Merchant Surcharging Considerations and Requirements

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

What will...

- ...my customers think?
- ...I need to disclose to my customers?
- ...my competitors do?

Is surcharging permitted in my state?

- Commonwealth of Massachusetts
- Connecticut
- Maine
- Colorado current prohibition effective through 30 June 2022
- Oklahoma

When can I begin?

- 30 days’ notice required
  - Merchants are REQUIRED to notify Visa and their acquirer 30 days prior to surcharging.

When can I surcharge?

- Credit transactions only
  - Surcharging applies only to credit transactions in the U.S. and U.S. territories. Debit and prepaid cannot be surcharged.

How much can I surcharge?

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

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.

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

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

More information on surcharging guidelines and requirements can be found at www.visa.com/merchantsurcharging