

Illinois Wine Industry Urges Lawmakers To Support Equitable Fees For Growing Small Business

by Maura Posley January 4 2023 10:46 AM

SPRINGFIELD – The Illinois Grape Growers and Vintners Alliance today urged Illinois House lawmakers to pass legislation to level the playing field for licensing fees on wineries across the state. The Illinois wine industry is a major agri-tourism draw and unique set of growing small businesses in Illinois that were singled out for a 60% licensing fee increase during the height of the COVID-19 pandemic.



Senate Bill 1001 would help provide equity for wineries compared to its counterparts in the beer and spirits industries by reducing the significant licensing fee increase. SB 1001 passed the Senate unanimously, and IGGVA members are urging House legislators to pass the bill during the lame duck session.

To summarize, SB 1001 will:

- Reduce to pre-pandemic levels a 60% license fee increase for Illinois wineries.
- Reduce winery licensing fees to level the playing field in the wine, beer and spirits industry.
- Put licensing fees on par with neighboring states, including Missouri, where wineries' fees are capped at \$300 annually to help their bottom line.
- Allow Illinois wineries to grow their small businesses and continue to serve as an agri-tourism attraction, create jobs, and generate tax dollars for the state.

Illinois winery and vineyard operations are part of a robust agri-tourism industry in the state. An economic impact study completed just prior to the pandemic showed this industry segment, which includes tourism, provided a \$5.7 billion overall impact at the federal, state and local levels.

The economic impact report also found the Illinois wine industry (excluding tourism) specifically:

- Manufactured 1.17 million gallons of wine;
- Paid over \$1 billion in federal, state and local taxes (including consumption taxes);
- Directly employed more than 30,000 full-time jobs;
- Paid more than \$1 billion in wages; and
- Hosted more than 916,000 winery and vineyard visits.

"The Illinois wine industry has served as a growing attraction in many Illinois communities, from Chicago to Carbondale, while providing good jobs and contributing to local economies," said Jeremy Wombles, President of the IGGVA. "The licensing fee increase came at a difficult time for these small businesses that were struggling from declines in visitors and revenue during the pandemic. With Senate Bill 1001, we can help wineries through the state recover from the pandemic, grow their businesses, and continue to thrive in the Illinois agri-tourism industry."