

State of Colorado Disposable Bag Fee

Effective January 1, 2023

The state of Colorado will mandate a 10-cent fee for each disposable paper and plastic bag used at check-out.



10 cent fee for plastic bags



10 cent fee for paper bags

Effective January 1, 2024

The state of Colorado will prohibit the use of disposable plastic bags and Styrofoam. (Restaurants are exempt from the plastic bag ban.)



10 cent fee for paper bags



What type of bags does this fee apply to?

- Single-use paper and disposable plastic bags that are provided to customers at the point of sale. The bags are used to carry the purchased items away from the establishment.

Who is required to charge the bag fee?

- Groceries stores/supermarkets
- Convenience stores/liquor stores
- Clothing stores/dry cleaners
- Pharmacy/drug stores (excludes bags used to contain medical prescriptions)
- Other types of retail establishments

What types of bags are excluded from the fee?

- Bags used to contain or wrap frozen foods, meat, fish, flowers, potted plants, and other items where dampness may be a problem.
- Bags used to contain loose bulk items such as fruit, vegetables, nuts, chocolate, nails, screws etc.
- Bags used to contain unwrapped prepared foods and bakery goods.
- Bags used to contain medical prescriptions.

What do you need to know?

- Add the 10-cent bag fee to your Point-of-Sale System (POS).
- The retailer retains 40% of the bag fee collected.
- The retailer remits 60% of the bag fee collected to the City on the disposable bag fee return.
- Bag fees are not subject to sales tax.
- You are required to remit quarterly.
- You may remit monthly to match your filing frequency.
- File with the Finance Department at 294 S Worth St, Center Co 81125 or through the website at [Permits/Applications | Town of Center \(colorado.gov\)](https://permits.applications.townofcenter.co.gov)
- What happens if I don't collect the fee or don't remit the City's portion to the City?
Penalties for non-compliance are as follows:
 - A. Up to five hundred dollars for a second violation within 2 years; or
 - B. Up to one thousand dollars for a third or subsequent violation within 2 years.

Questions?

See Colorado House Bill HB 21-1162 at <https://leg.colorado.gov/bills/hb21-1162>
or visit the Town of Center website at [Permits/Applications | Town of Center \(colorado.gov\)](https://permits.applications.townofcenter.co.gov) or call 719-754-3497 to speak to our Finance Department.