



Department of Environmental Protection

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Guide to the 1983 Bottle Bill for Distributors & Bottlers

This fact sheet summarizes distributor and bottler rights and responsibilities under the Massachusetts Beverage Container Law or "Bottle Bill." The law, which took effect in January 1983, has proven effective in controlling litter and conserving natural resources. See M.G.L. Chapter 94, Sections 321-327, and 301 CMR 4.00 to learn more.

Basic Definitions

The following important definitions are excerpted from the law.

- **Bottler:** Any person filling beverage containers for sale to distributors or dealers, including dealers who bottle or sell their own brand of beverage.
- **Distributor:** Any person who engages in the sale of beverages in beverage containers to dealers in the Commonwealth including any bottler who engages in such sales.
- **Dealer:** Any person, including any operator of a vending machine, who engages in the sale of beverages in beverage containers to consumers in the Commonwealth.
- **Beverage:** Soda water or similar carbonated soft drinks, mineral water, and beer and other malt beverages. Containers of such beverages must carry a deposit label before they are sold.
- **Beverage Container:** Any sealable bottle, can, jar or carton which is primarily composed of glass, metal, plastic, or any combination of those materials and is produced for the purpose of containing a beverage.
- **Exempt Beverages or Containers:** Wine, dairy products, natural fruit juices, and other alcoholic beverages other than beer and malt beverages are exempt from the law. Any containers greater than two gallons in size are also exempt.
- **Minimum Refund Value:** Containers must have a refund value of at least five (5) cents and it may be more.
- **Refund Legend:** Every beverage container, including permanently labeled reusable glass containers, imported into or offered for sale in the commonwealth, shall clearly indicate in at least eight (8) point type, by embossing or by stamp, or by label, or other method securely affixed by the manufacturer to any portion except the bottom of the beverage container, the refund value of the container and that it may be redeemed in the commonwealth

- Redemption Center: Any person who owns and/or operates a facility for the purpose of accepting and redeeming containers from consumers, and who has registered with the Department of Environmental Protection (MassDEP).

Obligations of Beverage Distributors

Beverage distributors are obligated to work with dealers (retailers who sell beverages, restaurant owners, and vending machine owners), as well as beverage container redemption centers. Distributors must pay dealers or redemption centers within fifteen (15) days of receipt of empty beverage containers or by the fifth business day of the month following receipt of the containers.

If a distributor discontinues the sale of any beverage of the type, size and brand sold within the last sixty (60) days, the distributor must provide notice to the dealers and redemption centers with whom he conducts business that those containers will no longer be accepted after sixty (60) days.

Specific Obligations to Dealers: A distributor must accept from dealers any empty beverage container of the type, size and brand sold by the distributor within the past sixty (60) days and must pay the refund value of the container plus a handling fee of at least 2.25 cents per container. Acceptance of containers from dealers is the responsibility and expense of distributors, and must not be made less convenient for dealers than acceptance at the time of delivery of filled containers.

Specific Obligations to Redemption Centers: A distributor must accept from redemption centers any empty beverage container of the type, size and brand sold by the distributor within the past sixty (60) days and must pay the refund value of the container plus a handling fee of at least 2.25 cents per container.

Penalties for Not Complying

Violators of the law are subject to a civil penalty of not more than one thousand dollars for each violation. The Attorney General and local district attorneys are responsible for enforcing the provisions of the law.

Unredeemed Deposits

In 1989, Massachusetts enacted an "escheat" provision to the bottle law making unredeemed or abandoned container deposits the property of the State. The Department of Revenue (DOR), the administering agency for the unclaimed deposits, oversees the collection of unredeemed deposits that accrue to the General Fund.

Department of Revenue (DOR) Abandoned Deposit Amounts

The following important definitions are excerpted from 830 CMR 94.323.1.

- Abandoned Deposit Amounts: Amounts deemed to constitute abandoned deposit amounts under M.G.L. Chapter 94, Section 323C, and calculated in accordance with 830 CMR 94.323.1: Collection of Amounts Deemed to Constitute Abandoned Deposit Amounts.
- Commissioner: The Commissioner of Revenue or the Commissioner's designee duly authorized to perform the duties of the Commissioner.
- Department: The Department of Revenue (DOR).

- **Deposit Receivables:** An amount equal to the refund values of non-reusable beverage containers sold by a bottler, distributor for which such bottler or distributor has not allocated receipt of payment under 830 CMR 94.323.1: Collection of Amounts Deemed to Constitute Abandoned Deposit Amounts.
- **Fund Balance:** An amount, determined in accordance with the DOR regulations above that corresponds to the amount that would be in the Deposit Transaction Fund on the last day of each month if the Deposit Transaction Fund were to be fully funded. On the last day of each month, every bottler and distributor must determine its Deposit Transaction Fund fund balance and fund the Deposit Transaction Fund for such month as specified in the DOR regulations.
- **Non-Reusable Beverage Container:** Any beverage container so constructed and designed that it is structurally incapable of being refilled and resold by a bottler or distributor at least ten (10) times after its initial use.
- **Deposit Transaction Fund:** Every bottler and distributor subject to the provisions of M.G.L. Chapter 94, Section 323 (c), (d) or (e) must establish and maintain an account known as the Deposit Transaction Fund. The Deposit Transaction Fund is a fund determined by reference to the refund values received for non-reusable beverage containers.
- **Monthly Reporting to the Commissioner:** On or before the tenth day of each month, every bottler or distributor maintaining, or required to maintain, a Deposit Transaction Fund must file with the Commissioner a report on DOR Form AD-1 of all transactions affecting the Deposit Transaction Fund for the preceding month, or fraction thereof, and pay over any abandoned deposit amounts.
- **Interest on Underpayments:** Any bottler or distributor failing to make full and timely payments to the Commissioner of abandoned deposit amounts must pay interest on any unpaid amounts computed at the 1.5% for each month, or part thereof, during which such failure to pay continues.
- **Penalties:** Any bottler or distributor failing to make full and timely payments to the Commissioner of abandoned deposit amounts is subject to all penalties, additions to tax, and other similar charges. This includes, but is not limited to the following: assessments, liens upon property and/or levies upon property.