

Paytomat Wallet Features: Custom fees

Hey guys. As we roll out new features for Paytomat Wallet, it's good for you to know how to use them properly, especially if they are not as obvious.

Today we discuss how to use custom fees option that was added to v1.20.0. This feature is for an advanced type of users who understand what they are doing but we'll try to explain it to a broader audience.

Why the fee is different each time?

We already discussed the necessity of fees on the blockchain networks in [one of our posts](#) but we didn't mention that the fees vary each time when you try to initiate the transaction. This happens according to the demand and technical limitations of every blockchain.

See, due to limited block size, Bitcoin and most of the top cryptocurrencies can handle from 7 to 100 transactions per second. Thus, if all of a sudden people start to use a particular blockchain more actively (typically happens during ICOs, positive news or hype), it creates a demand for more transactions to be included in the block. Assuming that you can't do that no matter how hard you try, there are so many transactions that can be put in each block.

That's why you need to set a higher fee in order to make sure your transaction included in the latest block because *the value of each transaction is determined by its fee*. The higher the fee, the more valuable the data you're sending is. If you send \$1,000,000 to somebody, you want to be confident that it goes through smoothly and instantly without any issues.

In this particular case, it's recommended to simply double your fee. If you encounter ridiculously high fees, it's always a better idea to wait for a few hours or days until the overload on the blockchain falls down, and only then send a transaction. Otherwise, the transaction might not get through because the rate in which the fee grows may be unsustainable.

By the way, all of the pending transactions are first sent to the *mempool*, a data structure that stores all unconfirmed transactions on a blockchain network. It prioritizes

them based on the fee putting the highest to the top which makes total sense. As soon as some miner finds a new block, it takes a selected number of transactions that can fit into the block and generates this very new block. In other words, if you need your transaction to be confirmed very fast, you want it to be at the top of the mempool.

Fun fact, the fee is determined by the average fee that all of the users are using at this particular moment, which means it can be changed at any time so don't freak out if you watch it grows from \$0.30 up to \$5 in 10 minutes.

How to set a custom fee in Paytomat Wallet?

In order to set a custom fee in your wallet, just simply click an 'Edit' button on the 'Send' screen of your particular asset. At the moment this feature is available for Bitcoin, Litecoin and Dash.

5:45 79%

← **Send BTC**
Available: 0.00006892 BTC

Enter address

BTC amount = \$0.00 MAX

Fee per byte: 45 satoshi CANCEL

Fee: ~0.00023445 BTC/\$2.28

SCAN QR-CODE SEND

The fee is calculated in Satoshi per byte. We are using bytes here because essentially we're transferring a certain amount of data over the network.

Most of the time the amount of satoshi you want to put depends on how urgent you need for this transaction to be confirmed. If you're sending an asset to exchange and you need to make a trade, then it's recommended to increase your fee for about 40%-50%.

For instance, if the current average transaction fee is 30 satoshi/byte, make it 45 satoshis/byte and you're good to go.

If you're a really techy person, you can check out [this website](#) that shows Bitcoin fees in real-time and make your decision based on that.

We appreciate your time and interest in this subject, make sure to share it with your friends who have no idea how to use fees properly either.