TO: Sales Tax Retailers within Town Limits  
FROM: Town of Monument  
DATE: March 31, 2023  
RE: State of Colorado Bag Fee

We know that many of you have already adopted the State of Colorado’s House Bill 21-1162 instituting a fee on carryout bags, beginning January 1, 2023.

In 2021, the Colorado General Assembly enacted House Bill 21-1162 - Plastic Pollution Reduction Act requiring the following regarding the use of carryout bags throughout Colorado.

Between January 1, 2023, and January 1, 2024, a store may furnish a recycled paper carryout bag or a single-use plastic carryout bag to a customer at the point of sale if the customer pays a fee of 10 cents per bag.

On and after January 1, 2024, a store may furnish only a recycled paper carryout bag to a customer at the point of sale at a fee of 10 cents per bag or a higher fee imposed by the municipality or county in which the store is located. [Note: The Town of Monument does not impose its own bag fee.] Providing plastic carryout bags to customers after December 31, 2023, is prohibited by the act. However, certain retail food establishments, and small stores that operate solely in Colorado and have 3 or fewer locations, may provide single-use plastic carryout bags.

The carryout bag fee does not apply to a customer that provides evidence to the store that the customer is a participant in a federal or state food assistance program. The act does not apply to materials used in the packaging of pharmaceutical drugs, medical devices, or dietary supplements or any equipment or materials used to manufacture pharmaceutical drugs, medical devices, or dietary supplements.

A store is required to remit, on a quarterly basis 60% of the carryout bag fee revenues to the municipality or county within which the store is located and may retain the remaining 40% of the carryout bag fee revenues. [Note: Town of Monument stores may begin remitting on a quarterly basis beginning April 1, 2023.]

Please make your checks payable to Town of Monument and mail it to:
Town of Monument Attn: Finance department  
645 Beacon Lite Road, Monument, CO 80132

To ensure your business is compliant with the state’s carryout bag fee requirements, please review the full text of HB21-1162 for a complete discussion of the requirements, restrictions, and penalties imposed under the act.

If you have any questions, please contact me at mhirjoi@tomgo.org or call Finance Department at 719-884-8016.

Respectfully,

[Signature]  
Monica Hirjoi  
Finance Director