor any officer or employee thereof shall be bound by the technical rules of evidence, and no informality in any proceeding, or in the manner of taking testimony, shall invalidate any assessment, order, decision, rule or regulation made or approved or confirmed by the Department. The Director of Revenue or any duly designated officer or employee of the Department shall have power to administer oaths to such persons; and the Department shall have the power to issue subpoenas and subpoenas duces tecum, and the Department, or any other party to a proceeding pending before the Department, may apply to the circuit court to compel the attendance and testimony of witnesses and the production of books, papers, records and memoranda, by an attachment for contempt as provided for such purposes in civil cases.

The Department or any officer or employee thereof, or any party in an investigation or hearing before the Department, may cause the depositions of witnesses within the State to be taken in the manner prescribed by law for like depositions in civil actions in courts of this State, and to that end compel the attendance of witnesses and the production of books, papers, records and memoranda.

The books, papers, records and memoranda of the Department, or parts thereof, may be proved in any hearing, investigation or judicial

proceeding by a reproduced copy thereof under the certificate of the Director of Revenue. Such reproduced copy shall, without further proof, be admitted into evidence before the Department or in any judicial proceeding.

(Source: P. A. 83-334) (from Chapter 43, paragraph 163b)

5/8-7 Review Under Administrative Review Law — Hearings, Venue — Service of Summons — Stay, Bond Notice — Parties

All hearings provided for in Section 8-5 of this Act shall be held in the county wherein the licensee has his principal place of business; provided, that if the licensee does not have his or her principal place of business in this State, such hearing shall be held in Sangamon County.

The Circuit Court of the county wherein any hearing is held by the Department shall have power to review all final administrative decisions of the Department in administering the provisions of this Act. If the administrative proceeding which is to be reviewed judicially is a claim for refund proceeding commenced in accordance with Section 8-3 of this Act and Section 2a of "An Act in relation to the payment and disposition of moneys received by officers and employees of the State of Illinois by virtue of their office or employment", approved June 9, 1911, as amended, the Circuit Court having jurisdiction of the proceeding for judicial review under this Section and under the Administrative Review Law, as amended, shall be the same court that entered the injunction which is provided for in Section 2a of "An Act in relation to the payment and disposition of moneys received by officers and employees of the State of Illinois by virtue of their office or employment", and which enables such claim proceeding to be processed and disposed of as a claim for refund proceeding rather than as a claim for credit proceeding.

The provisions of the Administrative Review Law, and all amendments and modifications thereof, and the rules adopted pursuant thereto, shall apply to and govern all proceedings for the judicial review of final administrative decisions of the Department hereunder. The term "administrative decision" is defined as in Section 3-101 of the Code of Civil Procedure.

Service of summons issued in such review proceeding upon the Director of Revenue or the Assistant Director of Revenue of the Department of Revenue shall be service upon the Department. The Department shall certify the record of its proceedings if the licensee shall pay to it the sum of 75 cents per page of testimony taken before the Department and 25 cents per page of all other matters contained in such record, except that these charges may be waived where the Department is satisfied that the aggrieved party is a poor person who cannot afford to pay such charges. Provided, however, before the delivery of such record to the person applying for same, the payment therefor shall be made as hereinabove provided, and in the event of nonpayment for the record as hereinabove provided within 30 days after notice that such record is available, the complaint may be dismissed by the court upon motion of the Department.

No stay order shall be entered by the Circuit Court unless the plaintiff in the review proceedings shall file with the court a bond in an amount fixed and approved by the court to indemnify the State against all loss and injury which may be sustained by it on account of the review proceedings and to secure all costs which may be occasioned by such proceedings.

Whenever notice is required by this Act, such notice may be given by United States registered or certified mail with return receipt requested, addressed to the person concerned at his or her last known address, and proof of such mailing shall be sufficient for the purposes of this Act.

Whenever any proceeding provided by this Act is commenced before the Department, either by the Department or by a person subject to this Act, and such person thereafter dies or becomes a person under legal disability before such proceeding is concluded, the legal representative of the deceased or the guardian of the person under legal disability shall notify the Department of such death or legal disability. The legal representative, as such, shall then be substituted by the Department for such person. If the legal representative fails to notify the Department of his or her appointment as such legal representative, the Department may, upon its own motion, substitute such legal representative in the proceeding pending before the Department for the person who died or became a person under legal disability.

(Source: P. A. 83-345) (from Chapter 43, paragraph 163c)

5/8-8 Incriminating Testimony — Excuse from Testifying — Immunity

No person shall be excused from testifying or from producing any books, papers, records or memoranda in any investigation or upon any hearing, when ordered to do so by the Department or any officer or employee thereof, upon the ground that the testimony or evidence, documentary or otherwise, may tend to incriminate him or subject him to a criminal penalty, but no person shall be prosecuted or subjected to any criminal penalty for, or on account of, any transaction made or thing concerning which he may testify or produce evidence, documentary or otherwise, before the Department or an officer or employee thereof; provided, that such immunity shall extend only to a natural person who, in obedience to a subpoena, gives testimony under oath or produces evidence, documentary or otherwise, under oath. No person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.

(Source: P. A. 82-783) (from Chapter 43, paragraph 163d)

5/8-9 Tax Information; Confidentiality

All information received by the Department from returns filed under this Act, or from any investigation conducted under this Act, shall be confidential, except for official purposes, and any person who divulges any such information in any manner, except in accordance with a proper judicial order or as otherwise provided by law, shall be guilty of a Class B misdemeanor.

Nothing in this Act prevents the Director of Revenue from publishing or making available to the public the names and addresses of persons filing returns under this Act, or reasonable statistics concerning the operation of the tax by grouping the contents of returns so that the information in any individual return is not disclosed.

Nothing in this Act prevents the Director of Revenue from divulging to the United States Government or the government of any other state, or any officer or agency thereof, for exclusively official purposes, information received by the Department in administering this Act, provided that such other governmental agency agrees to divulge requested tax information to the Department.

The furnishing upon request of information obtained by the Department from returns filed under this Act or investigations conducted under this Act to the Illinois Liquor Control Commission for official use is deemed to be an official purpose within the meaning of this Section.

The furnishing upon request of the Auditor General, or his authorized

agents, for official use, of returns filed and information related thereto under this Act is deemed to be an official purpose within the meaning of this Section.

The furnishing of financial information to a home rule unit with a population in excess of 2,000,000 that has imposed a tax similar to that imposed by this Act under its home rule powers, upon request of the Chief Executive of the home rule unit, is an official purpose within the meaning of this Section, provided the home rule unit agrees in writing to the requirements of this Section. Information so provided is subject to all confidentiality provisions of this Section. The written agreement shall provide for reciprocity, limitations on access, disclosure, and procedures for requesting information.

Nothing contained in this Act shall prevent the Director from divulging information to any person pursuant to a request or authorization made by the taxpayer or by an authorized representative of the taxpayer.

(Source: P.A. 94-1074, eff. 12-26-06)

5/8-10 Records to be Kept by Manufacturers and Importers — Determining Tax in Absence of Records — Preserving Books and Records

It is the duty of each manufacturer, importing distributor and foreign importer to keep, at his licensed address or place of business, complete and accurate records of all sales or other dispositions of alcoholic liquor, and complete and accurate records of all alcoholic liquor produced, manufactured, compounded or imported, whether for himself or for another, together with a physical inventory made as of the close of each period for which a return is required, covering all alcoholic liquors on hand. However, the Department of Revenue may grant an importing distributor a waiver to permit such records to be kept at a central business location within the State upon written request by the importing distributor. The central business location shall be located at a licensed importing distributor's premises. The Department of Revenue may in its discretion prescribe reasonable and uniform methods for keeping such records by manufacturers and importing distributors and foreign importers.

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

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

It is the duty of each manufacturer, importing distributor and foreign importer, who imports spirits into the State, and each non-resident dealer who ships spirits into the State, to mail to the State Commission monthly a report containing a compilation of the information required to be furnished to the Department by the preceding paragraph, except that information concerning spirits imported in bulk need not be included. The report shall include all information mailed to the Department during the preceding month.

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

(Source: P. A. 86-654; 98-394, eff. 8-16-13)
(from Chapter 43, paragraph 164)

5/8-11 Books and Records of Non-beverage User — Disposal of Alcohol Fit for Beverage Purposes by Non-beverage User — Penalty

Every person licensed as a non-beverage user hereunder shall keep books and records which shall be available to investigators and/or auditors of the Department during regular business hours, and shall retain such books and records at his place of business in Illinois for a period of not less than three years. Such books and records shall be so kept as correctly to disclose: (a) the quantity and kind of alcoholic liquors received, showing the name and address of the party from whom received and the permit number on which purchased; (b) the quantity and kind of alcoholic liquors used; (c) the quantity and kind of alcoholic liquors on hand at the close of each business day; and (d) the names of products or purposes for which alcoholic liquors are used.

No non-beverage user shall sell, give away or otherwise dispose of any alcoholic liquor purchased under his license as such non-beverage user, in any form fit for beverage purposes. Any non-beverage user who shall violate the provisions of this section shall pay as a penalty to the Department of Revenue, the sum of $1.50 for each gallon of alcoholic liquor so diverted, and in addition thereto shall be subject to the penalties provided in Section 10-1 of this Act.

(Source: P. A. 83-1428) (from Chapter 43, paragraph 164 1/2)

5/8-12 Transporting Alcoholic Liquors — Reports

It shall be the duty of every railroad company, express company, common or contract carrier, and of every person, firm or corporation that shall bring, carry or transport alcoholic liquors into the State of Illinois for delivery in said State or which are delivered in said State, to prepare and file with the Department of Revenue for each month, not later than the fifteenth day of the month following that for which it is made, a report stating therein the name of the company, carrier, person, firm or corporation making the report, the period of time covered by said report, the name and business address of each consignor of such alcoholic liquors, the name and business address of each consignee of such alcoholic liquors, the kind and quantity of alcoholic liquors delivered to each consignee, and the date or dates of delivery. Such report shall be made upon forms prescribed and made available by the Department and shall contain such other information as may reasonably be required by the Department. The Department may establish procedures for electronic transmissions of such information directly to the Department. Such reports or information received by the Department shall be made available by the Department to the Commission upon the Commission's request.

In addition to any other reporting requirement imposed under this Section, reports shall be filed for shipments to end consumers in this State. In furtherance of this requirement, it shall be the duty of every railroad company, express company, common or contract carrier, person, firm, or corporation that brings, carries, or transports alcoholic liquor into Illinois for delivery in Illinois to prepare and file with the Department for each month, not later than the fifteenth day

of the month following the month during which the delivery is made, a report containing the name of the company, carrier, person, firm, or corporation making the report, the period of time covered by the report, the name and business address of each consignor of the alcoholic liquor, the name and address of each consignee, and the date of delivery. Such reports shall be made upon forms prescribed and made by the Department and shall contain any other information that the Department may reasonably require. Such reports or information received by the Department shall be made available by the Department to the State Commission upon the State Commission's request.

Every railroad company, express company, common or contract carrier, person, firm, or corporation filing or required to file a report under this Section shall deliver and make available to the Department, upon the Department's request, the records supporting the report, within 30 days of the request. The books, records, supporting papers and documents containing information and data relating to such reports shall be kept and preserved for a period of three years, unless their destruction sooner is authorized, in writing, by the Director, and shall be open and available to inspection by the Director of Revenue or the Commission or any duly authorized officer, agent or employee of the Department or the Commission, at all times during business hours of the day.

Any person who violates any of the provisions of this section or any of the rules and regulations of the Department for the administration and enforcement of the provisions of this section is guilty of a Class C misdemeanor. In case of a continuing violation each day's continuance thereof shall be a separate and distinct offense.

(Source: P. A. 92-380, eff. 1-1-02) (from Chapter 43, paragraph 164 3/4)

5/8-13 Rules and Regulations

The Department of Revenue may make such reasonable rules and regulations as may be deemed necessary for the administration of the duties vested in it by the provisions of this Act.

(Source: P. A. 82-783) (from Chapter 43, paragraph 165)

5/8-14 Retailer's Occupation Tax Act — Incorporation by Reference

All of the provisions of Sections 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i and 5j of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act, are by reference incorporated in and made a part of this Article VIII as fully as though written herein; provided that wherever in those Sections of the Retailers' Occupation Tax Act, reference is made to a "retailer" such reference shall, for the purposes of this Article, be deemed to refer to a licensee under this Act.

(Source: P. A. 87-205; database correction 2-10-93)
(from Chapter 43, paragraph 165a)

Article IX — Local Referendum

Section

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5/9-1 Terms Defined

The words and phrases defined in this section and used in this Article, unless inconsistent with the context, shall be construed as follows:

"Precinct" means any part of a city, village or incorporated town of over 200,000 population which was a "voting precinct" or an "election precinct" for voting at the last general election.

"Political subdivision" means a township, road district, city, village or incorporated town, as the case may be.

"Legal voter", insofar as the signing of a petition for a local option election is concerned, means a person who is registered to vote at the address shown opposite his signature on the petition or was registered to vote at such address when he signed the petition.

"Annexed area" means a territory which has attached to and become a part of a different political subdivision or precinct. The term shall be an appropriate designation only until the area to which it attaches holds a referendum hereunder.

"Disconnected area" means a territory which has detached or separated from a political subdivision or precinct.

"Licensed establishment" means the premises specified in a retailer's license pursuant to paragraph (d) of Section 5-1 and whose primary business is the sale of alcoholic beverages on the premises, which premises are located in any municipality having more than 2,000,000 inhabitants.

In the phrase, "Shall the sale at retail of alcoholic liquor (or alcoholic liquor other than beer containing not more than 4% of alcohol by weight) (or alcoholic liquor containing more than 4% of alcohol by weight except in the original package and not for consumption on the premises) be prohibited in (or at) ....?" the proper name, whether of a "township", "road district", "precinct", "city", "village" or "incorporated town", or the street address of the licensed establishment, shall be understood to be inserted in the blank, and the same shall be inserted in the petitions filed by and the ballots prepared for the voters of any precinct, township, road district, city, village or incorporated town. "Clerk", with reference to cities, villages and incorporated towns, and precinct situated therein, means the town, city or village clerk, as the case may be; with reference to cities, villages and incorporated towns which have by ordinance created a Board of Election Commissioners, it means the Board of Election Commissioners; with reference to road districts in counties not under township organization, it means the road district clerk; with reference to townships or parts of townships lying outside of cities, villages and incorporated towns in counties under township organization, it means the township clerk.

"Election" as used in reference to cities, villages and incorporated towns, means an election at a time fixed by the general election law for choosing city, village or incorporated town officers. "Election" also means an election at a time fixed by the general election law for choosing county, township or road district officers.

In case an election is to be held for officers of the city, village, incorporated town, township, or road district to which a proposition requested pursuant to this Article shall be submitted, or for the election of officers of a township or road district in which it is requested that such proposition be submitted to that part of a township or road district lying outside the corporate limits of a city, village or incorporated town, not less than 90 days nor more than 6 months following the filing of such petition, then the words "next ensuing election" as used herein shall mean the next ensuing election for officers of such city, village, incorporated town, township or road district, regardless of any intervening elections at which residents of such city, village, incorporated town, township or road district may vote.

(Source: P. A. 86-861; 87-347) (from Chapter 43, paragraph 166)

5/9-2 Referendum on Retail Sales of Alcoholic Liquor — Petition — Procedure

When any legal voters of a precinct in any city, village or incorporated town of more than 200,000 inhabitants, as determined by the last preceding Federal census, desire to pass upon the question of whether the sale at retail of alcoholic liquor shall be prohibited in the precinct or at a particular street address within the precinct, they shall, at least 104 days before an election, file in the office of the clerk of such city, village or incorporated town, a petition directed to the clerk, containing the signatures of not less than 25% of the legal voters registered with the board of election commissioners or county clerk, as the case may be, from the precinct. Provided, however, that

when the petition seeks to prohibit the sale at retail of alcoholic liquor at a particular street address of a licensed establishment within the precinct the petition shall contain the signatures of not less than 40% of the legal voters requested from that precinct. The petition shall request that the proposition "Shall the sale at retail of alcoholic liquor be prohibited in (or at) ....?" be submitted to the voters of the precinct at the next ensuing election at which such proposition may be voted upon. The submission of the question to the voters of such precinct at such election shall be mandatory when the petition has been filed in proper form with the clerk. If more than one set of petitions are presented to the clerk for submission at the same election, the petition presented first shall be given preference; however, the clerk shall provisionally accept any other set of petitions setting forth the same (or substantially the same) proposition. If the first set of petitions for a proposition is found to be in proper form and is not found to be invalid, it shall be accepted by the clerk and all provisionally accepted sets of petitions setting forth the same (or substantially the same) proposition shall be rejected by the clerk. If the first set of petitions for a proposition is found not to be in proper form or is found to be invalid, the clerk shall (i) reject the first set of petitions, (ii) accept the first provisionally accepted set of petitions that is in proper form and is not found to be invalid, and (iii) reject all other provisionally accepted sets of petitions setting forth the same (or substantially the same) proposition. Notice of the filing of the petition and the result of the election shall be given to the Secretary of State at his offices in both, Chicago and Springfield, Illinois. A return of the result of the election shall be made to the clerk of the city, village or incorporated town in which the precinct is located. If a majority of the voters voting upon such proposition vote "YES", the sale at retail of alcoholic liquor shall be prohibited in the precinct or at the street address. If the sale at retail of alcoholic liquor at a particular street address is prohibited pursuant to this Section, the license for any establishment at that street address shall be void, and no person may apply for a license for the sale at retail of alcoholic liquor at an establishment at that street address unless such prohibition is discontinued pursuant to Section 9-10.

In cities, villages and incorporated towns of 200,000 or less population, as determined by the last preceding Federal census, the vote upon the question of prohibiting the sale at retail of alcoholic liquor, or alcoholic liquor other than beer containing not more than 4% of alcohol by volume, or alcoholic liquor containing more than 4% of alcohol by weight in the original package and not for consumption on the premises, shall be by the voters of the political subdivision as a unit. When any legal voters of such a city, village or incorporated town desire to pass upon the question of whether the sale at retail of alcoholic liquor shall be prohibited in the municipality, they shall, at least 104 days before an election, file in the office of the clerk of the municipality, a petition directed to the clerk, containing the signatures of not less than 25% of the the legal voters registered with the board of election commissioners or county clerk, as the case may be, from the municipality. The petition shall request that the proposition, "Shall the sale at retail of alcoholic liquor be prohibited in....?" be submitted to the voters of the municipality at the next ensuing election at which the proposition may be voted upon. The submission of the question to the voters of the municipality at such election shall be mandatory when the petition has been filed in proper form with the clerk. If more than one set of petitions are presented to the clerk for submission at the same election, setting forth the same or different propositions, the petition presented first shall be given preference and the clerk shall refuse to accept any other set of petitions. Notice of the filing of the petition and the result of the election shall be given to the Secretary of State at his offices in both Chicago and Springfield, Illinois. A return of the result of the election shall be made to the clerk of the city, village or incorporated town. If a majority of the voters voting upon the proposition vote "Yes", the sale at retail of alcoholic liquor shall be prohibited in the municipality.

In the event a municipality does not vote to prohibit the sale at retail of alcoholic liquor, the council or governing body shall ascertain and determine what portions of the municipality are predominantly residence districts. No license permitting the sale of alcoholic liquors shall be issued by the local liquor commissioner or licensing officer permitting the sale of alcoholic liquors at any place within the residence district so determined, unless the owner or owners of at least two-thirds of the frontage, 200 feet in each direction along the street and streets adjacent to the place of business for which a license is sought, file with the local liquor commissioner or licensing officer, his or their written consent to the use of such place for the sale of alcoholic liquors.

In each township or road district lying outside the corporate limits of a city, village or incorporated town, or in a part of a township or road district lying partly within and partly outside a city, village or incorporated town, the vote of such township, road district or part thereof, shall be as a unit. When any legal voters of any such township, or part thereof, in counties under township organization, or any legal voters of such road district or part thereof, in counties not under township organization, desire to vote upon the proposition as to whether the sale at retail of alcoholic liquor shall be prohibited in such township or road district or part thereof, they shall, at least 104 days before an election, file in the office of the township or road district clerk, of the township or road district within which the election is to be held, a petition directed to the clerk and containing the signatures of not less than 25% of the legal voters registered with the county clerk from such township or road district or part thereof. The submission of the question to the voters of the township, road district or part thereof, at the next ensuing election shall be mandatory when the petition has been filed in proper form with the clerk. If more than one set of petitions are presented to the clerk for submission at the same election, setting forth the same or different propositions, the petition presented first shall be given preference and the clerk shall refuse to accept any other set of petitions. A return of the result of such election shall be made to the clerk of the township or road district in which the territory is situated, and shall also be made to the Secretary of State at his offices in both Chicago and Springfield, Illinois.

(Source: P. A. 96-1008, eff. 7-6-10) (from Chapter 43, paragraph 167)

5/9-2a Sports Facilities

Any vote under this Article, whenever held, to prohibit sales at retail of alcoholic liquor (or alcoholic liquor other than liquor containing not more than 4% of alcohol by weight) in a precinct in a city, village or incorporated town of more than 200,000 inhabitants shall not apply to such sales at any new sports facility owned by any unit of local government and constructed after July 7, 1988, or at any new stadium described in subsection (a) of Section 10-215 of the Property Tax Code, or to a sports stadium having more than 15,000 but less than 50,000 seats in any municipality having more than 2,000,000 inhabitants, and such sales shall not be prohibited pursuant to any vote of the legal voters in such a precinct. It is declared to be the law of this State, pursuant to subsections (h) and (i) of Section 6 of Article VII of the Illinois Constitution of 1970 that the power to determine the application of any local referendum with respect to sales of alcoholic liquors as provided herein is an exercise of exclusive State power and may not be exercised concurrently by any unit of local government, including home rule units.

(Source: P. A. 88-670, eff. 12-2-94) (from Chapter 43, para. 167a)

5/9-2b (Repealed)

(Source: P. A. 93-996, eff. 8-23-04. Repealed by P.A. 94-282, eff. 7-21-05) (from Chapter 43, paragraph 167)

5/9-2c Museum of Science and Industry

Any vote under this Article, whenever held, to prohibit sales at retail of alcoholic liquor (or alcoholic liquor other than liquor containing not more than 4% of alcohol by weight) in a precinct in a city, village, or incorporated town of more than 200,000 inhabitants shall not apply to such sales at the Museum of Science and Industry in Chicago.

(Source: P. A. 98-592, eff. 11-15-13) (from Chapter 43, paragraph 167)

5/9-3 Date of Referendum Result is Operative

A vote under the provisions of this Act, shall become operative on the 30th day after the day of the election at which such vote is cast.

(Source: P. A. 82-783) (from Chapter 43, paragraph 168)

5/9-4 Petition for Submission of Proposition — Form — Revocation of Signature

A petition for submission of the proposition shall be in substantially the following form: To the ... clerk of the (here insert the corporate or legal name of the county, township, road district, city, village or incorporated town):

The undersigned, residents and legal voters of the .... (insert the legal name or correct designation of the political subdivision or precinct, as the case may be), respectfully petition that you cause to be submitted, in the manner provided by law, to the voters thereof, at the next election, the proposition "Shall the sale at retail of alcoholic liquor (or alcoholic liquor other than beer containing not more than 4% of alcohol by weight) (or alcoholic liquor containing more than 4% of alcohol by weight except in the original package and not for consumption on the premises) be prohibited in this .... (or at the following address ...)?"

Name of signer	P.O. address (including street no. if any)	Description of precinct township, road district or part thereof, as of the last general election	Date of signing

A petition for a proposition to be submitted to the voters of a precinct shall also contain in plain and nonlegal language a description of the precinct to which the proposition is to be submitted at the election. The description shall describe the territory of the precinct by reference to streets, natural or artificial landmarks, addresses, or by any other method which would enable a voter signing such petition to be informed of the territory of the precinct. Each such petition for a precinct referendum shall also contain a list of the names and addresses of all licensees in the precinct.

Such petition shall conform to the requirements of the general election law, as to form and signature requirements. The circulator's statement shall include an attestation of:

1. that none of the signatures on this petition sheet were signed more than 4 months before the filing of this petition, or
2. the dates on which the petitioners signed the petition, and shall be sworn to before an officer residing in the county where such legal voters reside and authorized to administer oaths therein.

No signature shall be revoked except by a revocation filed within 20 days from the filing of the petition with the clerk with whom the petition is required to be filed. Upon request of any citizen for a photostatic copy of the petition and paying or tendering to the clerk the costs of making the photostatic copy, the clerk shall immediately make, or cause to be made a photostatic copy of such petition. The clerk shall also deliver to such person, his official certification that such copy is a true copy of the original, stating the day when such original was filed in his office. Any 5 legal voters or any affected licensee of any political subdivision, district or precinct in which a proposed election is about to be held as provided for in this Act, within any time up to 72 days immediately prior to the date of such proposed election and upon filing a bond for costs, may contest the validity of the petitions for such election by filing a verified petition in the Circuit Court for the county in which the political subdivision, district or precinct is situated, setting forth the grounds for contesting the validity of such petitions. Upon the filing of the petition. a summons shall be issued by the Court, addressed to the appropriate city, village, town, township or road district clerk, notifying the clerk of the filing of the petition and directing him to appear before the Court on behalf of the political subdivision or district at the time named in the summons; provided, the time shall not be less than 5 days nor more than 15 days after the filing of the petition. The procedure in these cases, as far as may be applicable, shall be the same as that provided for the objections to petitions in the general election law. Any legal voter in the political subdivision or precinct in which such election is to be held may appear in person or by counsel, in any such contest to defend or oppose the validity of the petition for election.

The municipal, town or road district clerk shall certify the proposition to be submitted at the election to the appropriate election officials, in accordance with the general election law, unless the petition has been determined to be invalid. If the court determines the petitions to be invalid subsequent to the certification by the clerk, the court's order shall be transmitted to the election officials and shall nullify such certification.

(Source: P. A. 96-1008, eff. 7-6-10) (from Chapter 43, paragraph 169)

5/9-5 Notice of Election — Publication of Submission — Effect of Failure to Give or Publish Submission

The appropriate election officials to whom the proposition has been certified shall cause notice to be given in the manner provided by the general election law of the submission of said proposition at the next election to the voters of the political subdivision or precinct entitled to vote thereon. Publication of the submission of such proposition to the voters of such political subdivision or precinct shall likewise be made in the manner provided by the general election law; provided, the failure of the election officials to cause such notice to be given, or the failure to make publication of the submission of the proposition, shall not affect the validity or binding force of the vote upon the proposition.

(Source: P. A. 82-783) (from Chapter 43, paragraph 170)

5/9-6 Form of Proposition

The proposition shall be in substantially the following form:

Shall the sale at retail of alcoholic liquor (or alcoholic liquor other than beer containing not more than 4% of alcohol by weight) (or alcoholic liquor containing more than 4% alcohol by weight in the original package and not for consumption on the premises) be prohibited in (or at)... . . . . .?.	YES NO

In a precinct referendum, the proposition ballot shall also contain a

common description of the precinct in plain and nonlegal language, which may be prepared by the election official or adopted from the description on the petition, unless the election official responsible for conducting the election determines that a description cannot be included within the space limitations on the ballot to be used in the election. If the description is not to be included on the ballot, the election officials shall prepare large printed copies of the description of the precinct together with a notice of the proposition which shall be prominently displayed in the precinct polling place at the election.

(Source: P. A. 86-861) (from Chapter 43, paragraph 171)

5/9-7 Result of Vote — Record

The clerk shall record in a well bound book, to be kept in his office by himself and his successor, the result of the vote upon the proposition. The result of the vote may be proved in all courts and in all proceedings by this record or by the official certification of the clerk. In cases where the record or certification shows that a majority of the voters voting upon the proposition voted "YES", the record or certification shall be prima facie evidence that the sale at retail of alcoholic liquor or the sale at retail of alcoholic liquor other than beer containing not more than 4% of alcohol by weight or the sale at retail of alcoholic liquor containing more than 4% of alcohol by weight except in the original package and not for consumption on the premises, as the case may be, is prohibited in the political subdivision or precinct or at the licensed establishment to which such vote was applicable.

(Source: P. A. 86-861) (from Chapter 43, paragraph 172)

5/9-8 Change in Limits of Political Subdivision — Status of Territory or Sale of Liquor

The status of all the territory within any political subdivision or precinct, relative to the sale at retail of alcoholic liquor, or the sale at retail of alcoholic liquor other than beer containing not more than 4% of alcohol by weight, or the sale at retail of alcoholic liquor containing more than 4% of alcohol by weight except in the original package and not for consumption on the premises, as the case may be, shall remain the same, notwithstanding any change which may be made in the limits of any such political subdivision or precinct until the voters thereof have changed such status as to annexed or disconnected areas under the provisions of Section 9-9 of this Article, or until the voters have changed such status for areas other than annexed or disconnected areas under the provisions of Section 9-2 or Section 9-10.

(Source: P. A. 84-716) (from Chapter 43, paragraph 173)

5/9-9 Status of Annexed or Disconnected Area — Manner for Changing

The status of an annexed area or disconnected area, relative to the sale at retail of alcoholic liquor pursuant to Section 9-8, shall remain the same until changed in accordance with the following provisions:

a Upon the filing, in the office of the clerk of the political subdivision or precinct of which the annexed area or disconnected area becomes a part, of a petition directed to such clerk, containing the signatures of not less than 25% of the legal voters residing in such annexed or disconnected area, to submit to the voters thereof the proposition to continue its current status, the clerk shall certify that proposition to the proper election officials, who shall submit the proposition to the voters of the annexed or disconnected area at an election in accordance with the general election law. The petition shall be supported by an affidavit made by one or more of the petitioners and stating that the signatures represent not less than 25% of the legal voters residing in the annexed or disconnected area. The provisions in Sections 9-1, 9-2, 9-4, 9-5, 9-6 and 9-7 shall apply except where they conflict with this Section, in which event the provisions of this Section shall control. If a majority of the voters voting upon such proposition in any such annexed or disconnected area vote "NO", the current status shall cease in that area; or

b Upon the filing in the office of the clerk of the political subdivision of which the annexed area or disconnected area becomes a part of a petition directed to such clerk containing the signatures of not less than 66 2/3% of all the legal voters residing in the annexed or disconnected area to change the status in that annexed or disconnected area relative to the sale at retail of alcoholic liquor by either:

1 discontinuing any existing prohibition, or

2 prohibiting the sale at retail of alcoholic liquor, or

3 prohibiting the sale at retail of alcoholic liquor other than beer containing not more than 4% of alcohol by weight, or

4 prohibiting the sale at retail of alcoholic liquor containing more than 4% of alcohol by weight except in the original package and not for consumption on the premises, the requirements for an election in subsection (a) above shall be waived.

The requirement of Section 9-4 regarding verification of a petition shall apply to this petition. Thirty days following the filing of such petition, the requested status, as specified in such petition, shall become effective in the annexed or disconnected area, unless within the 30-day period, written verified objections by a voter residing in the annexed or disconnected area are filed with the clerk. The objections shall be limited to an attack upon the validity of the petition and its execution. In such event, the clerk shall forthwith submit to the Circuit Court for the county in which the area is located, the petition and objections thereto. A hearing shall be held thereon within 30 days after the petition and objections are filed with the court. If the court finds that the petition is valid and properly executed, the court shall enter an order finding that the petition is valid. Thereupon, the requested status shall be effective. If the court finds that the petition is not valid, the petition shall be dismissed.

c A vote under subsection (a) above or the filing of a valid petition under subsection (b) above shall bar further proceedings under this Section for 47 months thereafter.

(Source: P. A. 82-783) (from Chapter 43, paragraph 173.1)

5/9-10 Petition for Prohibition — Election — Form of Proposition

Upon the filing in the office of the clerk, at least 90 days before an election in any political subdivision or precinct, as the case may be, of a petition directed to such clerk, containing the signatures of not less than 25% or 40% of the legal voters of the territory which has prohibited the sale at retail of alcoholic liquor or the sale at retail of alcoholic liquor other than beer containing not more than 4% of alcohol by weight or the sale at retail of alcoholic liquor containing more than 4% of alcohol by weight except in the original package and not for consumption on the premises, or a petition directed to such clerk containing the signatures of not less than 25% of the legal voters of a municipality within which such territory is located, to submit to the voters thereof the proposition to continue such prohibition, the clerk

shall certify such proposition to the proper election officials, who shall submit the proposition at such election to the voters of such political subdivision or precinct. Where such proposition is submitted pursuant to a petition signed by not less than 25% of the legal voters of a municipality within which such territory is located, the legal voters of the entire municipality may vote on the proposition. For the purposes of this Section, the number of legal voters shall be computed upon the same basis as is provided in Section 9-2 for the filing of a petition for referendum on the question of whether the sale at retail of alcoholic liquor shall be prohibited. So far as applicable, the provisions of Sections 9-1, 9-4, 9-5, 9-6 and 9-7 shall apply. The proposition shall be in the following form:

Shall the prohibition of the sale at retail of alcoholic liquor (or alcoholic liquor other than beer containing not more than 4% of alcohol by weight) or (alcoholic liquor containing more than 4% of alcohol by weight in the original package and not for consumption on the premises) be continued in (or at) . . . . . ?	YES NO

In a precinct referendum, the referendum ballot shall also contain a common description of the precinct in plain and nonlegal language, which may be prepared by the election official or adopted from the description on the petition, unless the election official responsible for conducting the election determines that a description cannot be included within the space limitations on the ballots to be used in the election. If the description is not to be included on the ballot, the clerk shall prepare large printed copies of the description of the precinct together with a notice of the proposition which shall be prominently displayed in the precinct polling place at the election. If a majority of the voters voting upon such last mentioned proposition in any such political subdivision or precinct vote “NO”, such prohibition shall cease in such political subdivision or precinct or at the applicable licensed establishment; and where such political subdivision or precinct is a city, village or incorporated town situated wholly or partly within the boundaries of a township or road district having a similar prohibition, a majority vote of the voters voting “NO” upon such proposition as above described will result in the prohibition ceasing in that part of the township or road district situated within such city, village or incorporated town. In the event the boundaries of such political subdivision or precinct have been altered or the numbers of any precincts have been changed subsequent to the original election making the territory prohibited territory and prior to the filing of such petition for resubmission of the question, only those voters actually residing in the prohibited territory shall be eligible as signers of such resubmission petition, except that this limitation shall not apply in the case of a resubmission petition signed by at least 25% of the legal voters of a municipality in which the prohibited territory is located. The petition mentioned in this Section shall be a public document and shall be subject to inspection by the public.

(Source: P. A. 86-861) (from Chapter 43, paragraph 174)

5/9-10.1 Home Rule Municipality — Ordinance to Allow Sale of Liquor after Prohibition

In the event a home rule municipality, as set forth in Article VII of the Illinois Constitution, changes the status of the municipality by ordinance so as to allow the sale at retail of alcoholic liquor in a municipality which has previously prohibited such sale pursuant to local referendum, such sale may be continued in that municipality even though it subsequently ceases to be a home rule municipality. The prohibition against the sale at retail of alcoholic beverages in such a municipality may thereafter be reinstated pursuant to Section 9-2 or by subsequent ordinance of the municipality.

(Source: P. A. 83-736) (from Chapter 43, paragraph 174.1)

5/9-11 Resubmission of Question

A vote under the provisions of this Act in and for any political subdivision or precinct or licensed establishment upon the proposition to prohibit the sale at retail of alcoholic liquor or to prohibit the sale at retail of alcoholic liquor other than beer containing not more than 4% of alcohol by weight or to prohibit the sale at retail of alcoholic liquor containing more than 4% of alcohol by weight except in the original package and not for consumption on the premises or in and for any political subdivision or precinct upon the proposition to continue any of such prohibitions shall be a bar to the submission to the voters thereof of any of such propositions as applied to all or any part of that political subdivision or precinct for 47 months thereafter.

(Source: P. A. 86-861) (from Chapter 43, paragraph 175)

5/9-12 Report of Filing of Petition and of Election Results

Within 10 days after the filing of any petition under this Article, the official with whom the petition is filed shall prepare, in quintuplicate, the report hereinafter prescribed. One copy shall be kept on file in the official’s office, and he shall, by registered mail, send two copies to the Secretary of State, one copy to the county clerk and one copy to the person who filed the petition.

The official shall make such report substantially in the following form:

> Report of filing of petition for local option election to be held on ... in ...(Name of precinct, *etc*). Date of filing....By whom filed....Number of signers...Proposal(s) to be voted upon .....
>
> ,.....(Official)

Immediately upon completion of the canvass of any local option election, the official shall prepare, in quadruplicate, a report of the election result as hereinafter prescribed and shall keep one copy on file in his office and, within 10 days after the canvass, shall, by registered mail, send two copies to the Secretary of State and one copy to the county clerk. The report shall be substantially as follows:

> Report of local option election held on....in....(Name of precinct, *etc*) upon the following proposal(s).....
>
> Number voting “YES”....
>
> Number voting “NO”....
>
> .....(Official)

The official shall sign each copy of every report required by this Section. The Secretary of State and the county clerk shall keep on file in their offices, available for inspection, any report received by him pursuant to this Section.

(Source: P. A. 82-783; P.A. 91-357, eff. 7-29-99) (from Chapter 43, paragraph 175.1)

5/9-13 Retail sales and Granting of Retail Licenses Prohibited — Manufactures’, Distributors’ and Importers Licenses Permitted

It is unlawful to sell alcoholic liquor at retail or to grant or issue, or cause to be granted or issued, any license to sell alcoholic liquor at retail within the limits of any political subdivision or precinct or at any premises while the prohibition against such sales is in effect, or to

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

(Source: P.A. 86-861) (from Chapter 43, paragraph 176)

5/9-14 Devices to Evade this Article

The giving away or delivery of any alcoholic liquor for the purpose of evading any provision of this Article, or the taking of orders or the making of agreements, at or within any political subdivision or precinct or at any premises while such sales are prohibited, for the sale or delivery of any alcoholic liquor, or other shift or device to evade any provision of this Act, shall constitute an unlawful selling.

(Source: P. A. 86-861) (from Chapter 43, paragraph 177)

5/9-15 Places Violating to be Nuisances — Abatement

All places where alcoholic liquor is sold in violation of any provision of this Article shall be taken and held and are declared to be common nuisances and may be abated as such.

(Source: P. A. 82-783) (from Chapter 43, paragraph 178)

5/9-16 Failure to Discharge Official Duty — Knowledge — Other Offenses

Any clerk, judge of election, police officer or other officer of the law, who shall refuse or neglect or fail to discharge any duty imposed by this Article, and any one who signs a petition provided for in this Article, knowing he is not qualified to do so, or who files with the clerk any such petition or any sheet or other part thereof knowing that it contains the signature of a person not qualified to sign the same, or who receives, requests or demands or gives, offers or promises any reward for the signing or the refraining from signing of any such petition, or who by treating or giving alcoholic liquor or anything else, or by threats to injure another in person or property, or by betting or other device, either directly or indirectly influences or attempts to influence anyone to sign or refrain from signing any such petition, shall be guilty of a violation of this Article and punishable therefor.

(Source: P. A. 82-783) (from Chapter 43, paragraph 179)

5/9-17 Prosecutions — Allegations

In all prosecutions under this Article, it shall not be necessary to state the kind of liquor sold; nor to describe the place where sold; nor to show the knowledge of the principal to convict for the acts of any agent or servant; nor to state the name of any person to whom liquor is sold; nor to set forth the facts showing that the required number of legal voters petitioned for the submission to the voters of said proposition, nor that a majority of the voters voting upon such proposition voted "YES", but it shall be sufficient to state that the act complained of took place in a territory where such sales were prohibited.

(Source: P. A. 84-551) (from Chapter 43, paragraph 180)

5/9-18 Sales Pending Contest of Election — Refund of License Fee — Sales on Trains

Nothing in this Article shall be construed to forbid or prevent the sale of alcoholic liquor according to the terms of a license theretofore regularly issued in good faith according to law until after the final disposition of the case wherein an election result, indicating that the sale of alcoholic liquor is prohibited, is contested. Any portion of a license fee which shall have been paid and which represents the unexpired period for which the license was issued after the sale at retail of alcoholic liquor has been prohibited in a political subdivision or precinct in which the premises described in such license is located shall be refunded. Nothing in this Article shall be construed to forbid or prevent the sale of alcoholic liquor by a railroad licensee on trains passing through prohibited territory.

(Source: P. A. 82-783) (from Chapter 43, paragraph 181)

5/9-19 Consent of Election — Procedure

Any 5 legal voters of any political subdivision or precinct in which an election has been held as provided for in this Act, may within 10 days after the canvass of the returns of such election and upon filing a bond for costs, contest the validity of such election by filing a verified petition in the Circuit Court for the county in which such political subdivision or precinct is situated, setting forth the grounds for the contest. Upon the filing of such petition a summons shall forthwith issue from such court addressed to the election official who conducted the election, notifying the official of the filing of such petition and directing him to appear before the court at the time named in the summons; provided, the time shall be not less than 5 nor more than 15 days after the filing of such petition. The procedure in such cases, as far as applicable, shall be the same as that provided in the general election law. Any registered voter in the political subdivision or precinct in which the election has been held may appear in person, or by counsel, in any such contest to defend or oppose the validity of the election.

(Source: P. A. 82-783) (from Chapter 43, paragraph 182)

Article X — Violations, Penalties, Searches and Seizures

Section

5/10-1 Manufacture, Importation Distribution, and Sale — Misrepresentation of Age My minor.

5/10-2 Owner of Premises Permitting Violation — Penalty

5/10-3 Acts of Agent or Employee — Liability of Licensee — Knowledge

5/10-4 Revocation of License after Conviction — Forfeiture of Bond and License Fees — Effect of Revocation

5/10-5 Revocation of License when Employee Convicted — Forfeiture of Bond and License Fees

5/10-6 Misbranding — Penalty

5/10-7 Nuisance — Abatement of Place Used in Violation

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5/10-1 Violations; penalties

Whereas a substantial threat to the sound and careful control, regulation and taxation of the manufacture, sale and distribution of alcoholic liquors exists by virtue of individuals who manufacture, import, distribute or sell alcoholic liquors within the State without having first obtained having first obtained a valid license to do so, and whereas such threat is especially serious along the borders of this State, and whereas such such threat requires immediate correction by this Act, by active investigation and prosecution by law enforcement officials and prosecutors, and by prompt and strict enforcement through the courts of this State to punish violators and to deter such conduct in the future:

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

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

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

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

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

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

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

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

f In addition to the penalties herein provided, any person licensed as a wine-maker in either class who manufactures more wine than authorized by his license shal be guilty of a business offense and shall be fine $1 for each gallon so manufactured.

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

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

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

2605/2605-335, 2605/2605-340, 2605/2605-350, 2605/2605-355, 2605/2605-360, 2605/2605-365, 2605/2605-375, 2605/2605-390, 2605/2605-400, 2605/2605-405, 2605/2605-420, 2605/2605-430, 2605/2605-435, 2605/2605-500, 2605/2605-525, 2605/2605-550); or

3 In cities over 1,000,000 the Superintendent of Police.

(Source: P.A. 91-236, eff. 1-1-00; 98-63, eff. 7-9-13) (from Chapter 43, paragraph 183)

5/10-2 Owner of Premises Permitting Violation — Penalty

If the owner of the licensed premises or any person from whom the licensee derives the right to possession of such premises, or the agent of such owner or person, shall knowingly permit the licensee to use said licensed premises in violation of the terms of this Act, said owner, agent or other person shall be deemed guilty of a violation of this Act to the same extent as said licensee and be subject to the same punishment.

(Source: P. A. 82-783) (from Chapter 43, paragraph 184)

5/10-3 Acts of Agent or Employee — Liability of Licensee — Knowledge

Every Act or omission of whatsoever nature constituting a violation of any of the provisions of this Act, by any officer, director, manager or other agent or employee of any licensee, shall be deemed and held to be the act of such employer or licensee, and said employer or licensee shall be punishable in the same manner as if said act or omission had been done or omitted by him personally.

(Source: P. A. 82-783) (from Chapter 43, paragraph 185)

5/10-4 Revocation of License after Conviction — Forfeiture of Bond and License Fees — Effect of Revocation

Whenever any licensee shall be convicted of any violation of this Act, the licenses of said licensee may, in the discretion of the State Commission or of the local commissioner, (whichever has jurisdiction) be revoked and forfeited and all fees paid thereon shall be forfeited, and the bond given by said licensee to secure such licensee's faithful compliance with the terms of this Act shall be forfeited, and it shall thereafter be unlawful and shall constitute a further violation of this Act for said licensee to continue to operate under said license.

(Source: P. A. 82-783) (from Chapter 43, paragraph 186)

5/10-5 Revocation of License when Employee Convicted — Forfeiture of Bond and License Fees

Whenever any officer, director, manager or other employee in a position of authority of any licensee under this Act shall be convicted of any violation of this Act while engaged in the course of his employment or while upon the premises described by said license, said license shall be revoked and the fees paid thereon forfeited both as to the holder of said license and as to said premises, and said bond given by said licensee to secure the faithful compliance with the terms of this Act shall be forfeited in like manner as if said licensee had himself been convicted.

(Source: P. A. 82-783) (from Chapter 43, paragraph 187)

5/10-6 Misbranding — Penalty

Any person who shall knowingly possess, sell, ship, transport or in any wise dispose of any alcoholic liquor under any other than the proper name or brand known to the trade as designating the kind and quality of the contents of the package or other containers of said alcoholic liquor, or who shall cause any such Act to be done, shall forfeit to the State said alcoholic liquor and said packages and containers and shall be subject to the punishment and penalties provided for violation of this Act.

(Source: P. A. 82-783) (from Chapter 43, paragraph 188)

5/10-7 Nuisance — Abatement of Place Used in Violation

Every lot, parcel or tract of land, and every building, structure, tent, railroad car, boat, wagon, vehicle, establishment or place whatsoever, together with all furniture, fixtures, ornaments and machinery located thereon, wherein there shall be conducted any unlawful manufacture, distribution or sale of any alcoholic liquor, or whereon or wherein there shall be kept, stored, concealed or allowed any alcoholic liquor intended for illegal sale or to be sold, disposed of or in any other manner used in violation of any of the provisions of this Act is hereby declared to be a public nuisance and shall be abated as provided by the laws of this State for the abatement of public nuisances.

(Source: P. A. 82-783) (from Chapter 43, paragraph 189)

5/10-7.1 Business without license — Notice to Department of Revenue — Complaint

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

(Source: P. A. 90-739, eff. 8-13-98) (from Chapter 43, paragraph 189.1)

5/10-8 Search warrant — Complaint, Form and Requisites — Verification

Whenever complaint is made in writing, verified by affidavit, to any judge of the circuit court, that complainant has just and reasonable grounds to believe and does believe that alcoholic liquor is manufactured, possessed, kept for sale, used or transported, in violation of this Act, or any mash, still or other property designed for the manufacture of alcoholic liquor is possessed in any premises which are not licensed hereunder, (particularly describing and designating such property in the complaint), the judge may issue a search warrant as hereinafter provided; provided, however, no search warrant shall be necessary for the inspection or search of any premises licensed under this Act, and provided, further, that no search warrant shall be issued for the search of premises in use for residence purposes. The property seized on any such warrant shall not be taken from the officer seizing the same on any order of replevin or other like process. Each complaint shall be substantially in the following form:

State of Illinois,)

)**ss.**

County of Cook.)

Complaint for Search Warrant.

The complaint and affidavit of .....(name of complainant), of .... (his residence), made before ....(name of officer) one of the .... (official title of officer), in and for the .... (county, city or village, as the case may be), on (insert date), being first duly sworn, upon his oath says: That he has just and reasonable grounds to believe, and does believe

that alcoholic liquor is now unlawfully (manufactured, possessed, used, disposed of or kept for sale, or any mash, still or other property designed for the illegal manufacture of alcoholic liquor is possessed therein, as the case may be), to-wit: At and within a certain ....(here describe the house, building, premises, boat, vehicle, receptacle or other place to be searched, with particulars as to the location sufficiently to identify it, stating the name of the person occupying the same, if known), in the .... (city, village or town of) ...., in the county and state set out above; that the following are the reasons for his or her belief; to-wit ..... (here insert the facts upon which such belief is based). Wherefore complainant prays that a search warrant may issue according to law.

.....
(Signature of complainant)
Subscribed and Sworn to before me on
(insert date).
.....
(Name of officer)
.....
(Official title of officer)

(Source: P. A. 83-346, eff. 10-20-98; P.A. 91-357, eff. 7-29-99) (from Chapter 43, paragraph 190)

5/10-9 Issuance of Search Warrant upon Reasonable Cause — Requisites

If the judge before whom any such complaint is made is satisfied that there is reasonable cause for such belief, he shall issue a warrant directed to any peace officer having jurisdiction, commanding him forthwith to enter the house, building, premises, boat, vehicle, receptacle or other place therein described and designated with particularity, and make diligent and careful search for alcoholic liquor manufactured, possessed or kept for sale, contrary to this Act, and if any such alcoholic liquor be there found, to seize the same, together with the vessels containing the same, and all property, implements, furniture and vehicles kept or used for the purpose of violating, or with which to violate any of the provisions of this Act, and bringing the same and any and all persons (if any there be) in whose possession they are found, before the judge who issued the warrant, or some other judge having a cognizance of the case.

(Source: P. A. 82-783) (from Chapter 43, paragraph 191)

5/10-10 Execution of Search Warrant — Disposition of Property Seized — Payment of Taxes on Sale of Seized Liquor — Destruction of Liquor unfit for Consumption

Upon the issuance of any such search warrant, it shall be the duty of the officers executing the same to forthwith enter the house, building, premises, boat, vehicle, receptacle or other place therein described, either in the day time or night time, by force, if necessary, and to remove therefrom and confiscate any alcoholic liquor manufactured, possessed or kept for sale, contrary to the terms of this Act, and any machinery, equipment or material used in connection therewith, and to hold such property until all prosecution arising out of said search and seizure shall have ended and determined, and it shall be the duty of the officers executing such search warrant to arrest any person or persons found using or in possession or control of such alcoholic liquor, articles or things. All alcoholic liquor unlawfully manufactured, stored, kept, sold or otherwise disposed of, and the containers thereof, and all equipment used or fit for use in the manufacture or production of the same which are found at or about any still or outfit for the unlawful manufacture of alcoholic liquor on unlicensed premises are hereby declared contraband, and no right of property shall be or exist in any person owning, furnishing or possessing any such property, liquor, material or equipment, but all such property, articles and things, including alcoholic liquor, shall be sold upon an order of the court, in the manner hereinbefore provided, and the proceeds thereof shall be disposed of in the manner herein provided for the disposition of license fees paid to the State Commission; provided that nothing shall be construed to prevent any officer whose duty it is to make arrests from arresting, with or without a warrant, any person or persons found violating any of the provisions of this Act; provided further, that any officer executing a search warrant shall forthwith make his return thereof to the court or officer issuing said search warrant of the manner and date of his execution thereof, showing what, if anything, was seized and held by said search, together with the name of the owner or owners, if known, and shall attach to said return an accurate list or inventory of the articles and things so seized. It shall be the duty of the officer who has seized and is holding any of the property mentioned in this section, to make application to the court on final determination of any prosecution arising under said search and seizure, and in which such prosecution; shall have been commenced or prosecuted for an order to sell such property, and the court, if satisfied that the property so seized and held was, at the time of its seizure, being kept or used, or was fit for use in the unlawful manufacture or production of alcoholic liquor, then the court shall make an order that said property and effects be sold by such officer and shall fix the time, place, manner and notice of such sale, and the proceeds of such sale shall be paid over to the State Commission; provided, however, that nothing contained in this Act shall be considered to authorize the sale of any alcoholic liquor unlawfully manufactured fit for human consumption which comes into the possession of any officer by seizure, confiscation or forfeiture under the provisions of this Act without the payment of all taxes required by the laws of this State and of the United States; provided, further that all such unlawfully manufactured alcoholic liquor which is unfit for human consumption shall be destroyed.

(Source: P. A. 82-783) (from Chapter 43, paragraph 192)

Article XI — Partial Invalidity and Repeal

Section

5/11-1 Partial Invalidity

5/11-2 Repeal — Obligation to Pay Taxes on Prior Sales Unaffected

5/11-1 Partial Invalidity

The articles, provisions and sections of this Act shall be deemed to be separable and the invalidity of any portion of this Act shall not affect the validity of the remainder.

(Source: P. A. 82-783) (from Chapter 43, paragraph 193)

5/11-2 Repeal — Obligation to Pay Taxes on Prior Sales Unaffected

The Act in relation to the manufacture, possession and sale of malt and vinous beverages, approved April 26, 1933, as amended is hereby repealed. All other laws in conflict with this Act, or any of the provisions hereof, in so far as such laws and parts thereof are in conflict herewith, are hereby repealed.

The repeal of the Act in this section named shall not affect the obligation to pay any taxes imposed by said Act on account of malt and vinous beverages manufactured or sold prior to the effective date of such repeal, but all the provisions of this Act relating to the imposition and collection of such taxes and penalties for failure to report and pay such taxes shall remain in effect in so far as they relate to such taxes so imposed and collectible under said “Malt and Vinous Beverage Act.”.

(Source: P. A. 82-783) (from Chapter 43, paragraph 194)

Article XII — Grape and Wine Resources Council

Section

5/12-1 Grape and Wine Resources Council

5/12-2 Powers and duties of Council

5/12-3 Funding

5/12-4 Grape and Wine Resources Fund

5/12-1 Grape an Wine Resources Council

a There is hereby created the Grape and Wine Resources Council, which shall have the powers and duties specified in this Article and all other powers necessary and proper to executed the provisions of this Article.

b The Council shall consist of 17 members including:

1 The Director of the Illinois Department of Agriculture, ex officio, or the Director's designee.

2 The Dean of SIU College of Agriculture, or the Dean's designee.

3 The Dean of the University of Illinois College of Agriculture, or the Dean's designee.

4 An expert in enology or food science and nutrition to be named by the Director of the Illinois Department of Agriculture from nominations submitted jointly by the Deans of the Colleges of Agriculture at Southern Illinois University and the University of Illinois.

5 An expert in marketing to be named by the Director of the Illinois Department of Agriculture from nominations submitted jointly by the Deans of the Colleges of Agriculture at Southern Illinois University and the University of Illinois.

6 An expert in viticulture to be named by the Director of the Illinois Department of Agriculture from nominations submitted jointly by the Deans of the Colleges of Agriculture at Southern Illinois University and the University of Illinois.

7 A representative from the Illinois Division of Tourism, to be named by the Director of Commerce and Economic Opportunity.

8 Six persons to be named by the Director of the Illinois Department of Agriculture from nominations from the President of the Illinois Grape Growers and Vintners Association, of whom 3 shall be grape growers and 3 shall be vintners.

9 Four persons, one of whom shall be named by the Speaker of the House of Representatives, one of whom shall be named by the Minority Leader of the House of Representatives, one of whom shall be named by the President of the Senate, and one of whom shall be named by the Minority Leader of the Senate.

Members of the Council shall receive no compensation, but shall be reimbursed for necessary expenses incurred in the performance of their duties. The Council's Chair shall be the Dean of the College of Agriculture at the University where the Council is housed.

c The Council shall be housed at Southern Illinois University at Carbondale, which shall maintain a collaborative relationship with the University of Illinois at Champaign.

(Source: P. A. 94-793, eff. 5-19-06)

5/12-2 Powers and duties of Council

a Upon the appointment of its final member, the Council shall adopt bylaws governing its members, meetings, terms of office, and administration.

b The Council shall provide support and growth services to the grape wine industry in Illinois that include, but need not be limited to: (i) advocacy, liaison, and promotion of grape growing and wine making, (ii) the provision of consultation and special training to prospective and established grape growers and wine makers, (iii) viticulture and enological research pertinent to State wine industry needs, and (iv) development of marketing policies and strategies.

c The Council shall not enter into any effort to regulate the price of grape products or wine.

(Source: P. A. 90-77, eff. 7-8-97)

5/12-3 Funding

(Repealed P. A. 91-0472, eff. 8-10-99)

5/12-4 Grape and Wine Resources Fund

Beginning July 1, 1999 and ending June 30, 2003,6, on the first day of each State fiscal year, or as soon thereafter as may be practical, the State Comptroller shall transfer the sum of $500,000 from the General Revenue Fund to the Grape and Wine Resources Fund, which is hereby continued as a special fund in the State Treasury. By January 1, 2006, the Department of Commerce and Economic Opportunity shall review the activities of the Council and report to the General Assembly and the Governor its recommendation of whether or not the funding under this Section shall be continued.

The Grape and Wine Resources Fund shall be administered by the Department of Commerce and Economic Opportunity, which shall serve as the lead administrative agency for allocation and auditing of funds as well as monitoring program implementation. The Department shall make an annual grant of moneys from the Fund to the Council, which shall be used to pay for the Council's operations and expenses. These moneys shall be used by the Council to achieve the Council's objectives and shall not be used for any political or legislative purpose. Money remaining in the Fund at the end of the fiscal year shall remain in the Fund for use during the following year and shall not be transferred to any other State fund.

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

ILLINOIS LIQUOR CONTROL COMMISSION MISSION STATEMENT

"To protect the health, safety and welfare of the people of Illinois through careful control and regulation of the manufacture, distribution, and sale of alcoholic liquors and through the development of strategies to reduce youth access to tobacco products."

Illinois Liquor Control Commission
100 West Randolph Street, Suite 7-801, Chicago, Illinois 60601
Phone: 312.814.2206 Fax: 312.814.2241 Email: ilcc_info@mail.state.il.us Web: ILCC.illinois.gov

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