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Illinois Liquor Control Commission
COVID-19 Related Action
Guidance on Retailer to Distributor Wine and Spirits Returns
April 30, 2020

Both Federal and State of Illinois alcohol beverage laws generally prohibit the sale of alcoholic liquor from a distributor to a retailer on consignment, under a conditional sale, or with the privilege of return. Prior to this bulletin, the Illinois Liquor Control Commission authorized limited beer returns due to the COVID-19 crisis. The Federal Alcohol and Tobacco Tax and Trade Bureau ("TTB") has also authorized product returns due to the COVID-19 crisis. Because Illinois' Stay at Home Order continues to impose hardships on licensed on-premises alcoholic liquor retailers, the Illinois Liquor Control Commission is authorizing the return of wine and spirits products ("Wine and Spirits Returns") sold and delivered by a distributor to a retailer under the following conditions:

(The term "Distributor" includes any licensee authorized by law to sell alcoholic liquor to licensed retailers.)

1. Wine and Spirits Returns are authorized only for original purchases and deliveries made on or after February 18, 2020 and on or before March 16, 2020.
2. Retailers shall request a Wine and Spirits Return to a Distributor no later than June 1, 2020.
3. Wine and Spirit Returns are authorized only for retailers licensed to sell alcoholic liquor for on-premises consumption or combined on/off-premises consumption.
4. Wine and Spirit Returns are authorized for wine and spirits in the original case only. Returned cases shall include products of the same size and brand as originally purchased.
5. Wine and Spirits Returns are only authorized for credit against outstanding indebtedness or future indebtedness. No returns for cash or same/similar products are permitted.
6. This return policy shall not be construed to create a mandatory obligation by a Distributor to accept a Wine and Spirits Return.
7. If a Distributor accepts Wine and Spirits Returns under these conditions, it shall accept such returns from all similarly situated retailers. Distributors criteria for accepting returns shall not be based on the volume of business transactions between Distributor and retailer or on the indebtedness of the retailer.
8. The original sale of wine and spirits cannot have been made to the retailer with the privilege of return.
9. The Wine and Spirits Return cannot be a part of pattern of sales and returns made between a Distributor and a retailer.
10. All Wine and Spirits Returns shall be documented by a notation on a credit invoice as a "Stay at Home Order Return" or by a substantially similar notation. All such records shall be maintained according to all State Commission records retention and records availability rules (e.g. retailer 90-day invoice requirement; three years records retention schedule).

Wine and Spirits Returns under the conditions cited above are temporary and authorized only as a measure to assist licensed businesses during the COVID-19 crisis.

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