

Understanding a Merchant Card Processing Statement

EFFECTIVE RATE

The best way to understand the true cost of your payment processing is to look at the total cost of all rates and fees added together and divided by the sales volume.

Do you know where your statement displays the Effective Rate?

I know and understand my Effective Rate.

	Interchange	Assessment Fee	Effective Rate
VISA Credit	Acquirer Chip	1.42%	0.0904%
	Electronic	1.51%	
			2.38%
Mastercard	Electronic	1.44%	0.0870%
	CNEDSPND	1.65%	
			2.61%

Terms in Plain Language

INTERCHANGE is the fee paid by the Acquirer to the Credit Card Issuer established by the Card Associations. Factors that influence the Interchange include card type (regular vs premium), and how (electronically read vs key entered) or when the transaction was processed.

ASSESSMENTS are the fees paid by the Acquirer to the Card Associations. Assessment fees are established by the Card Associations.

DISCOUNT RATE is the fee paid to the Acquirer (for example, First Data) to authorize and settle your credit card transactions.

Description	Volume Items	Rate %
VISA Credit		
Non-Qualified	100	0.45000%
Mastercard		
Non-Qualified	75	0.45000%

NON-QUALIFIED SURCHARGE

Non-Qualified Surcharge is added each time you process a points card, business card, or if you manually enter the card number and can be a significant cost to your business and will increase your effective rate.

Many providers include Non-Qualified Surcharge in a part of the statement called "Other Charges/Fees".

My surcharges align with expectations.

OTHER CHARGES, OTHER FEES

Many times statements will have sections titled "Other Charges" or "Other Fees". These sections contain miscellaneous costs that may not be transparent in nature.

Are the "Other Charges or Fees" accurate or are there discrepancies?

I know and understand my charges and fees.

Other Charges		
	Items	Fee Amount
Network Fee	60	0.50
VIBS CDN EMV	16	2.25
PCI ADMIN	76	13.50
PCI Non-Compliance	76	23.50
Other Fees		
	Rate	Fee Amount
Statement Fee	9.850	9.85
Push Funds	7.700	7.70

TRANSPARENCY AND DAILY VISIBILITY

Your Merchant Service partner should have a tool or application that can bring daily visibility to sales information, number of customers, deposits and business impacts that correlates with your monthly statements. Value is added when you have visibility to your business and can access information prior to your statement arriving.

I can get important information at a glance without waiting for a statement.

First Data
Business
Track
Mobile®

