



**Answers to actual problems and questions from Georgia consumers.
Brought to you by the Georgia Department of Law's Consumer Protection Unit**

Dear Consumer Ed:

I see a number of gas stations that offer a lower price if you use cash instead of a credit or debit card. At one station the cash price was \$2.30 but the credit price was \$3.20, although the only place that was displayed was on the pump itself. A 90 cent price differential seems out of bounds to me. Are there any limits as to how much more a station is allowed to charge for using a credit card vs. cash? Also, are gas stations required to display the credit card price so that it is easily readable when you are driving by?

A: Retail gas stations in Georgia are allowed to charge a convenience fee for consumers paying with a credit card subject to some restrictions. This convenience fee may be charged to cover the cost of the merchant fee imposed by credit card companies for processing the electronic transaction, which can be from 1% to 3.5% of every transaction. The convenience fee must be used by retailers to pay the credit card and debit card merchant fees, and retailers are not allowed to make a profit off of the convenience fee. In addition, the retailer must provide consumers a direct payment option by cash or check that does not impose a convenience fee.

The retailer must also provide clear disclosure of the convenience fee. Although the law does not require a retail gas station to display the credit card price so that it is visible from the road, notice of any convenience fee

should be prominently displayed so that the consumer is aware of it at the point of sale.

A 90 cent convenience fee added to a \$2.30 per gallon cash price would appear to represent an amount that is in excess of the 1% to 3.5% fee permissible by law. If that is, in fact, the case, you should contact the Georgia Department of Law's Consumer Protection Unit by visiting www.consumer.ga.gov, or by calling 404-651-8600.

Got a question for Consumer Ed? Go to ConsumerEd.com to submit your question and read additional consumer tips. Remember...we do not give legal advice. Always consult a lawyer about legal issues.