

## City of South Portland Reusable Bag Ordinance Frequently Asked Questions

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### **Why is the City of South Portland requiring stores to charge customers 5 cents per single use bag?**

- Assessing a fee encourages consumers to bring reusable bags. This aligns with the City's goal to reduce waste and encourage recycling.
- Increasing the use of reusable bags will reduce litter by decreasing the number of bags in circulation that may be discarded improperly.

### **When does the ordinance take effect?**

- The ordinance is effective March 1, 2016.

### **What bags are covered by this ordinance?**

- The ordinance covers plastic and paper bags used to carry food and other merchandise from a store.

### **Are any bags EXEMPT from this ordinance?**

- Bags used to carry good to the point of sale are exempt. This includes bags provided to customers to contain bulk items such as fruit and produce. Other types of bags used by cashiers to contain products such as meat and soap are exempt.
- Bags provided by pharmacists to contain prescription medications.
- Bags brought to the store by the consumer for reuse are exempt including plastic and paper bags the consumer may have obtained previously.

### **Which stores does this ordinance apply to?**

- The ordinance applies to grocery stores, convenience store, gas stations, pharmacies, and other vendors that sell food items.

### **Which stores are exempt?**

- Stores at which the sale of food items makes up less than 2% of gross sales are exempt from the ordinance.
- This ordinance does not apply to restaurants.

### **In addition to charging the fee, what else do stores need to do?**

- All stores must post signage indicating the per bag fee.
- All stores must document the bag fee on the printed sales receipt.
- Store may not refund or credit the bag fee to consumers.
- Stores must maintain records of the purchase and sale of single use carry out bags for at least 3 years.

### **What happens to the fee?**

- Stores may keep the fee and use it for any legal purpose.

### **Is the bag fee taxable?**

- Maine Revenue Services has indicated that the fee is likely a taxable sale and that sales tax should therefore be charged. We recommend stores contact MRS or their own legal counsel for an opinion.

### **What happens if a retailer does not comply with the ordinance?**

- Retailers who do not comply with the ordinance will be subject to a fine of \$250 for the first violation and \$500 for subsequent violations.