

Credit Card Processing Services

Our Professional Service Will Increase your Bottom Line

What's Your Rate?

Short Answer -- Interchange + 25 Basis Points + 5 Cents

When I started in the merchant account business over 20 years ago and a prospective merchant asked “What’s your rate?” it was easy to simply quote 1.69 % + 20 cents, take out my pen, and start writing up the paperwork. Wow has that changed. Over the past two decades MasterCard and Visa, in their infinite wisdom, has developed a daunting list of interchange rules based upon your type of business, what type of card is presented by the consumer, the amount of the sale, what type of data you enter into your terminal or software, and if you swipe or manually key in the sale. In the 1980’s I could count on one hand the number of different interchange categories while today the list is over 100 pages long. Up until recently interchange was a trade secret guarded like the recipe for Coke but now it is publicly posted on [Visa](#) and [MasterCard’s](#) corporate websites.

It is important to know that every merchant account provider is bound by the exact same interchange schedule. It is the markup from this schedule that determines what you will ultimately pay. There is no such thing as wholesale rates, not even for the largest retailers. So when today a sales rep quotes you a tiered rate such as 1.69 % you really have to ask for the rest of the picture as very few of your transactions will qualify for that rate. As you can see from the chart below interchange cost for almost every category is higher including all rewards cards, business type cards and keyed cards. Therefore only swiped debit/check cards and small ticket (under \$25) sales in a limited number of business types have an actual cost lower than 1.69 %. In this example one could expect that most sales would be downgraded to a mid-qualified or non-qualified rate which usually adds 1 to 2 % to the qualified rate.

OK, so why do we have rates on our site similar to the 1.69 % example. The reason is because it has been so embedded in merchant’s minds over the years to just say “What’s your rate?” that it would be foolish for us to not at least offer this popular option. However, the educated merchant (which we want you to be), including most every large merchant knows that the least expensive option is Interchange Plus pricing. That is why Credit Card Processing Services offers all of our merchants either tiered pricing or the following low cost interchange plus pricing schedule.

CATEGORY	INTERCHANGE	ADD 25 BP + 5 Cents	YOUR RATE
Visa Check Cards			
Retail Debit	1.13 % + \$0.15	Add 25 BP + 5 Cents	1.38 % + \$0.20
Small Ticket (\$15 and Under)	1.65 % + \$0.04	Add 25 BP + 5 Cents	1.90 % + \$0.09
Keyed Debit	1.70 % + \$0.15	Add 25 BP + 5 Cents	1.95 % + \$0.20
Restaurant Debit	1.29 % + \$0.10	Add 25 BP + 5 Cents	1.54 % + \$0.15
Visa Credit Cards			
Retail Rewards 1	1.75 % + \$0.10	Add 25 BP + 5 Cents	2.00 % + \$0.15
Retail - All Other	1.64 % + \$0.10	Add 25 BP + 5 Cents	1.94 % + \$0.20
Retail Small Ticket (\$15 & Under)	1.75 % + \$0.04	Add 25 BP + 5 Cents	2.00 % + \$0.09
Retail Keyed - Rewards & Signature	2.05 % + \$0.10	Add 25 BP + 5 Cents	2.30 % + \$0.15
Retail Key Entry - All Other	1.95 % + \$0.10	Add 25 BP + 5 Cents	2.15 % + \$0.15
Visa Commercial Cards			
Commercial Business to Business	2.20 % + \$0.10	Add 25 BP + 5 Cents	2.45 % + \$0.15
Commercial Cards Swiped	2.30 % + \$0.10	Add 25 BP + 5 Cents	2.55 % + \$0.15
Business Cards Keyed	2.35 % + \$0.10	Add 25 BP + 5 Cents	2.60 % + \$0.15
Corporate Cards Keyed	2.30 % + \$0.10	Add 25 BP + 5 Cents	2.55 % + \$0.15
Purchase Cards Keyed	2.65 % + \$0.10	Add 25 BP + 5 Cents	2.90 % + \$0.15
MasterCard Offline Debit Cards			
Merit 3 - Swiped	1.15 % + \$0.15	Add 25 BP + 5 Cents	1.40 % + \$0.20
Merit 1 - Keyed	1.74 % + \$0.16	Add 25 BP + 5 Cents	1.99 % + \$0.21
Standard - Keyed without AVS	2.00 % + \$0.25	Add 25 BP + 5 Cents	2.25 % + \$0.30
MasterCard Credit Cards			
Merit 3 - Swiped - Core Value	1.68 % + \$0.10	Add 25 BP + 5 Cents	1.93 % + \$0.15
Merit 3 - Swiped - Enhanced Value	1.83 % + \$0.10	Add 25 BP + 5 Cents	2.08 % + \$0.15
Merit 1 - Keyed - Core Value	1.99 % + \$0.10	Add 25 BP + 5 Cents	2.24 % + \$0.15
Merit 1 - Keyed - Enhanced Value	2.14 % + \$0.10	Add 25 BP + 5 Cents	2.39 % + \$0.15
Standard - Keyed without AVS	3.05 % + \$0.10	Add 25 BP + 5 Cents	3.30 % + \$0.15
MasterCard World & Elite Cards			
Merit 3 - Swiped - World Rate	1.83 % + \$0.10	Add 25 BP + 5 Cents	2.08 % + \$0.15
Merit 3 - Swiped - World Elite	2.30 % + \$0.10	Add 25 BP + 5 Cents	2.55 % + \$0.15
Standard - Keyed - World Rate	3.05 % + \$0.10	Add 25 BP + 5 Cents	3.30 % + \$0.15
Standard - Keyed - World Elite	3.35 % + \$0.10	Add 25 BP + 5 Cents	3.60 % + \$0.15
MasterCard Corporate & Business			
Face-to-Face Corporate	2.25 % + \$0.10	Add 25 BP + 5 Cents	2.50 % + \$0.15
Face-to-Face Business	2.30 % + \$0.10	Add 25 BP + 5 Cents	2.55 % + \$0.15
Face-to-Face Purchasing	2.50 % + \$0.10	Add 25 BP + 5 Cents	2.75 % + \$0.15
Standard - Corporate - Keyed	2.80 % + \$0.10	Add 25 BP + 5 Cents	3.05 % + \$0.15
Standard - Business - Keyed	3.05 % + \$0.10	Add 25 BP + 5 Cents	3.30 % + \$0.15
Data Rate 1 - Corporate	2.75 % + \$0.10	Add 25 BP + 5 Cents	3.00 % + \$0.15
Date Rate 1 - Business	2.90 % + \$0.10	Add 25 BP + 5 Cents	3.15 % + \$0.15
Data Rate 2 - Corporate	2.15 % + \$0.10	Add 25 BP + 5 Cents	2.40 % + \$0.15
Data Rate 2 - Business	2.20 % + \$0.10	Add 25 BP + 5 Cents	2.45 % + \$0.15

Interchange Rates already include Dues and Assessments which we have rounded off to 10 BP

Visa Dues and Assessments are .0925%

MasterCard Dues and Assessments are .0950%

Add Access Fee of \$0.0195 for Visa and \$0.0185 for MasterCard

Rates reflect June 2009 Interchange