

# Bring Your Bag and Fight Litter

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## Montgomery County's Carryout Bag Law: The Basics for Retailers

- Effective January 1, 2012, all retail establishments in the County that sell goods and provide their customers a paper or plastic carryout bag to carry purchases out of the store are required to charge 5 cents per bag. Customers will not be charged if they use their own bag to carry purchases out of the store.
- Retail establishments include all stores, convenience stores, service stations, supermarkets, department stores, permanent booths and any other sales outlet where a customer can buy goods.
- The bag law also applies to purchases made over the phone/Internet/fax when the customer is having the purchase(s) delivered in a carryout bag provided by the store.
- Retailers retain 1 cent out of every 5 cents collected per bag.
- The following bags are exempt under the law:
  - Bags used to hold prescription drug(s);
  - Bags sold for initial use as yard waste bags, pet waste bags, garbage bags, dry cleaning bags, or newspaper bags;
  - Bags provided by a seasonal stand or street fair stall, such as a farmer's market, yard sale, or "occasional retailer" (defined in the law as "...a retail establishment that engages in the retail sale of goods no more than six days in any calendar year);
  - Bags used to package a bulk item or to contain or wrap a perishable item; and
  - A paper bag that a restaurant gives a customer to take prepared or leftover food or drink from the restaurant.

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- A retail establishment must record on the customer's transaction receipt the number of carryout bags that were provided to the customer and the total amount charge levied at a rate of 5 cents per bag.
- On or before the 25th day of each month, each retail establishment must remit the full amount of the charges collected for all carryout bags provided to a customer during the previous month, at a rate of 4 cents per bag. Retailers are required to pay only after their cumulative revenue from bags exceeds \$100 (at least 2,500 bags paid for by customers).
- A secure website will be set up for submission of the tax. Information required for payment is the total number of bags paid for by customers and retailers' identity facts.
- Cash credit for bags that customers voluntarily bring to carry their purchases is not required in the Law.
- Under the law, retailers must charge customers for bags and may not provide a store credit to cover the bag tax amount.
- The money collected from the carryout bag law will go into the County's Water Quality Protection Charge fund which finances County watershed protection activities, including litter control and stormwater pollution control.

For More Information:  
visit [montgomerycountymd.gov/bag](http://montgomerycountymd.gov/bag)  
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