



## **MEMORANDUM**

### **DISPOSABLE CARRYOUT BAGS PROVIDED BY STORES**

Effective July 1, 2025, the City of Fort Collins enacts regulation prohibiting *large retail stores* from providing carryout plastic bags and requiring payment of a \$0.10 fee for carryout paper bags. Colorado law empowers local governments to enforce and ensure compliance with the carryout bag fee, therefore the fee is reported and paid to the City on a separate return that is filed quarterly.

Please be aware that reporting of the bag fee to the City is required each quarter. The bag fee reports will be due on or before the 20<sup>th</sup> of April, July, October, and January.

The City previously enacted on May 1, 2022 a disposable bag fee and plastic bag ban applicable to *Large Grocers*, [please follow this link for more information](#). *Large Grocers* should continue collecting and filing the disposable bag fee as they currently are.

For more information, [please follow this link to visit the City's Environmental Services page](#) for additional information.

**[READ THE STATE PLASTIC POLLUTION REDUCTION ACT HERE](#)**

**[READ THE CITY PLASTIC POLLUTION REDUCTION ORDINANCE HERE](#)**

*Who is regulated by the City ordinance effective July 1, 2025?*

The ordinance applies to *Stores*.

*Store* means a convenience store, liquor store, dry cleaner, pharmacy, drug store, clothing store, or other type of retail establishment at which carryout bags are traditionally provided to customers.

*Store* includes a farmers' market, roadside market or stand, festival, or other temporary vendor or event that includes temporary vendors.

*Who is not regulated by the City ordinance effective July 1, 2025?*

The City ordinance does not apply to *Small Stores* and *Retail Food Establishments*.

*Small Store* means a store that operates solely in Colorado, has three or fewer locations in the state, and is not part of a franchise, corporation, or partnership that has physical locations outside of Colorado.

*Retail Food Establishment* means a retail operation that prepares or serves food in individual portions for immediate on- or off-premises consumption. A *Retail Food Establishment* is not a farmers' market, roadside market, grocery store or convenience store.

Please be aware that *Retail Food Establishments* are affected by a similar ban on polystyrene containers. Please [visit Environmental Services](#) for additional information.

### *What is considered a carryout bag?*

**Carryout bag** means a bag that is furnished to a customer at a store at the point of sale for use by the customer to transport or carry purchased items. Carryout bag does not include:

- (1) A bag made of paper when the paper has a basis weight of thirty pounds or less;
- (2) A bag that a pharmacy provides to a customer purchasing prescription medication;
- (3) A bag that a customer uses inside a store to:
  - a) Package loose or bulk items, such as fruits, vegetables, nuts, grains, candy, or greeting cards; nails, bolts, screws, or other small hardware items; live insects, fish, crustaceans, mollusks, or other small species; and bulk seed, bulk livestock feed, or bulk pet feed;
  - b) Contain or wrap frozen foods, meat, seafood, fish, flowers, potted plants, or other items that, if they were to come in contact with other items, could dampen or contaminate the other items;
  - c) Contain unwrapped prepared foods or bakery goods;
  - d) A laundry, dry cleaning, or garment bag.

### *How much is the carryout bag fee and how is it charged?*

The fee is 10-cents (\$0.10) per carryout paper bag. Customer receipts must show the number of carryout bags provided and the total amount charged for carryout bags.

Retailers may not refund any part of the carryout bag fee. Retailers may not exempt any customer from any part of the carryout bag fee, unless the customer presents at the time proof of participation in a federal or state food assistance program.

### *Is there a vendor share on the carryout bag fee?*

Yes, the **Vendor Share** is 40% and equals four cents (\$0.04) per carryout paper bag.

### *Is any portion of the carryout bag fee subject to sales tax?*

No, the carryout bag fee is not subject to sales tax, nor does the vendor share count as revenue for the purpose of calculating sales tax.

### *Where can retailers file the carryout bag fee with the City of Fort Collins?*

Retailers should file their carryout bag fee returns electronically. This will be done in a similar manner to how sales and use tax returns are filed. MuniRevs will be used to report the bag fee and the system can be accessed here, <https://fortcollins.munirevs.com/>. The carryout bag fee return will be available to your business account on the first of the month following the close of each reporting period.

### *How often is the carryout bag fee return filed?*

The carryout bag fee is reported quarterly and based on a standard calendar year. The carryout bag fee return is due on or before the twentieth of the month following the close of the quarter. For example, the first quarter of the year represents January through March, and that bag fee return is due by April 20<sup>th</sup>.

Please contact the sales tax department at [salestax@fcgov.com](mailto:salestax@fcgov.com) or by phone at 970-221-6780 with any questions.