

Bill No. 8-11
Concerning: Taxation – Excise Tax –
Disposable Carryout Bags
Revised: 4-12-11 Draft No. 2
Introduced: March 15, 2011
Enacted: May 3, 2011
Executive: May 11, 2011
Effective: January 1, 2012
Sunset Date: None
Ch. 6, Laws of Mont. Co. 2011

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the Request of the County Executive

AN ACT to:

- (1) impose an excise tax on certain carryout bags provided to customers at certain retail establishments;
- (2) require certain retail establishments to collect the carryout bag tax and remit the tax to the County;
- (3) authorize payment of a fee to compensate certain retail establishments for collecting the carryout bag tax;
- (4) allow certain exemptions from the carryout bag tax;
- (5) authorize imposition of an estimated carryout bag tax under certain circumstances;
- (6) authorize the imposition of interest and penalties for failure to collect and remit the carryout bag tax; and
- (7) generally amend County law to provide for an excise tax on certain bags.

By adding

Montgomery County Code
Chapter 52, Taxation
Article XIV, Carryout Bag Tax
[[Sections 52-101, 52-102, 52-103, 52-104, 52-105, 52-106, and 52-107]]

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

1 Sec. 1. Article XIV is added to Chapter 52 as follows:

2 Article XIV. Carryout Bag Tax.

3 52-101. Definitions.

4 In this Article, the following terms have the following meanings:

5 Director means the Director of the Department of Finance.

6 Carryout bag means a paper or plastic bag provided by a retail
7 establishment to a customer at the point of sale, pickup, or delivery to carry
8 purchased items. Carryout bag does not include:

- 9 (1) a bag provided by a pharmacist that contains a prescription drug;
- 10 (2) any newspaper bag or bag intended for initial use as a dry cleaning,
11 garbage, pet waste, or yard waste bag;
- 12 (3) a bag provided at the point of sale [[at a stand]] at a seasonal event, such
13 as a farmers market, street fair, or yard sale, or by an occasional
14 retailer; [[or]]
- 15 (4) a paper bag that a restaurant gives a customer to take prepared or
16 leftover food or drink from the restaurant; or
- 17 (5) a bag used to package a bulk item or to contain or wrap a perishable
18 item.

19 Occasional retailer means a retail establishment that engages in the retail
20 sale of goods no more than 6 days in any calendar year.

21 Restaurant means any lunchroom, cafe, or other establishment located in a
22 permanent building for the accommodation of the public, equipped with a
23 kitchen containing facilities and utensils for preparing and serving meals to the
24 public, and outfitted with a public dining area. A restaurant does not include
25 any area of a supermarket, department store, or other retail establishment
26 beyond the kitchen and public dining area.