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### 3-9. Surcharges

a. Surcharges are fees that a retailer adds to the cost of a purchase when a customer uses a charge/credit card. As a result of the settlement between a class of retailers and the brands, on January 27, 2013, merchants in the United States and U.S. Territories are permitted to impose a surcharge on cardholders when a charge/credit card is used.

b. Not all merchants impose a surcharge, and some states (California, Colorado, Connecticut, Florida, Kansas, Maine, Massachusetts, New York, Oklahoma and Texas) have laws which do not allow or limit surcharges. Cardholders who receive a surcharge or a check out fee in any of the above mentioned states should report the merchant to the state Attorney General’s Office.

c. Surcharges may not be added to debit, prepaid or cash purchases and cardholders are required to be notified in advance of making the purchase if a merchant will impose a surcharge. Merchants must also include the surcharge fee on any receipt(s) provided to the cardholder.

d. Per Visa and MasterCard guidance, there is a limit to the allowable surcharge amounts. These limits vary by brand and by merchant discount rate. Information on surcharge limitations for Visa and MasterCard is available at:

<http://www.mastercard.us/merchants/support/surcharge-rules.html>

<http://usa.visa.com/personal/using_visa/checkout_fees/index.html>

e. A/OPCs should ensure cardholders and other charge card management personnel are aware of the possibility of surcharges when making purchases using credit/charge cards. If a merchant is imposing a surcharge, the cardholder should consider choosing another merchant that offers the same or similar item(s) to avoid paying the surcharge.