

Surcharging FAQs



What is a surcharge?

A surcharge is a fee added to a consumer's bill when he or she makes a payment using a credit card. This is done in order to offset payment processing costs associated with accepting credit cards.

What rules do I need to know regarding surcharging?

The major card brands (e.g. Visa, MasterCard, etc.) have set rules that merchants must follow in regards to surcharging. First, a merchant must disclose a surcharge at the point of sale. Second, merchants may not apply a surcharge greater than 4 percent of the total transaction amount. Finally, a surcharge cannot be added to debit card transactions.

ClientPay is built with compliance in mind to ensure you follow all these requirements.

Because debit cards cannot be surcharged, can I choose not to accept them?

No. If you accept credit cards, you must also accept debit cards. They cannot be separated.

Does my state allow me to surcharge?

The legality of implementing a surcharge on credit card transactions varies from state to state. Please check your state/ local laws to understand if surcharging is allowed. Your ClientPay account manager can also assist you in determining the legality of surcharging in your area.

(For your reference, we have put together a blog discussing [credit card surcharge laws by state.](#))

Do I need to register or notify the card brands if I intend to add a surcharge?

The ClientPay team takes care of this for you as part of enabling surcharging functionality on your account.

Can I label the surcharge "administration fee," "surcharge," etc.?

Yes. However, ClientPay recommends using "surcharge" as specific rules apply to the fee depending on its label. Please reach out to the ClientPay Support team to initiate a change to this label.