



Cortez City Hall
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CORTEZ CITY HALL

December 20, 2022

COLORADO STATEWIDE BAG FEE TAKES EFFECT JANUARY 1, 2023

The State of Colorado bag fee is set to go into effect January 1, 2023. The bag fee is the result of the Colorado General Assembly House Bill 21-1162, which provides the following:

- Beginning January 1, 2023 through January 1, 2024 any store
 - o that has more than three (3) retail locations or
 - o is part of a franchise, corporation, or partnership that has physical store locations outside of Colorado

Will charge a fee of 10 cents per bag for all single use plastic or paper carryout bags.

- The carryout bag fee does not apply to a customer who provides evidence that they are a participant in a federal or state food assistance program.
- On and after January 1, 2024, a store may provide only recycled paper carryout bags for a fee of 10 cents per bag, and plastic bags will no longer be allowed in affected stores. Additionally, polystyrene food containers will be banned from use in all stores, no exceptions.

Beginning April 1, 2024, and continuing on a quarterly basis, any affected store located in the City of Cortez will remit 60% of the carryout 10 cent bag fee revenues to the City; the remaining 40% of the fee is retained by the business.

The act also does not apply to materials used in the packaging of pharmaceutical drugs, medical devices, dietary supplements or any equipment or materials used to manufacture pharmaceutical drugs, medical devices, or dietary supplements.

An additional exemption is made for food service and restaurant establishments regardless of the number of locations or ownership structure. Grocery stores and convenience stores are not included in this exemption.

Local and independently owned stores that are not impacted by the law are still encouraged to join in on helping reduce the use of single-use carryout bags.

The City of Cortez reminds residents and consumers that even though this is not a City ordinance or initiative, the City is required by the State of Colorado to administer these new protocols based on State legislation. We thank the community for their patience.

More information about the carryout bag fee can be found at: <https://tax.colorado.gov/carryout-bag-fee>.