Surcharge/Convenience Fee
Merchants may include a surcharge or convenience fee. VISA and MasterCard have strict merchant guidelines governing the assessment of surcharge fees:

- The merchant must register with VISA 30 days prior to beginning a surcharge policy.
- The merchant must provide clear disclosure to the customer.
- The amount of the surcharge must be listed as a separate item and detailed on the receipt.
- The surcharge must apply to all credit cards accepted by the merchant.
- The surcharge must be equivalent to the merchant’s interchange rate, but cannot exceed 4%.

For any charge where the Supplier has charged a surcharge, a cardholder or user should obtain a copy of the acknowledgement letter sent to the Supplier by Visa authorizing the Supplier to impose a surcharge as part of their supporting documentation.

Convenience Fees are charged as a flat fee (regardless of the total cost) when purchases are made via one form of payment channel over another – online or by phone vs. in store or by mail.

*The decision to use a State Travel Card on a purchase that will incur a surcharge or convenience fee should be based on rare and extenuating circumstances such as no other form of payment is accepted, timeliness of payment to avoid late fees, urgency of the needed item or services, lack of other vendors, etc. Agencies are required to carefully evaluate the necessity of the State Travel Card transactions which are subject to surcharge or convenience fees.*