



Tobacco Dealer Licensing in Chicago

Facts about selling Tobacco in Chicago (4-64).

What is a Tobacco Dealer License?

A Tobacco Dealer license is required for businesses in the City of Chicago engaged in the sale of tobacco or tobacco products. Selling tobacco is a privilege and comes with the responsibility of learning and complying with the rules and regulations.

3 Types of Tobacco Dealer Licenses

- **Retail Tobacco Dealer - Over the Counter**
 - APPLICATION & LICENSE FEE: \$550.00 per location + \$330.00 for each register selling tobacco. (Renewable every two years)
 - A “retail tobacco dealer” is any person selling, offering for sale, exposing for sale or keeping with the intention of selling or exchanging at retail, tobacco products, or tobacco accessories in the city.
 - The term “retail” refers to the sale of commodities in small quantities directly to the ultimate consumer.
 - “Tobacco products” means any substance containing tobacco leaf, including but not limited to cigarettes, cigars, smoking tobacco, and/or smokeless tobacco.
 - “Tobacco accessories” means cigarette papers or wrappers, pipes, holders of smoking materials of all types, cigarette rolling machines, and any other item designed primarily for the smoking or ingestion of tobacco products.
 - For example: The sale of tobacco in a grocery store, convenience store, gas station, tavern, restaurant, billiard or bowling alley.
- **Retail Tobacco Dealer – Product Sampler**
 - APPLICATION & LICENSE FEE: \$660 per location. (Renewable every two years)
 - A “tobacco product sampler” is any person engaged in the business of tobacco product sampling, other than a retail tobacco dealer.
 - “Tobacco product sampling” means the distribution of tobacco product samples to members of the general public.
 - “Tobacco product sample” is a tobacco product distributed to members of the general public at no cost or at nominal cost for product promotional purposes.
- **Wholesale Tobacco Dealer**
 - APPLICATION & LICENSE FEE: \$1100.00 per operator. (Renewable every two years)
 - A “wholesale tobacco dealer” is any person making, manufacturing or jobbing cigars, or selling, offering for sale, exposing for sale, or keeping with the intention of selling or exchanging or delivering at wholesale, any tobacco, snuff, cigars, cigarettes or cigarette papers, including leaf tobacco, or any preparations containing tobacco.
 - The term “wholesale” refers to the sale of commodities in quantity usually for resale (as by a retail merchant); no sales directly to the ultimate consumer.
 - Wholesalers who also conduct retail sales require a Retail Tobacco Dealer License.

Location Restrictions

- Tobacco Dealer licenses are NOT permitted within 100 ft. of a school, day care, or facility used primarily for education or recreation of children under 18 years of age. The measurement is from property line to property line.
- Please be aware that Tobacco Dealer business license applications with business location addresses that are within one (1) year of a Tobacco Dealer license revocation are NOT allowed.
- Prior to signing a lease for a business location, please call (312) 74-GOBIZ / 744-6249 to check if any restrictions have been placed on the business location address of your choice.

Application Requirements

- **Zoning**
 - Tobacco Dealers are permitted in the following districts: B1, B2, B3, C1, C2, C3, DC, DX, and DS.
- **Inspection**
 - Retail Tobacco Dealer license applicants are subject to an onsite inspection by the Department of Business Affairs & Consumer Protection (BACP) to ensure compliance with all license requirements. Applicants must pass the inspection before a license will be granted.
- **Fingerprinting**
 - All types of Tobacco Dealer license applicants are subject to a fingerprint-based criminal background check;
 - Every owner and/or officer having 25% or more interest in the business is required to be fingerprinted;
 - A cost recovery fee of \$40, per person, will be assessed for the service of fingerprint processing. →



For more information visit www.cityofchicago.org/bacp, or call (312) 74-GOBIZ / 744-6249

CITY OF CHICAGO · DEPARTMENT OF BUSINESS AFFAIRS & CONSUMER PROTECTION · TOBACCO DEALER FACT SHEET



- **Documentation**
 - Provide the exact business address, a description of the business activity and the square footage of the business location.
 - Name, address, social security number and government-issued photo ID of every owner, corporate officer or any person having 25% or more interest in the business.
 - Business entity registration documents (i.e. Articles of Incorporation, Limited Liability Company (LLC) Articles of Organization, Certificate of Limited Partnership, or Statement of Partnership Authority).
 - Federal Employer Identification Number (FEIN) or SSN for Sole Proprietors, and Illinois Department of Revenue Account ID (formerly known as IBT#).
 - A copy of the lease to the property, or proof of ownership of the business property (i.e. Title, Deed or Executed Sales Contract).
 - Completed, signed and notarized Individual History Form, Financial Disclosure Form, and Manager's Statement.
 - Any City debt must be resolved prior to the issuance or renewal of any Business License.

Operational Requirements

- Sales, give away, barter, exchange or otherwise furnish any tobacco products, tobacco product samples and/or tobacco accessories to any individual who is under 18 years of age is prohibited.
- Sales, give away, barter, exchange, distribute or in any way dispense free of charge or at nominal cost any tobacco products, samples, and/or any coupon redeemable for any tobacco products, on any public street, alley, sidewalk, or in any public park, ground or playground, or in areas open to the public in any publicly owned or operated building is prohibited; except, tobacco product samples, and coupons redeemable for tobacco products, may be distributed in a publicly owned or operated building:
 - at a location for which a retail tobacco dealer's license has been issued; or
 - in a separately enclosed area to which persons under the age of 18 are denied admission at an event sponsored in whole or in part by a manufacturer of tobacco products and for which notice has been provided.
- The posting of warning signs to minors is required and are provided, at no cost, by BACP.
- The sale of loose cigarettes is illegal.
- The sale of Bidi cigarettes is illegal.
- Cigarettes must have the appropriate City of Chicago/Cook County and State of Illinois tax stamps in their original packaging.
- Cigarettes to be sold at retail must be purchased from a licensed tobacco wholesaler.

Recordkeeping Requirements

- Every retail tobacco dealer must keep a book in which, at the time of the transaction, a record in English of all purchases of cigarettes with the seller's name and address, invoice number, wholesale tobacco dealer's license number, the date of the transaction, and a description of the cigarettes purchased.
- The recordkeeping book and all cigarettes purchased, received or kept for sale by every retail tobacco dealer must be made available, at all reasonable times, for City inspections.

BACP conducts investigations to ensure compliance with all of the above mentioned tobacco regulations. Violations of the requirements will result in fines or revocation of your Tobacco License.

Smoking Rules

- As of January 1, 2008, the State of Illinois Smoke Free Act and the City of Chicago Clean Indoor Ordinance bans smoking in almost all public places or in any place of employment or within 15 ft. of any entrance to a public place or place of employment.
- Tobacco retailers licensed after January 1, 2008 may allow smoking only if 80% of gross income is derived from the sale of tobacco or tobacco accessories. In addition, you are not permitted to have any food or liquor licenses and the business must be located in a freestanding building occupied solely by the business where smoke does not migrate into an enclosed area where smoking is prohibited.

Hookah Establishments

Businesses applying for a retail tobacco license for use as a retail tobacco store that provides services and devices for smoking on the premises will require a "special use" for all B & C Zoning districts. Prior uses are grandfathered in. Effective date was September 8, 2010.

How Do I Apply?

You may apply in-person at BACP's Business Assistance Center, in City Hall, 121 North LaSalle Street, Room 800.

- Application intake hours are from 8:30 AM through 3:30 PM, Monday through Friday.
- An appointment is recommended, and may be made:
 - Online @ www.cityofchicago.org/bacp > Schedule An Appointment With A Business Consultant, or
 - By calling (312) 74-GOBIZ / 744-6249.

