Preparing for the Card Surcharge Ban

Checklist for Small Businesses

From **1st October 2026**, businesses will no longer be able to add a card surcharge for eftpos, Mastercard, Visa and American Express payments (this covers cards processed through any acquirer or terminal provider).

The change follows the Reserve Bank of Australia (RBA) Review into Merchant Card Costs and Surcharging.

Here's what's changing, what it means for your business, and how you can best prepare before the deadline.

What's Changing

- Surcharging will no longer be allowed from **1st October 2026** on eftpos, Mastercard and Visa, American Express, debit, prepaid and credit cards, both in-store and online.
- The RBA has also lowered the maximum "interchange" fees (one component of the Merchant Service Fee) for designated card schemes, including eftpos, Mastercard and Visa, with the consumer credit card cap falling from 0.8% to 0.3%, and the debit card cap also reduced.

  The RBA's intent is to encourage the reduction of Merchant Service Fees over time, with small businesses expected to see the greatest benefit.
- Business/corporate cards move differently: the 0.8% cap will remain, but the 0.5% benchmark is being removed, which could push average fees for processing commercial cards up rather than down.
- **Small businesses can still offer cash or other discounts; you just can't add a surcharge for paying by card.**

Key Dates

Now until 30th Sep 2026

You can continue to apply a card surcharge. Use this time to review your merchant fees and plan ahead for 30th September.

1st Oct 2026

Surcharging ban takes effect (eftpos/ Mastercard/ Visa/ American Express). Lower domestic interchange caps begin, which will impact many payment service providers.

1st Apr 2027

A cap on foreign-issued card interchange fees will take effect, plus further fee transparency rules.

What This Means for Your Business

If you currently apply a surcharge for card transactions, that cost recovery stream will disappear, but the underlying cost of accepting cards will remain. Most businesses will land on one of four approaches, or a mix:

Absorb the merchant fee costs as a normal business expense, potentially offset by lower interchange fees.

Build merchant fees costs into your prices.

Offer discounts for cash or other kinds of payments.

Reduce merchant fee costs by engaging in discussion with existing or alternative acquiring banks or payment service providers. From 1st October 2026, large providers will be required to publish their fees more clearly and transparently to enable better comparisons.

In practice: *a business that does not currently apply a surcharge should also see a fall in its merchant service fees, and the RBA will publish information to enable better comparison of offers from different merchant fee providers.*

A business that does apply a surcharge can opt whether to build the cost into its prices and whether to seek an alternative provider. Reserve Bank of Australia's FAQs

Action Checklist

Review your fees

☐ Ask your bank or payment service provider for information about what your fees will be from **1st October 2026** and whether it will be changing its merchant fee pricing structure.

From October 2026, large acquirers will be required to publish their merchant service fees quarterly (broken down by merchant size and card type), and the RBA will republish this on its website, so you'll be able to check whether you're paying more than similar-sized businesses.

Decide your pricing approach

☐ Absorb merchant fees by building them into pricing models or offer discounts for alternative payment types such as cash or adopt a mix of both. Model these options before committing.

Check your terminals and POS

☐ Confirm with your provider when surcharging facilities will be switched off and whether there are any actions you need to take to achieve this.

Don't assume this will happen automatically on 1st October 2026.

Update any customer materials mentioning surcharge fee

☐ Website, checkout pages, invoices, signage and menus

Brief your employees on the changes

☐ They can then explain any pricing changes if customers ask.

Quick FAQ

Can I still surcharge right now?

Yes. Current rules apply until **30th September 2026**.

Will my fees definitely go down?

Potentially, but it depends on your provider or bank. **Ask directly rather than assuming.**

Who enforces the new rules?

Your payment service provider and the card networks are responsible for enforcing these rules, not the ACCC.

For more on your obligations as a business and what this means for consumers, see ACCC's guidance about changes to card payment surcharges.

ACCC AUSTRALIAN COMPETITION & CONSUMER COMMISSION

Australian **Small Business** and **Family Enterprise** Ombudsman

Need a second opinion on your fees or the changes? Talk to your provider or bank first, then reach out to the Australian Small Business and Family Enterprise Ombudsman for support.

ASBFEO



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