Merchant Surcharging Considerations and Requirements

Before you decide to add a surcharge, or checkout fee, consider the following:

- **Is surcharging permitted in my state?**
  - States prohibiting or limiting surcharging as of October 1, 2019
    - Colorado
    - Connecticut
    - Kansas
    - Massachusetts
    - Maine
    - Oklahoma
  - 30 days’ notice required
    - Merchants are REQUIRED to notify Visa and their acquirer 30 days prior to surcharging.

- **When can I begin?**
  - Credit transactions only
    - Surcharging applies only to credit transactions in the U.S. and U.S. territories.
    - Debit and prepaid cannot be surcharged.

- **When can I surcharge?**
  - No more than the cost of acceptance
    - The surcharge must not exceed your cost of acceptance for the credit card.\(^1\)

- **How much can I surcharge?**
  - $\$

- **What must I disclose to my customers?**
  - Proper signage and notification required
    - Disclosures must be provided at the point of entry and point of sale (Click link at right for examples).
    - Itemization of the final surcharge amount must be identified separately on the transaction receipt.

\(^1\) In cases when the merchant’s cost of acceptance exceeds 4% of the underlying transaction amount, the merchant cannot assess a surcharge above 4%.

Visa’s Position on Surcharging

Visa remains opposed to surcharging, a practice that penalizes cardholders for using their preferred form of payment.

The benefits of card acceptance include:
- Increased sales
- A fast and convenient checkout experience
- Enhanced security
- Guaranteed payment and faster processing time

More information on surcharging guidelines and requirements can be found at [www.visa.com/merchantsurcharging](http://www.visa.com/merchantsurcharging)