

Credit Card Processing Services

Our Professional Service Will Increase your Bottom Line

What's Your Rate?

Short Answer -- Interchange + 30 Basis Points + 10 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 30 BP + 10 Cents	YOUR RATE
Visa Check Cards			
CPS Hotel - Debit Cards	1.36 % + \$0.15	Add 30 BP + 10 Cents	1.66 % + \$0.25
Visa Credit Cards			
CPS Hotel - Credit Cards	1.54 % + \$0.10	Add 30 BP + 10 Cents	1.84 % + \$0.20
CPS Rewards 2 T&E	1.95 % + \$0.10	Add 30 BP + 10 Cents	2.25 % + \$0.20
Signature Card Electronic	2.40 % + \$0.10	Add 30 BP + 10 Cents	2.70 % + \$0.20
Visa Commercial Cards			
Business Card Electronic	2.20 % + \$0.10	Add 30 BP + 10 Cents	2.50 % + \$0.20
Corporate Card Electronic	2.10 % + \$0.10	Add 30 BP + 10 Cents	2.40 % + \$0.20
MasterCard Offline Debit Cards			
Merit 3 - Debit Cards	1.36 % + \$0.15	Add 30 BP + 10 Cents	1.66 % + \$0.25
MasterCard Credit Cards			
Merit 3 - Credit Cards	1.58 % + \$0.10	Add 30 BP + 10 Cents	1.88 % + \$0.20
Consumer Enhanced Value (Rewards)	1.90 % + \$0.10	Add 30 BP + 10 Cents	2.20 % + \$0.20
MasterCard World & Elite Cards			
World Card T&E	2.30 % + \$0.10	Add 30 BP + 10 Cents	2.60 % + \$0.20
World Elite Card T&E	2.75 % + \$0.10	Add 30 BP + 10 Cents	3.05 % + \$0.20
MasterCard Corporate & Business			
Face-to-Face Corporate Cards	2.20 % + \$0.10	Add 30 BP + 10 Cents	2.50 % + \$0.20
Face-to-Face Business Cards	2.30 % + \$0.10	Add 30 BP + 10 Cents	2.60 % + \$0.20
World & World Elite Business T&E	2.35 % + \$0.10	Add 30 BP + 10 Cents	2.65 % + \$0.20
Diners Club Electronic	2.10 % + \$0.00	Add 30 BP + 10 Cents	2.40 % + \$0.10
Discover			
Hotel - Debit Cards	1.45 % + \$0.10	Add 30 BP + 10 Cents	1.75 % + \$0.20
Hotel - Credit Cards	1.81 % + \$0.10	Add 30 BP + 10 Cents	2.11 % + \$0.20
Hotel - Premium Cards	2.40 % + \$0.10	Add 30 BP + 10 Cents	2.70 % + \$0.20

Interchange Rates above do not include Dues and Assessments or Access Fees

Visa Dues and Assessments are .11%

Visa Access Fee is \$0.0195

MasterCard Dues and Assessments are .11%

MasterCard Access Fee is \$0.0185

Discover Dues and Assessments are .11%

Discover Access Fee is \$0.0185

Interchange Table Current as of April 2011