

4. The empties are picked up by the distributor who pays 5¢ plus a 1¢ handling fee for each container.



3. You get the 5¢ back from the retailer (or redemption center) when you take in empties.



Following The Nickel



1. The distributor charges 5¢ for each container delivered to the retailer.



2. The retailer charges you the 5¢ when you buy the product.



Summary of Iowa's Beverage Container Deposit Law – Prepared by Iowa Department of Natural Resources – September 22, 1998

The Economics of 90% Redemption

- Distributor sells 10 cans – collects \$0.50 in deposits (10 x .05)
- Distributor redeems 9 cans – pays out \$0.54 in deposits and handling fees (9 x .06)
- Distributor loses \$0.04 on every 10 cans sold

