

Tobacco Dealers in Chicago: What you need to know

Facts about the City of Chicago Tobacco Dealers License (4-64)

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About the Tobacco Dealers License (MCC 4-64)

A Tobacco Dealer license is required for businesses in the City of Chicago engaged in the sale or sample of tobacco products or tobacco accessories.

- "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.
- "Tobacco sales restrictions" No person shall sell, give away, barter, exchange or otherwise deal in tobacco
 products, tobacco product samples or tobacco accessories at any place located within 100 feet of any building or
 other location used primarily as a school, child care facility, or for the education or recreation of children under
 18 years of age.
- "Tobacco license revocation" When any tobacco license issued shall have been revoked for any cause, no retail
 tobacco dealer's license or tobacco product sampler's license shall be granted to such person for a period of one
 year. Also, no license shall be granted to any person for the period of one year thereafter for conducting the
 business of selling tobacco in the premises.

There are 3 Types of Tobacco Dealer Licenses defined by the following business activities:

- Retail Tobacco Dealer Over the Counter 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.
- **Retail Tobacco Dealer Product Sampler** A "tobacco product sampler" is any person engaged in the business of tobacco product sampling, other than a retail tobacco dealer.
 - o "Tobacco product sampling" means the distribution of tobacco product samples to members of the general public.
 - o "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 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 will require a Retail Tobacco Dealer License.

City of Chicago Small Business Center

Department of Business Affairs and Consumer Protection

Room 800 | 121 North LaSalle Street, Chicago, Illinois 60602

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Pre-Application Checklist

The following activities must be completed **BEFORE** applying for any business license.

- ✓ <u>Check your **Zoning** designation</u>. Verify that your proposed business activities are allowed at your potential business location.
 - o DO NOT enter into any financial commitments (i.e. Commercial lease, Construction/build-out) unless you are certain that you are in the proper zoning district that allows the proposed business activity.
 - DO NOT assume the previous owner's zoning designation applies.
- ✓ Register your business with ALL of the appropriate government agencies.
- ✓ Check state or federal laws and requirements.

How do I apply?

You may apply for a license in person at the Department of Business Affairs and Consumer Protection (BACP) office in City Hall, 121 North LaSalle Street, Room 800. An appointment is recommended and can be made by calling (312) 74-GOBIZ / (312) 744-6249, or by going online at www.cityofchicago.org/bacp, and then click on Schedule An Appointment With A Business Consultant.

STEP 1: LICENSE APPLICATION

- A separate license shall be required for each separate business location.
- All activities and services to be provided must be described on the application.
- Application fees are based on a two-year term:
 - o Retail Tobacco Dealer Over the Counter \$550 per location + \$330 for each register selling tobacco
 - o Retail Tobacco Dealer Product Sampler \$660 per location
 - o Wholesale Tobacco Dealer \$1100 per operator

Standard application requirements and documentation may be found in our <u>License Application Requirements</u> <u>Information</u> web page.

Additional application requirement:

A fingerprint-based criminal history investigation is required for every owner, corporate officer or any person who has a 25% or more interest in the business, as well as every on-site manager. A cost recovery fee of \$40 per person will be assessed for the service of fingerprint processing.

STEP 2: ZONING REVIEW

Every business license, location expansion and change of location application requires review and approval from the Zoning Unit of the Department of Housing and Economic Development.

The City of Chicago is divided into distinct zoning districts that reflect the diversity of business and neighborhood uses. Each zoning district has different regulations regarding the types of business activities that are permitted.

During a review, the Zoning representative looks at the following:

- Proper classification of the business activity/ies.
- If the business activity/ies is/are allowed in a specific district.
- Compliance with parking, landscape and building requirements.



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Proper building permits have been applied for/issued.

STEP 3: INSPECTIONS AND PERMITS

An inspection of your business location is required for certain business activities and is scheduled within 5-10 business days of license application fee(s) payment.

	ONSITE INSPECTION TYPE
BUSINESS ACTIVITY	ВАСР
Retail Tobacco Dealer - Over the Counter	✓
Retail Tobacco Dealer - Product Sampler	✓
Wholesale Tobacco Dealer	✓

The Chicago Department of Business Affairs and Consumer Protection (BACP) – A BACP investigator will conduct an on-site inspection to ensure that the premises are NOT within 100 feet 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.

STEP 4: SIGNAGE AND USE OF THE PUBLIC WAY

In addition to issuing business licenses, BACP, through its Public Way Use (PWU) unit, is the department which handles general Grants of Privilege for the use of the public way. These permit applications are necessary when a business owner wishes to hang a sign, awning, or anything above, on or below the public way.

- a. Prior to hanging or constructing any sign that hangs over the public way, the applicant must file a Sign Permit Application with BACP. This detailed process includes obtaining additional permits from DOB as well as approval from the City Council. Because a sign contractor must be licensed with the City in order to obtain a sign construction permit, please see the <u>list of approved sign contractors</u>.
- b. For temporary use of the public way (such as the temporary obstruction of a sidewalk or street for installation or construction work), contractors must obtain a Public Right of Way Use Permit from the Chicago Department of Transportation. Information about this permitting process is available at the Regulations for Construction in the Public Way web page.

For additional information, please go to our Public Way Use web page.

