Howard County Disposable Plastic Bag Fee Program FAQs

Updated 4/5/2022

Do we need to register with the County? No, a customer number will be assigned by the Howard County Department of Finance. If you do not know your customer number, please email bagfee@howardcountymd.gov with your business information (name/address/trader's license control#) or a copy of your trader's license.

Are paper bags subject to the Bag Fee? No, the bag fee ONLY applies to plastic bags.

Is the bag fee subject to sales tax? No

Is there an exemption for WIC and Food stamp customers? No

Are all businesses required to collect & remit the bag fees? There are three possible exemptions:

1. If you provide LESS than 1,000 disposable plastic bags at the point of sale during the calendar quarter, the <u>Howard County Minimum Bag Fee Exemption</u> form must be submitted quarterly.

2. If you DO NOT PROVIDE disposable plastic bags at the point of sale, the <u>Howard County Annual Bag</u> <u>Fee Exemption Certification</u> form must be submitted annually.

3. If you DO NOT SELL products at the point of sale, the <u>Howard County Bag Fee Program Exemption</u> <u>Agreement</u> must be submitted one time.

If I have more than one location, does each location have to file separately? Yes, you are required to remit fees or submit an exemption form separately for each location as each location is assigned its own Bag Fee Customer Number.

Are restaurants included? Restaurants are not included in the legislation at this time; however, they are required to complete the Howard County Bag Fee Program Exemption Agreement.

What is considered a restaurant for the purpose of the Howard County Bag Fee? A place located in a permanent building with a kitchen equipped with the necessary amenities and utensils for preparing meals for customers. The place must contain a public dining area where the meal of their choosing may be served and eaten on the premises. Such restaurants may also offer take-out and food delivery services. A restaurant does not include convenience stores, delis, and mini-marts unless they have an eat-in area with tables. (An establishment with raised tables with or without seating where people may stand and eat also counts as a restaurant.)

What is NOT included as a store for the purpose of the Howard County Bag Fee? An occasional retailer that sells items from a stand or table temporarily located at an event such as a farmer's market, church sale, yard sale, produce stand or street fair is not considered a "store" for the purpose of collecting and remitting the Bag Fee. A warehouse or wholesaler would also not be considered a "store" for the purpose of the purpose of collecting and remitting the Bag Fee. Any trader's license holder that falls into this category should complete the Howard County Bag Fee Program Exemption form.

We are a green business and do not offer plastic bags at the point of sale, is there an option for an exemption so that we do not have to fill out the annual exemption every year? If you sell items at the

point of sale and do not offer disposable plastic bags to your customers, you are required to file the <u>Howard County Annual Bag Fee Exemption Certification</u> form.

Where will the quarterly return be available? There is no form, the information is collected at the time the fees are remitted to the County via the <u>Bag Fee Payment System</u>.

What are the quarterly due dates (to remit fees or file minimum bag exemption form)? In accordance with Sec. 20.1302 (b) (1) of the Howard County Code, fees collected during each calendar year shall be remitted on or before the store's last business day of the month according to the following schedule:

CALENDAR QUARTER	REMITTANCE ON OR BEFORE THE STORE'S LAST BUSINESS DAY OF:
JANUARY THROUGH MARCH	APRIL
APRIL THROUGH JUNE	JULY
JULY THROUGH SEPTEMBER	OCTOBER
OCTOBER THROUGH DECEMBER	JANUARY

Accommodations should be made to comply with requirements of the law.

Note: Legislation was passed in October 2021 to amend the due dates and are effective with the remittance of the fees for 10/1/21-12/31/21.

What are the acceptable payment methods? The ONLY form of acceptable payment is ACH (e-check) via our website, <u>www.howardcountymd.gov/bag-fee</u>.

What is the County's fiscal year? The County's fiscal year runs from July 1st to June 30th.

What is the Trader's License Number and the Bag Fee Customer Number? The Trader's License Number is in the top right-hand corner of your business license. The Bag Fee Customer Number is issued by Howard County Department of Finance. Email <u>bagfee@howardcountymd.gov</u> or call 410-313-4063 for your Bag Fee Customer Number.

Can we change the mailing address to the local store's address instead of the corporate address or vice versa? All customers are created with the location address as the mailing address. The corporate address is also stored on the customer. Mailing address changes should be emailed to bagfee@howardcountymd.gov.

Can we pay up front and true up at end of quarter/year? No

Definition of disposable bag as described in Md. Code, Local Gov't § 13-1001.

(i)"Disposable bag" means a <u>plastic</u> bag provided by a store to a customer at the point of sale.

(ii)"Disposable bag" does not include:

1. a durable plastic bag with handles that is at least 2.25 mils thick and is designed and manufactured for multiple reuse;

2. a bag used to:

A. package bulk items, including fruit, vegetables, nuts, grains, candy, or small hardware items;

B. contain or wrap frozen foods, meat, or fish, whether prepackaged or not;

C. contain or wrap flowers, potted plants, or other damp items;

D. contain unwrapped prepared foods or bakery goods; or

E. contain a newspaper or dry cleaning;

3. a bag provided by a pharmacist to contain prescription drugs; or

4. plastic bags sold in packages containing multiple plastic bags intended for use as garbage, pet waste, or yard waste bags.

Do we need to display the signs if we do not use disposable plastic bags as defined? No

Do stores have to post signs? In accordance with Section 20, Subtitle 13 of the Howard County Code, *Disposable Bag Fees:* "Each store shall post appropriate notices designed to remind customers to use non-disposable bags, including posting at each place where shopping carts are kept for customers and at each place where customers pay." Howard County has designed suggested signs and cards which can be found at www.bit.ly/HowardCountyBagFee. Stores may create their own signs if they meet the guidelines outlined in the law.

Is there a standard sign for businesses to print and display on their front door? The Howard County Office of Community Sustainability has versions available on the Live Green website https://bit.ly/HowardCountyBagFee.

What steps need to be taken if I received a letter from the County regarding the Bag Fee, but have closed my business? Please notify the Department of Finance by emailing bagfee@howardcountymd.gov. Additionally, you should contact the Clerk of the Court to make sure they have record of the business as being closed. Their phone number is 410-313-5850 and hours are 8:30 am to 4:00 pm.

Is the County providing reusable bags? Funds generated by the bag fee are kept separate from general funds into a Disposable Plastics Reduction Fund. One of the approved uses is to provide reusable bags "predominantly to vulnerable individuals." So far (as of 12/29/21), the County has provided 900 reusable bags to customers of the County's Roving Radish meal kit program and 1600 reusable bags to the Howard County Food Bank and will continue to partner with non-profit groups to supply bags to those in need.

What do I do if I visit a store that is not complying with the law? If you visit a store that is not complying; please email us at bagfee@howardcountymd.gov, so we can investigate.

Where can I find more information about the program? Please visit the Howard County Office of Community Sustainability's Live Green website at <u>https://bit.ly/HowardCountyBagFee</u>.