

Payment Processing Fees You Can Negotiate

Before signing with any payment processor, review their fees closely. This will help you decide how to approach contract negotiations, so you get the best deal possible.

Here is a complete list of negotiable fees.

Type of fee	What is it?
Discount rate (aka qualified rate, merchant discount rate, or MDR)	Fee for processing a payment made with a basic credit card (i.e. a card with no perks/rewards). It's charged as a percentage of the total transaction (e.g. 1.5%).
Non-qualified rate	Added to the discount rate (above) when non-basic credit cards (rewards, corporate, business) are used – and on transactions completed over the phone when the card is not present. Higher risk transactions = higher processing rate.
Transaction fee	A dollar amount fee on every transaction.
Annual fee	Charged once a year for the payment processor's services.
Monthly fee	Charged every month for the payment processor's services.
Batch fee	The cost of sending each "batch" of completed transactions for the day to the bank for payment.

Type of fee	What is it?
Network access fee	Charged by the credit card brand for accessing their network.
Online reporting fee	Fee for the ability to view your statement online.
PCI fee	Meeting the Payment Card Industry (PCI) Data Security Standard is mandatory. All payment processors must make sure their merchants are following the rules and can charge a fee to guarantee compliance.
Statement fee	The cost of preparing and providing your billing statement. You may try to bypass this fee by asking for online-only access.
Terminal fee	The cost of renting, leasing, or buying a terminal.
Liquidated damages fee	If you choose to terminate your contract with the payment processor before the agreed-upon date, they may charge a fee associated with the monthly profit value of your account.
Monthly minimum fee	Merchants who fail to reach their transaction total for the month or year may be charged this fee (i.e. the difference between the agreed-upon monthly minimum and the actual transactions).
Set-up fee	The cost of setting up or creating an account with a payment processor.