



To: Sales Tax Retailers within City Limits  
From: City of Castle Pines  
Date: November 28, 2023  
Re: State of Colorado Bag Fee

We sent the following information to you back in March 2023 and are now sending you this important reminder about how House Bill 21-1162, the Plastic Pollution Reduction Act (PPRA), **may affect your business in 2024**. The important responsibilities your business has that are effective January 1, 2024 are highlighted in **red** below.

“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 City does not impose its own bag fee.] Beginning January 1, 2024, providing plastic carryout bags to customers 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 beginning April 1, 2024, 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: Castle Pines stores may begin remitting on a quarterly basis beginning April 1, 2023.]”

Additional information related to your responsibilities under the Act includes the following:

- **If you have bag inventory on hand that you purchased before January 1, 2024, and will use on or before June 1, 2024, the business can use it and charge the customer the 10-cent fee. 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.**
- **The act prohibits a retail food establishment, on and after January 1, 2024, from distributing an expanded polystyrene product for use as a container for ready-to-eat food in this state. Retail food establishments that purchase expanded polystyrene products before January 1, 2024, may continue to use the products until their supply is depleted.**

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.

More details on the state bag fee, a link to the state program, information on how to remit collections of the fee to the City, and answers to Frequently Asked Questions, can be found on the City's website at <https://www.castlepinesco.gov/bag-fee/>.

If you have any questions, please contact me at [mike.farina@castlepinesco.gov](mailto:mike.farina@castlepinesco.gov) or 303-705-0210.

Respectfully,

Mike Farina  
Finance Director