

Credit for PaintCare Fees for Paint Purchased Before a Fee Decrease

October 2022



Purpose

This notice applies to the PaintCare fee decreases in the District of Columbia (effective January 1, 2022) and California (effective July 1, 2022) shown on the second page of this notice.

The purpose of this notice is to explain (1) how paint dealers (retailers or distributors) can request credit for the difference between PaintCare fees they paid to their suppliers before a fee decrease went into effect and the PaintCare fees they passed (or will pass) on to customers after a fee decrease has gone into effect, and (2) how manufacturers can request a credit from PaintCare for the difference in the fees when they provide the credit to their dealers. The second page can be used as template for dealers to request credit from their suppliers.

The need to request credit happens when a retailer or distributor has PaintCare products in their inventory on the day the fees change. Credit may be needed when the retailer or distributor has been invoiced by their supplier using the old fee structure and does not have remitter agreements in place with their suppliers. If remitter agreements are being used by a retailer or distributor, the fee amount should be based on the fee structure in effect at the time of the sale to the customer, and no credit or adjustment is needed.

Requesting Credits

When a retailer or distributor has been charged the higher fee on a wholesale invoice for products purchased from their suppliers prior to the date of a fee decrease—and the retailer or distributor sells the product after the date of the fee decrease—the retailer or distributor must charge the customer the new (lower) fee. In such cases they are not able to recoup the entire amount they were charged by their suppliers. However, the retailer or distributor is not expected to absorb the difference.

In these instances, the retailer or distributor should request a credit for the difference from their suppliers, and manufacturers should request a credit from PaintCare, as follows:

If the supplier is a manufacturer:

The retailer or distributor can request a credit from the manufacturer for the difference between the higher and lower fees by providing a count of the products in each size category for which they paid the higher fee but which were not sold prior to the fee change date. The manufacturer should issue a corresponding credit to the retailer or distributor.

When the manufacturer files their next monthly sales report at www.paintcarereporting.org, the manufacturer should request a credit for the difference from PaintCare for the same amount. For assistance with credits from PaintCare to manufacturers, please contact Nahir Torrez, ntorrez@paint.org, (202) 719-3713.

If the supplier is a distributor:

The retailer can request a credit from the distributor for the difference between the higher and lower fees by providing a count of the products for each manufacturer or brand in each size category for which they paid the higher fee but which were not sold prior to the fee change date. The distributor should provide a corresponding credit to the retailer:

If the distributor has a remitter agreement to file sales reports on behalf of one or more manufacturers, the distributor should request a credit for the difference from PaintCare for the same amount when they file their next monthly sales report at www.paintcarereporting.org. For assistance with credits from PaintCare to distributors, please contact Nahir Torrez, ntorrez@paint.org, (202) 719-3713.

If the distributor does not have remitter agreements to file sales reports on behalf of one or more manufacturers, the distributor should request a credit for the difference from each manufacturer. Then the manufacturer should request a credit for the difference from PaintCare for the same amount when they file their next monthly sales report at www.paintcarereporting.org. For assistance with credits from PaintCare, please contact Nahir Torrez, ntorrez@paint.org, (202) 719-3713.

Dealer (Retailer and Distributor) Credit Request Form for PaintCare Fees (Template)

Use this form to request credit from your Supplier for the difference between old and new PaintCare fees for the District of Columbia and/or California. Send this form to your Supplier only if you paid the old (higher) fees that were in effect prior to the date of the fee change and later sold or will sell the product after the fees changed to the new (lower) fees.

From: Company (Dealer) requesting credit

Company Name	
Contact Person	
Phone	
Email	

To: Company (Supplier) to provide credit

Company Name	
Contact Person	
Phone	
Email	

If you file reports with PaintCare and need a credit from PaintCare, contact Nahir Torrez, ntorrez@paint.org, (202) 719-3713.

District of Columbia (fees changed on January 1, 2022)

Count of Containers invoiced from supplier with the old fees but sold in DC with the new fees:

Size Category	Old Fee	New Fee	Count of Containers	Credit	Amount
Less than 1 gallon (Pints and Quarts)	\$0.45	\$0.30		@ \$0.15	
1-2 gallon	\$0.95	\$0.70		@ \$0.25	
>2 gallons up to 5 gallons	\$1.95	\$1.60		@ \$0.30	
Total					

California (fees changed on July 1, 2022)

Count of Containers invoiced from supplier with the old fees but sold in CA with the new fees:

Size Category	Old Fee	New Fee	Count of Containers	Credit	Amount
Less than 1 gallon (Pints and Quarts)	\$0.35	\$0.30		@ \$0.05	
1 gallon	\$0.75	\$0.65		@ \$0.10	
>1 up to 2 gallons	\$1.60	\$0.65		@ \$0.95	
>2 gallons up to 5 gallons	\$1.60	\$1.50		@ \$0.10	
Total					