

Credit Card Surcharge Laws by State 2025



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As of 2025, credit card surcharging is legal in most U.S. states, but rules and enforcement vary widely. While federal law and card network policies set baseline limits—such as a 4% cap or the actual cost of processing—many states add their own requirements around disclosure, pricing, and implementation. Merchants must also comply with federal rules prohibiting surcharges on debit and prepaid cards, even if run as credit. This guide summarizes key state-level regulations and best practices for compliant surcharging.

States that don't allow credit card surcharges

Credit card surcharges are illegal in the following states:

- California
- Connecticut
- Maine
- Massachusetts
- Puerto Rico

States that allow credit card surcharges

Credit card surcharges legal in the following states:

- | | | |
|-------------|------------------|-----------------|
| • Alabama | • Minnesota* | • South Dakota* |
| • Alaska | • Mississippi | • Tennessee |
| • Arizona | • Missouri | • Texas* |
| • Arkansas | • Montana | • Utah |
| • Colorado* | • Nebraska | • Vermont |
| • Delaware | • Nevada* | • Virginia |
| • Florida | • New Hampshire | • Washington |
| • Georgia* | • New Jersey* | • West Virginia |
| • Hawaii | • New Mexico | • Wisconsin |
| • Idaho | • New York* | • Wyoming |
| • Illinois | • North Carolina | |
| • Indiana | • North Dakota | |
| • Iowa | • Ohio | |
| • Kansas* | • Oklahoma | |
| • Kentucky | • Oregon | |
| • Louisiana | • Pennsylvania | |
| • Maryland | • Rhode Island | |
| • Michigan | • South Carolina | |

*Laws that allow surcharging but with some conditions

Alabama surcharge law

✓ Are surcharges legal? **Yes**

In 2025, Alabama merchants are allowed to add surcharges to credit card transactions, as long as they follow federal rules and card network guidelines. The surcharge must be no more than 4% or the actual cost of processing—whichever is lower—and can never be applied to debit cards. Businesses must give clear notice to customers before the sale and include the surcharge as a separate line on the receipt. Card networks may also require registration before starting a surcharge program. The goal is transparency—not profit—so all added fees must reflect real processing costs, not markups. Cash discounts remain fully allowed.

Further reading: [Federal Regulation](#)

Arizona surcharge law

✓ Are surcharges legal? **Yes**

Arizona merchants can legally add surcharges to credit card payments in 2025—as long as they follow federal and card brand rules. The fee must be no more than 4% or the actual processing cost, whichever is less. Visa sets a lower cap at 3%. Debit cards are off-limits for surcharges, and customers must be clearly told about the fee before paying. It also has to appear as a separate line on the receipt. These charges can't be used to make a profit. While Arizona is considering a law to stop surcharges on sales tax, that proposal hasn't passed yet.

Further reading: [Federal Regulation](#)

Arkansas surcharge law

✓ Are surcharges legal? **Yes**

In Arkansas, credit card surcharges are legal in 2025—but there are clear rules to follow. Merchants must let customers know about the surcharge before payment, and it must show up as a separate line on the receipt. The fee can't exceed 4% of the transaction or the actual processing cost—Visa caps it at 3%. Surcharges are not allowed on debit card payments, even if run as credit. Arkansas permits different fee types like surcharges, convenience fees, and service fees, but merchants must use the right terms. Some card networks also require advance registration before a surcharge program can begin.

Further reading: [Federal Regulation](#)
[AR Attorney general statement on Convenience Fees, Service Fees and Surcharge fees](#)

California surcharge law

✗ Are surcharges legal? **No**

Many businesses in California have relied on adding credit card surcharges at checkout to offset processing costs. As of July 1, 2024, that's no longer allowed. Under Senate Bill 478, any mandatory fees—including credit card fees—must be included in the listed price of goods or services. Posting signs like "3% will be added" isn't enough. The price on the tag must be the price paid (excluding tax), no matter the payment method. Businesses can still offer cash discounts, but service fees can't be used as a workaround. Non-compliant practices will see fines up to \$1,000 per violation.

Further reading: [CA Attorney general's statement on Credit Card Surcharges](#)
[Senate Bill 478 \(Consumer Legal Remedies Act\)](#)

Colorado surcharge law

✓ Are surcharges legal? **Yes**

Colorado allows credit card surcharges in 2025, but only up to 2% of the transaction or the actual cost of processing—whichever is lower. Surcharges can't be added to debit card payments, cash, checks, or gift card redemptions. Businesses must clearly notify customers before the sale is completed, including during online checkouts, and the fee must appear as a separate line on the receipt. The purpose of the surcharge is strictly to cover processing fees, not to make a profit. Failure to follow these rules could lead to penalties under Colorado's consumer credit laws, so compliance is essential for merchants.

Further reading: [SB21-091 Credit Transaction Charge Limitations](#)
[Colorado's Consumer alert regarding credit card surcharges](#)

Connecticut surcharge law

✗ Are surcharges legal? **No**

In 2025, credit card surcharges are strictly prohibited in Connecticut. Private businesses can't charge extra fees for credit card payments, no matter what the fee is called—processing fee, non-cash adjustment, or otherwise. The law applies broadly, with only limited exceptions for government agencies. Cash discounts are still allowed, but businesses must either clearly label the discount or show separate cash and credit prices. Any attempt to get around the rule is illegal. A proposed bill (HB 6057) could change this in the future, but as of June 2025, surcharging remains off-limits for businesses in the state.

Further reading: [Public Act No. 24-142](#)
[State of Connecticut Department of Consumer Protection on Surcharges](#)

Delaware surcharge law

✓ Are surcharges legal? **Yes**

Delaware permits credit card surcharging in 2025, as long as businesses follow federal and card network rules. The surcharge must not exceed 4% or the actual cost of processing, whichever is lower. Federal law still prohibits surcharges on debit and prepaid cards—even if they’re run as credit. Businesses must clearly notify customers before checkout and itemize the fee on the receipt. These charges are meant only to cover processing costs, not to make a profit. While state lawmakers have proposed bills to limit or ban surcharges, none have passed as of June 2025, so surcharging remains legal in Delaware.

Further reading: [Federal Regulation](#) [Bill DE SB89](#)

Florida surcharge law

✓ Are surcharges legal? **Yes**

As of 2025, Florida merchants can legally add credit card surcharges. Even though a state law says otherwise, a federal court ruling struck down the law as unconstitutional. Surcharges must follow federal rules and card brand limits: up to 4%, or the actual processing cost (Visa caps it at 3%). These fees can’t be added to debit card payments and must be clearly disclosed before checkout, including signage and a separate line on the receipt. Some card networks require registration first. Cash discounts are still allowed, and as long as rules are followed, surcharging remains legal in Florida.

Further reading: [Federal Regulation](#) [Florida Attorney General's Office](#)

Georgia surcharge law

✓ Are surcharges legal? **Yes**

In Georgia, businesses can legally add credit card surcharges in 2025—but only if they play by the rules. The fee must match the actual cost of processing and can't be used to turn a profit. Clear disclosure is required before checkout, both in person and online, and the surcharge must appear as a separate line on receipts. Merchants also have to offer a fee-free option like cash or check. Surcharges on debit cards are not allowed, and misleading pricing tactics are banned under state law. While new bills are being considered, these core rules still apply as of June 2025.

Further reading: [Federal Regulation](#) [Bill GA HB726](#) [Georgia Consumer Guide](#)

Hawaii surcharge law

✓ Are surcharges legal? **Yes**

In Hawaii, merchants can add credit card surcharges in 2025—as long as they stay within the rules. The fee can't be more than 4% of the transaction or the actual processing cost, whichever is lower (Visa caps it at 3%). Surcharges on debit cards are not allowed. Businesses must clearly inform customers about the surcharge before they pay, whether in-store or online, and list it as a separate line on the receipt. Flat, percentage, or tiered fees are allowed, but they must reflect real costs. To stay compliant, merchants should follow card brand policies and keep their pricing transparent.

Further reading: [Federal Regulation](#)

Idaho surcharge law

✓ Are surcharges legal? **Yes**

In Idaho, both businesses and government offices can add surcharges to credit card payments in 2025. The fee can't exceed 4% of the transaction or the actual processing cost—Visa limits it to 3%. Debit card surcharges are not allowed under federal law. Customers must be told about the fee before paying, and it must be listed separately on the receipt. These charges are meant to cover costs, not make a profit. Idaho also allows dual pricing, meaning merchants can show different prices for cash and credit. Even state agencies can apply surcharges when collecting payments like fines or court fees.

Further reading: [Federal Regulation](#)

Illinois surcharge law

✓ Are surcharges legal? **Yes**

In Illinois, credit card surcharging is legal in 2025, as long as merchants follow federal and card network rules. The cap is 4%, though Visa limits it to 3%. Surcharges on debit cards are not allowed, and merchants must post clear signage and list the fee separately on receipts. Dual pricing is also allowed as an alternative. A new law effective July 1, 2025, bans interchange fees on the sales tax and tip portions of transactions—if merchants notify their acquiring bank properly. While some legal challenges are still unfolding, this rule is set to apply to most in-state transactions.

Further reading: [Federal Regulation](#) [Illinois House Bill 4951](#)

Indiana surcharge law

✓ Are surcharges legal? **Yes**

Indiana allows credit card surcharging in 2025, but merchants must follow strict rules. The fee can't exceed 4% or the actual processing cost—Visa caps it at 3%. Debit and prepaid card surcharges are not allowed. Businesses must disclose the surcharge clearly: at the store entrance, at the point of sale (or online checkout), and as a separate line on receipts. All credit card brands must be treated equally, and customers must be able to cancel the sale if they don't accept the surcharge. Merchants also need to register with card networks and can't combine surcharges with other service or convenience fees.

Further reading: [Federal Regulation](#)

Iowa surcharge law

✓ Are surcharges legal? **Yes**

In Iowa, businesses can legally add credit card surcharges in 2025, as long as they stick to the rules. The fee must reflect the actual processing cost and can't go over 4%—Visa sets a lower cap at 3%. Surcharges aren't allowed on debit card payments, and customers must be clearly informed before checkout. The surcharge also needs to show up as a separate line on the receipt. Merchants must give card networks and their bank 30 days' notice before starting a surcharge program. Dual pricing is allowed too, as long as everything is transparent and compliant with card brand rules.

Further reading: [Federal Regulation](#)

Kansas surcharge law

✓ Are surcharges legal? **Yes**

Starting January 1, 2025, Kansas merchants can legally add credit card surcharges, thanks to a new law aligning with federal court rulings. The surcharge can't be more than 4% of the purchase or the actual processing cost—Visa limits it to 3%. Debit card surcharges are still prohibited. Merchants must clearly disclose the surcharge before checkout, whether in-store or online. While not legally required, showing the fee on the receipt is a good idea for transparency. Surcharges must only cover processing costs, not turn a profit. Cash discounts remain allowed as a legal alternative for encouraging lower-cost payment methods.

Further reading: [Federal Regulation](#)
[The Office of the District Attorney's Consumer Protection Division](#)

Kentucky surcharge law

✓ Are surcharges legal? **Yes**

In Kentucky, credit card surcharging is legal as of 2025—but it comes with strict limits. Under HB 529, businesses can only charge the lesser of their actual processing cost or 3% of the total sale. That's stricter than the federal 4% cap and aligns with Visa's 3% limit. Debit card surcharges are still off-limits. Merchants must give clear notice to customers before checkout and list the fee as a separate line on receipts. The goal is cost recovery—not profit. To stay compliant, businesses need to follow state law, federal rules, and card network requirements to avoid penalties.

Further reading: [Federal Regulation](#) [HB 529](#) [HB 256](#)

Louisiana surcharge law

✓ Are surcharges legal? **Yes**

Louisiana allows credit card surcharges in 2025, but merchants must be careful to follow strict limits. The surcharge can't be more than 4% of the transaction or the actual processing cost—Visa caps it at 3%. Surcharges aren't allowed on debit card payments, and businesses must clearly tell customers about the fee before they pay. It also needs to be listed separately on the receipt. All credit card brands must be treated the same, and the surcharge can't be used for profit. A new law now holds businesses liable if they charge more than their actual costs, so compliance is essential.

Further reading: [Federal Regulation](#) [HB 487](#)

Maine surcharge law

✗ Are surcharges legal? **No**

In 2025, Maine has some of the toughest rules in the country when it comes to card surcharges. Private businesses aren't allowed to add extra fees for credit or debit card payments—no exceptions. A surcharge is defined as any added fee for using a card instead of cash or check. Government agencies can add fees, but only to recover actual costs and with full disclosure. Cash discounts and dual pricing are legal if clearly posted, with the card price as the default. A bill to allow surcharging is on the table, but as of now, it hasn't become law.

Further reading: [LD151](#) [State of Maine](#)
[Title 9-A M.R.S. § 8-509 Credit card and debit card surcharge prohibition](#)

Maryland surcharge law

✓ Are surcharges legal? **Yes**

In Maryland, credit card surcharges are legal in 2025, as long as businesses follow federal and card network guidelines. The fee can't be more than 4% of the transaction or the actual processing cost—Visa caps it at 3%. Debit card surcharges are not allowed, even if the card is run as credit. Merchants must clearly disclose the fee before payment and show it as a separate line on the receipt. Offering cash discounts or using dual pricing is also allowed, as long as it's communicated clearly. To stay compliant, merchants should stick to transparent practices and avoid adding profit.

Further reading: [Federal Regulation](#)

Massachusetts surcharge law

✗ Are surcharges legal? **No**

Massachusetts continues to ban credit card surcharges in 2025, making it one of the strictest states in the U.S. Businesses cannot add extra fees for using a credit card—no matter what the fee is called. This applies to all merchants, including retailers and service providers. While the law doesn't mention debit cards directly, most payment networks treat surcharges on any card as prohibited. Cash discounts and dual pricing are allowed, but they must be clearly disclosed and never framed as a card fee. A bill to change the law is pending, but for now, the surcharge ban remains fully in effect.

Further reading: [Bill S.2565](#) [Mass. General Laws Ch. 140D, § 28A](#)

Michigan surcharge law

✓ Are surcharges legal? **Yes**

Michigan allows credit card surcharging in 2025, as long as merchants follow key rules. The fee can't exceed 4% of the transaction or the actual cost of processing—Visa caps it at 3%. Debit and prepaid card surcharges are not allowed. Merchants must clearly disclose the surcharge at the store entrance, point of sale, and online checkout, and itemize it on receipts. Advance notice to card networks is required 30 days before starting. Surcharges are also subject to sales tax in Michigan. Cash discounts are allowed as an alternative, but all practices must stay compliant with card brand and tax regulations.

Further reading: [Federal Regulation](#)

[Michigan.gov consumer protection for credit and debit surcharges](#)

Minnesota surcharge law

✓ Are surcharges legal? **Yes**

Minnesota updated its surcharge laws in 2025, and the rules are now stricter than ever. Businesses can only add a credit card surcharge if customers have a real alternative—like paying with cash. If there's no fee-free option, the surcharge must be included in the advertised price, not tacked on later. The fee is capped at 4% (or 3% for Visa), even though state law allows up to 5%. Surcharges can't be applied to debit or store-branded cards, and violations may result in steep fines. Cash discounts and dual pricing are still allowed, as long as they're clear and properly labeled.

Further reading: [Federal Regulation](#) [HF 3438s](#) [Minnesota Statute 325G.051](#)

[The offices of the Minnesota Attorney General Frequently Asked Questions](#)

[Minnesota Statute 325D.44](#)

Mississippi surcharge law

✓ Are surcharges legal? **Yes**

Private businesses in Mississippi can apply credit card surcharges in 2025—but only within strict limits. The surcharge must not exceed 4% of the transaction or the actual processing cost, whichever is lower. Visa sets a tighter cap at 3%. Surcharges on debit and prepaid cards are not allowed under federal law. Merchants must clearly inform customers before payment and list the fee as a separate line on receipts. These fees are meant to recover costs—not make a profit. While businesses can surcharge, counties and municipalities are prohibited from doing so on government-related payments. Clear policies and full transparency are essential.

Further reading: [Federal Regulation](#)

Missouri surcharge law

✓ Are surcharges legal? **Yes**

Missouri permits credit card surcharges in 2025, but businesses must stay within clear limits. The fee must match the actual processing cost and can't exceed 3% of the total transaction. Surcharges on debit or prepaid cards are not allowed, even if processed as credit. Merchants must notify customers in advance—clearly showing the amount, listing fee-free options, and posting signage at the point of entry or sale. The surcharge must also be listed separately on receipts. To stay compliant, it's best to register with card brands, follow federal guidelines, and ensure transparency across all payment communications and billing systems.

Further reading: [Federal Regulation](#)

Montana surcharge law

✓ Are surcharges legal? **Yes**

As of January 2025, Montana allows credit card surcharging—but with a strict 3% cap, even if the merchant's processing costs are higher. This rule applies to all types of businesses, including vendors, service providers, and landlords. Surcharges on debit and prepaid cards are still prohibited under federal law. Merchants must clearly inform customers about the surcharge before payment and list it separately on the receipt. The fee can't exceed actual processing costs and must never be used to turn a profit. To stay compliant, businesses should use accurate billing tools and monitor both state and card network regulations regularly.

Further reading: [Federal Regulation](#)

Nebraska surcharge law

✓ Are surcharges legal? **Yes**

Nebraska allows credit card surcharges in 2025 for both private businesses and government offices, but they must follow strict rules. The surcharge can't be more than 4% or the actual cost of processing—whichever is less. Debit and prepaid card surcharges are still banned under federal law. Customers must be clearly notified before paying, and the fee must appear as a separate line on the receipt. If using a flat fee, it must never exceed the actual cost for that transaction. Merchants also need to notify card networks at least 30 days before starting. Transparency and accuracy are key to staying compliant.

Further reading: [Federal Regulation](#)

Nevada surcharge law

✓ Are surcharges legal? **Yes**

As of June 2025, Nevada allows businesses to add credit card surcharges—but only to recover actual processing costs. The fee must match what the merchant pays to accept the card and can't exceed 4% (Visa limits it to 3%). Surcharges on debit and prepaid cards are not allowed under federal law. Businesses must post clear notices at the store entrance and point of sale, and itemize the surcharge on receipts. The surcharge cannot generate profit, and consumers have the right to request documentation of the merchant's policy. Violations can lead to civil penalties of up to \$500 per occurrence.

Further reading: [Federal Regulation](#)

New Hampshire surcharge law

✓ Are surcharges legal? **Yes**

In 2025, credit card surcharges are allowed in New Hampshire, as long as businesses follow federal and card brand rules. The fee can't go over 4%, and most merchants stick to 3% to meet Visa's stricter cap. Surcharges on debit and prepaid cards are not allowed under federal law. Merchants must clearly tell customers about the surcharge before they pay and show it as a separate line on the receipt. These charges must only cover processing costs—not turn a profit. Cash discounts are also allowed as an alternative, and clear surcharge policies help ensure compliance and transparency.

Further reading: [Federal Regulation](#)

New Jersey surcharge law

✓ Are surcharges legal? **Yes**

New Jersey allows credit card surcharges in 2025—but only if the fee exactly matches the merchant’s processing cost. While federal law allows up to 4%, state law requires surcharges to be strictly cost-based. Debit card surcharges remain prohibited. Merchants must provide clear notice: signs at entrances and checkouts, online checkout disclosures, or verbal warnings for phone payments. The fee must appear as a separate line on the receipt. Violations can result in steep penalties—up to \$10,000 per offense—under New Jersey’s Consumer Fraud Act. A bill to ban surcharges entirely is under consideration, so merchants should monitor for future changes.

Further reading: [New Jersey Division of Consumer Affairs FAQ sheet](#) [S3697](#)

New Mexico surcharge law

✓ Are surcharges legal? **Yes**

As of February 2025, New Mexico allows credit card surcharges—but only if businesses follow strict rules. The fee must match the actual processing cost and can’t go over 4%, or 3% for Visa transactions. Debit and prepaid cards are off-limits for surcharging. Merchants must clearly disclose the fee before payment and list it as a separate line on the receipt. Flat fees are allowed but must not exceed the true processing cost. Card networks and banks must be notified 30 days in advance. There’s no state-specific law beyond federal rules, but merchants should keep an eye on future legislative updates.

Further reading: [Federal Regulation](#)

New York surcharge law

✓ Are surcharges legal? **Yes**

In 2025, New York allows credit card surcharges—but only if the total price, including the surcharge, is clearly posted before checkout. Merchants can't add the fee later or list it as a separate line on the receipt. The surcharge must match the actual processing cost and can't exceed 4%. Dual pricing is permitted, so businesses can show both cash and card prices or offer a cash discount. Surcharges on debit cards are still banned under federal law. Violating these rules can lead to penalties of up to \$500 per transaction, so full transparency is essential for compliance.

Further reading: [Federal Regulation](#)
[New York State Department of State Consumer Protection Credit Card Surcharge Sign Guidance](#)

North Carolina surcharge law

✓ Are surcharges legal? **Yes**

Credit card surcharges are legal in North Carolina in 2025, but merchants must play by the rules. The fee can't be more than 4% of the transaction—or the actual processing cost—whichever is less. Visa has an even stricter cap at 3%. Debit and prepaid card surcharges are off-limits under federal law. Businesses must clearly tell customers about the fee before payment and show it as a separate line on receipts. Advance notice to card networks is also required. While new legislation is being considered, no additional restrictions are law yet, so merchants should stay alert for future regulatory changes.

Further reading: [Federal Regulation](#) [NC H13](#)

North Dakota surcharge law

✓ Are surcharges legal? **Yes**

As of February 2025, North Dakota allows credit card surcharges—as long as merchants stick to the rules. The fee can't be more than the actual processing cost or 4% of the sale (Visa limits it to 3%). Surcharges on debit and prepaid cards are not allowed under federal law. Merchants must clearly disclose the fee before payment and itemize it as a separate line on invoices and receipts. There's no room for profit—just cost recovery. Following card network rules and keeping your billing practices transparent will help you stay compliant and avoid customer disputes or regulatory issues.

Further reading: [Federal Regulation](#)

Ohio surcharge law

✓ Are surcharges legal? **Yes**

Ohio businesses can add credit card surcharges in 2025, but only within strict limits. The fee must match the actual cost of processing and can't exceed 4%—or 3% for Visa. Surcharges on debit and prepaid cards are banned under federal law. While Ohio doesn't require written notice for private merchants, card networks do—so customers must be clearly informed before payment, and the surcharge must appear as a separate line on receipts. Merchants also need to notify the networks 30 days in advance. For state-related payments, specific disclosure rules apply, and convenience fees are allowed if applied equally to all payment types.

Further reading: [Federal Regulation](#)

Oklahoma surcharge law

✓ Are surcharges legal? **Yes**

Big change in Oklahoma: Starting November 1, 2025, merchants can legally add credit card surcharges. The fee must reflect the actual processing cost and can't exceed 4% of the sale—or 3% for Visa. Surcharging debit cards is still off-limits under federal law. Businesses must clearly disclose the fee before payment and list it as a separate line on receipts. Cash discounts remain legal and can be offered instead. To stay compliant, merchants need to follow both state rules and card network requirements for signage, disclosure, and caps. This new flexibility makes it easier to recover payment processing costs—transparently.

Further reading: [Federal Regulation](#) [SB677](#)

Oregon surcharge law

✓ Are surcharges legal? **Yes**

As of February 2025, Oregon businesses can legally add credit card surcharges—but only to recover actual processing costs. The fee must match the true cost paid by the merchant and can't exceed 4%, or 3% for Visa. Surcharges on debit or prepaid cards are still prohibited under federal law. Merchants must clearly inform customers before payment and show the fee as a separate line on receipts. Card networks must be notified 30 days in advance. A pending bill (SB 425) could bring new transparency rules, so merchants should keep an eye on future changes and stay compliant with all regulations.

Further reading: [Federal Regulation](#) [SB425](#)

Pennsylvania surcharge law

✓ Are surcharges legal? **Yes**

As of May 2025, Pennsylvania businesses can legally add surcharges to credit card payments—but only if they follow strict rules. The fee must match the actual processing cost and can't exceed 4% of the sale (or 3% for Visa). Surcharges on debit and prepaid cards are still off-limits. Merchants must clearly disclose the surcharge before checkout and show it as a separate line on receipts. Card networks must be notified 30 days in advance. Using a flat fee? Make sure it never exceeds your true cost. Staying transparent and compliant helps avoid legal trouble under Pennsylvania's consumer protection laws.

Further reading: [Federal Regulation](#)

Puerto Rico surcharge law

✗ Are surcharges legal? **No**

In Puerto Rico, credit card surcharges are completely banned in 2025—no exceptions. Merchants cannot charge extra fees for credit card payments, no matter how the fee is labeled. Unlike many states, Puerto Rico also prohibits cash discounts, following a repeal in 2013. That means you can't offer a lower price for cash, either. These rules are actively enforced, and violating them can lead to legal and financial penalties. Federal laws don't override this local regulation, so businesses operating in Puerto Rico must avoid surcharges and price differences based on payment method to stay compliant and avoid costly fines.

Further reading: [10 L of PR § 11](#)

Rhode Island surcharge law

✓ Are surcharges legal? **Yes**

Rhode Island allows credit card surcharges in 2025, but the rules are strict. The fee can't be more than 4% of the transaction or your actual processing cost—Visa limits it to 3%. Debit and prepaid card surcharges are not allowed. Merchants must display clear signage and use dual pricing, showing customers both the credit card total and the lower amount for cash or other payment methods. Surcharge info must be visible online, on receipts, and at the store entrance. Any fee must reflect actual costs—not profit. Failing to comply can lead to fines, so transparency and accuracy are essential.

Further reading: [Federal Regulation](#)

South Carolina surcharge law

✓ Are surcharges legal? **Yes**

As of January 2025, South Carolina businesses can legally add surcharges to credit card payments—but only within strict limits. The fee must not exceed the actual cost of processing or 4% of the sale, whichever is lower—Visa enforces a stricter 3% cap. Surcharges are banned on debit and prepaid cards under federal law. Merchants must clearly disclose the fee before payment and show it as a separate line on receipts. Including the policy in contracts or invoices is a smart move to avoid disputes. Surcharges can only cover processing costs—not generate profit—so transparency and accuracy are key.

Further reading: [Federal Regulation](#)

South Dakota surcharge law

✓ Are surcharges legal? **Yes**

In 2025, South Dakota allows credit card surcharges—but only if merchants follow strict rules. The fee must match the actual processing cost and can't exceed 4% of the sale (or 3% for Visa). Surcharges on debit and prepaid cards are not allowed under federal law. Merchants must notify customers before charging the fee, post signage at the entrance and checkout, and itemize the surcharge on receipts and invoices. Online sellers must also show it on their homepage. Card networks require 30 days' notice before starting. Overcharging or skipping disclosures can lead to fines or losing the right to surcharge.

Further reading: [Federal Regulation](#)

Tennessee surcharge law

✓ Are surcharges legal? **Yes**

Tennessee allows credit card surcharges in 2025, but only under clear rules. The fee can't be more than the actual processing cost—or 4% of the transaction (Visa caps it at 3%). Surcharges on debit and prepaid cards are banned under federal law. Merchants must disclose the fee before payment and show it as a separate line on receipts. If offering cash discounts, both the cash and card prices must be displayed. Card networks must be notified 30 days before adding a surcharge. Tennessee law also requires all retail businesses to accept cash, so pricing must stay fully transparent.

Further reading: [Federal Regulation](#)

Texas surcharge law

✓ Are surcharges legal? **Yes**

In Texas, credit card surcharging sits in a legal gray area. While state law still says it's banned, a federal court ruling has blocked enforcement—so merchants can legally add surcharges as long as they follow federal and card network rules. The fee must reflect actual processing costs and stay within the 4% federal cap (3% for Visa). Debit and prepaid card surcharges are still prohibited. Merchants must notify card networks 30 days in advance, disclose fees clearly before payment, and show them as a separate line on receipts. Cash discounts and convenience fees are allowed if applied consistently across payment methods.

Further reading: [Federal Regulation](#)

Utah surcharge law

✓ Are surcharges legal? **Yes**

Utah businesses can legally add credit card surcharges in 2025—but transparency is a must. The fee can't exceed the actual processing cost or 4% of the total, and most merchants stick to 3% to meet Visa's limit. Surcharges on debit and prepaid cards remain prohibited. Customers must be clearly informed of the surcharge before they pay—just listing it on the receipt isn't enough. The fee must also be itemized as a separate line. Misleading or hiding fees can lead to penalties, so honesty and full disclosure are key. Merchants also need to notify card networks 30 days in advance.

Further reading: [Federal Regulation](#) [Utah Commerce Division of Consumer Protection](#)

Vermont surcharge law

✓ Are surcharges legal? **Yes**

As of February 2025, Vermont businesses can legally add credit card surcharges—but they must follow the rules closely. The fee can't be more than the actual cost of processing or 4% of the sale—Visa limits it to 3%. Surcharges on debit and prepaid cards are still banned under federal law. Merchants must clearly inform customers before payment, display the fee on receipts, and notify card networks 30 days in advance. Transparency is key, so communicating surcharge policies in contracts and online is a smart move. The surcharge should only cover costs—never be used to make a profit.

Further reading: [Federal Regulation](#)

Virginia surcharge law

✓ Are surcharges legal? **Yes**

Virginia allows credit card surcharging in 2025, but strict new rules kick in on July 1. Merchants must disclose all mandatory fees—including surcharges—upfront, not just at checkout or on receipts. The fee can't exceed the actual processing cost or 4% of the sale (Visa caps it at 3%), and surcharges on debit and prepaid cards remain banned. The surcharge must be labeled clearly and listed as a separate line on the receipt. Merchants also need to notify card networks in advance. A new bill may ban surcharges in the future, so businesses should stay alert and fully compliant.

Further reading: [Federal Regulation](#) [Senate Bill 1212](#)

Washington surcharge law

✓ Are surcharges legal? **Yes**

In Washington, credit card surcharges are legal in 2025, but strict rules apply. Merchants can only charge up to their actual processing cost or 4% of the sale—whichever is lower. Visa's limit is even stricter at 3%. Surcharges on debit and prepaid cards are not allowed. Customers must be told about the surcharge before payment, and the fee must appear as a separate line on the receipt. Businesses must notify card networks 30 days before starting a surcharge program. Surcharges cannot be used to make a profit, and policies must be clear, transparent, and accurately reflect true costs.

Further reading: [Federal Regulation](#)

West Virginia surcharge law

✓ Are surcharges legal? **Yes**

Businesses in West Virginia are allowed to charge extra fees (surcharges) when customers pay with credit cards. However, they must follow strict rules. The surcharge must not be more than the cost to process the payment or 4% of the purchase—whichever is lower. For Visa cards, the limit is 3%.

Surcharges are not allowed on debit or prepaid cards, even if they're run as credit. Before charging the fee, businesses must tell customers and show the fee clearly on the receipt. They also need to inform card companies 30 days ahead of time. Making a profit from surcharges is not allowed.

Further reading: [Federal Regulation](#)

Wisconsin surcharge law

✓ Are surcharges legal? **Yes**

As of February 2025, credit card surcharging is legal in Wisconsin, allowing merchants—including managed service providers (MSPs)—to pass processing fees to customers as long as they comply with federal and card network rules. The surcharge must not exceed the merchant’s actual processing cost or 4% of the transaction amount, whichever is lower, with Visa capping surcharges at 3%. Surcharges are prohibited on debit and prepaid card transactions, even if processed as “credit.” Merchants must clearly disclose surcharge details in writing before payment—both in-person and online—and itemize the fee as a separate line on invoices and receipts, which must also state that the surcharge does not apply to debit cards and does not exceed processing costs. They are required to notify card networks and their processor at least 30 days before initiating a surcharge program and must apply the same rate across all credit card brands. Wisconsin businesses may not combine surcharging with cash discounting and must allow customers to dispute surcharge errors to ensure compliance with transparency and consumer protection standards.

Further reading: [Federal Regulation](#)

Wyoming surcharge law

✓ Are surcharges legal? **Yes**

As of 2025, Wyoming permits credit card surcharging without any state-specific restrictions, allowing merchants—including managed service providers (MSPs)—to impose surcharges as long as they comply with federal regulations and card network rules. The surcharge must not exceed the merchant’s actual processing cost or 4% of the transaction amount, whichever is lower, with Visa limiting the surcharge to 3%. Surcharging is strictly prohibited on debit and prepaid card transactions, even if processed as “credit,” per federal law. Merchants must clearly disclose surcharge information to customers before payment and list the surcharge as a separate line item on invoices and receipts. While Wyoming does not mandate advance notification, card networks require merchants to notify them and their payment processor before implementing a surcharge program. Transparency, accurate cost calculations, and adherence to card brand caps are essential to ensure compliance and maintain customer trust.

Further reading: [Federal Regulation](#)

Surcharging Across the U.S. States

As of 2025, credit card surcharging is legal in the vast majority of U.S. states, with each state either following federal law and card network rules or adding specific local requirements. Most states allow surcharges up to 4% or the merchant's actual cost of processing—whichever is lower—with Visa capping surcharges at 3%. However, surcharges on debit and prepaid cards remain prohibited nationwide under the federal Durbin Amendment, even if those cards are processed as “credit.”

- Ensure surcharges are never applied to debit or prepaid cards
- Keep surcharge amounts within allowable caps
- Disclose fees clearly before transactions
- List them separately on receipts
- Notify card networks (Visa, Mastercard, etc.) at least 30 days before implementing a surcharge program

For the most accurate and up-to-date information, consult:

- **Visa and Mastercard surcharge compliance guides**
- **Federal laws (like the Durbin Amendment)**
- **State consumer protection agencies or legislative websites**
- **Professional legal counsel or your payment processor**

The surcharge landscape continues to evolve with new legislation and enforcement trends, so regular compliance reviews are critical to avoid penalties and maintain transparent billing practices.



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