

How is InterPayments More Compliant than Other Surcharging Solutions?

Surcharging compliance is enormously complex. Just under that single line item are credit card rules and costs that are slightly different across 40 million card types, as well as laws that are always changing across dozens of states and provinces. Truly compliant surcharging solutions act as a partner, shielding their customers from surcharge risk with up-to-date technology and contractually guaranteed indemnification. This is how InterPayments compares to most acquirer-provided surcharging systems.

Rate-Level Compliance

	Ideal for...	InterPayments	Acquirers
Fixed-Rate Surcharging <i>Every customer is surcharged the same fixed rate, usually up to 3%</i>	1. Fixed rate merchants 2. Interchange+ merchants who want a fixed rate surcharge	✓	✓
Precise Surcharging <i>The merchant can choose who to surcharge and at what rates to comply with customer-contract provisions</i>	Merchants with customer-contract level prohibitions on surcharges, especially those with government contracts	✓	✗
Automated Interchange Plus Surcharging <i>InterPayments' technology automatically calculates each merchant's average true credit card processing rates every day. This average rate is surcharged across all brands and updated.</i>	Interchange+ merchants who want to remain compliant <u>and</u> maximize fee recovery	✓ InterPayments automatically updates for interchange rate changes	✗ Few acquirers who do this calculate at onboarding with no future updates
Automated/Recurring Payment Surcharges <i>State-level contract rules influence how merchants can surcharge recurring/automated payments</i>	Merchants who 1) authorize but capture later, 2) store cards on file for future use, or 2) accept recurring payments	✓	! Merchant is responsible for state-level compliance
Refunds on surcharge amounts <i>InterPayments validates refund amounts to ensure merchants do not profit on surcharges when refunds are processed</i>	Merchants who want automated surcharge refund compliance across multiple payment channels	✓ InterPayments automatically enables surcharge refund calculations via API in any payment channel	✗ Acquirers enable surcharge refunds only in their systems, not yours

Card-Level Compliance

	Ideal for...	InterPayments	Acquirers
No Debit/Prepaid Card Surcharging <i>No surcharges on debit/prepaid cards</i>	Everyone. Required by Visa/MasterCard	✓	✓
Brand-level Surcharging <i>The same surcharge rate is applied to all card brands and products</i>	Merchants who accept multiple card brands	✓	✓
Product-level Surcharging <i>Each card product has a unique surcharge rate</i>	Only merchants who accept 1 card brand	✓	✗
SUA/Virtual/P Card Surcharging <i>InterPayments enables or allows merchants to waive surcharges on SUA cards</i>	Merchants who want to surcharge or prohibit surcharges SUA card paying customers	✓	✗
American Express Direct Surcharging <i>AmEx surcharge rules conflict with Visa/MC. InterPayments enables compliance around all card brands, including AmEx Direct merchants (whose rates differ from Visa/MC).</i>	Merchants with American Express Direct relationships who also accept Visa/MC	✓	✗

How Does InterPayments More Compliant than Other Surcharging Solutions?

State and Province Regulatory Compliance

	Ideal for...	InterPayments	Acquirers
Regions Supported <i>The surcharge provider contractually guarantees and automatically enforces compliance in the listed regions</i>	1. Merchants outsourcing state-level compliance 2. Multi-national merchants	<ul style="list-style-type: none"> 48 US States 9 Canadian Provinces Cross-Border Surcharging 	<ul style="list-style-type: none"> US only, but merchant is responsible for state-level compliance
State/Provincial Compliance <i>InterPayments contractually guarantees and automatically enforces compliance in supported regions</i>	Merchants outsourcing state-level compliance to lower costs and resources	 InterPayments contractually guarantees state/provincial compliance	 Merchant is responsible for state-level compliance
State/Provincial Surcharge Prohibitions <i>InterPayments empowers merchants to choose additional states</i>	Merchants who want to automatically prohibit surcharges in states		
Sales tax on surcharge amounts <i>InterPayments provides advice and reporting</i>	Merchants who want to remain compliant with state sales tax rules		

Contractual Diligence

	Ideal for...	InterPayments	Acquirers
Contractually Guaranteed Compliance <i>The surcharge provider keeps the solution up-to-date with changing credit card rules and regulations in all supported regions, indemnifies the merchant and provides paybacks in cases of rules reconciliation.</i>	Merchants outsourcing surcharge compliance for peace of mind and lower costs/resources		 Card type compliance is enforced, but rate and state compliance is left to the merchant
30-day notices <i>InterPayments completes and guarantees 30-day notices to the Acquirer and MasterCard on behalf of the merchant</i>	Merchants outsourcing surcharge compliance to lower costs and resources	 InterPayments' APIs automatically prohibits surcharges until the 30-day notice period expires	 Some but not all perform this on your behalf
Surcharge disclosures <i>InterPayments officially trains and certifies each merchant's compliant surcharge disclosures in each surcharged-payment channel prior to go live</i>	Merchants who accept payments in multiple channels, including over the phone, in store, online, and auto/recurring payments		 Disclosure policies are provided, not training
Surcharge certification <i>InterPayments officially certifies each merchant's compliant surcharge program in each surcharged-payment channel prior to go live</i>	Merchants outsourcing surcharge compliance to lower costs and resources	 InterPayments certifies in every payment channel	 No rate/state compliance limits certification value
(Q3 2023 Launch) Surcharge Auditing <i>InterPayments will provide partnered Acquirers with automated surcharge compliance reporting and 24/7 auditing</i>	Acquirers, gateways, ISVs, and payment processors who want to avoid card brand surcharge fines		

To learn more about other ways that InterPayments can help you recover card processing fees in a compliant, customer-friendly way, read our FAQ:

