

# **Credit and Debit Card Interchange Fees**

## **Assessed to Merchants in the United States**

### **August 2016 Update<sup>‡</sup>**

**Payments System Research Department<sup>§</sup>**

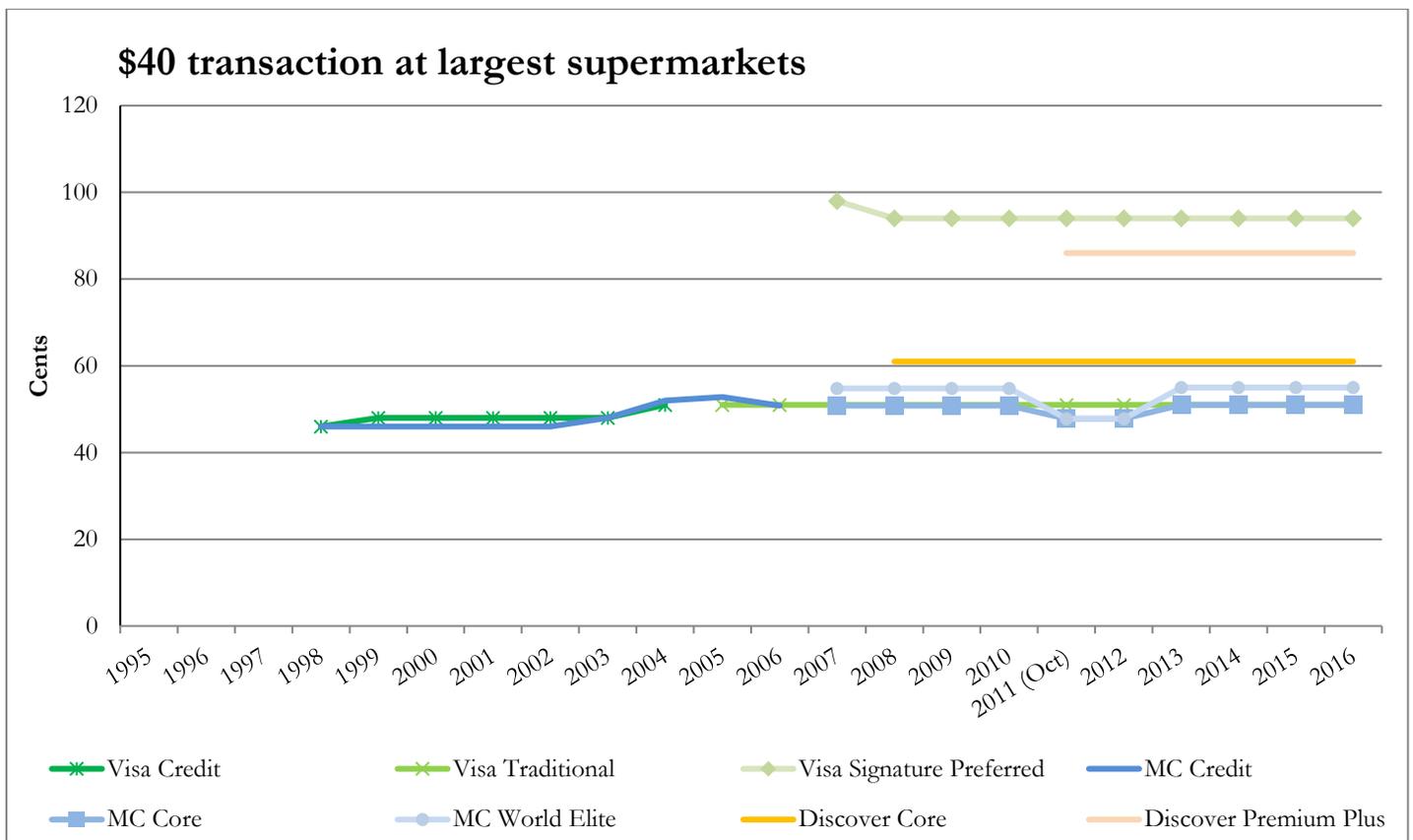
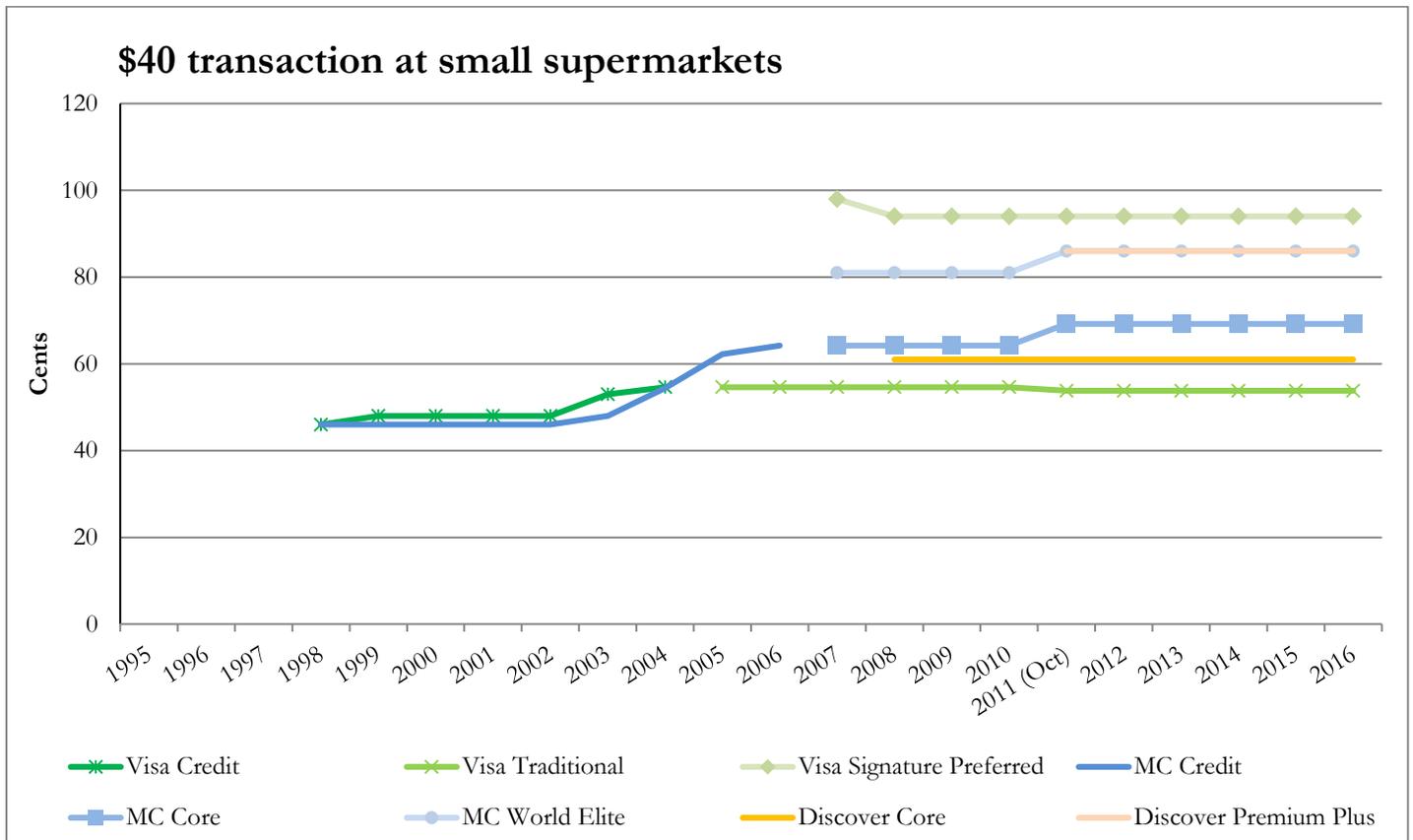
**Federal Reserve Bank of Kansas City**

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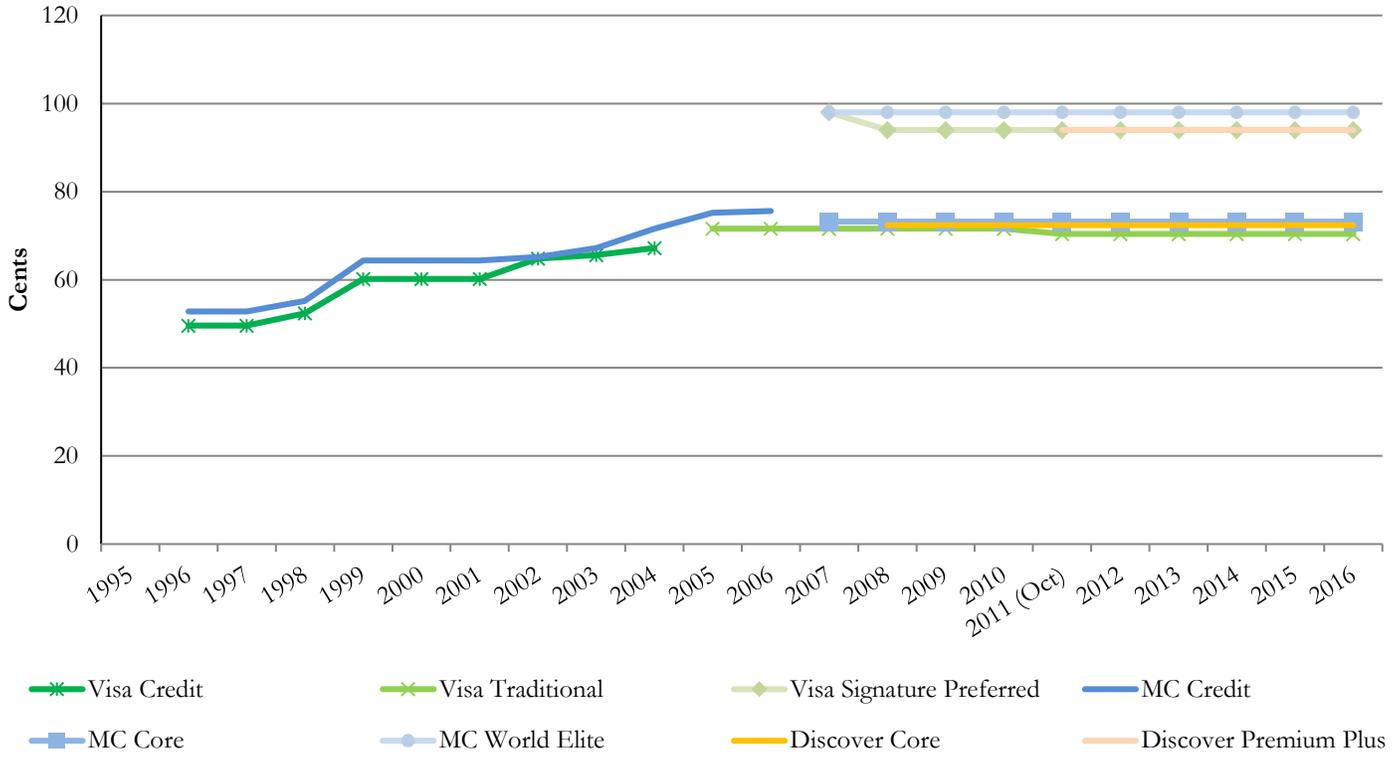
<sup>‡</sup> This update includes regular and “premium issuer” interchange fees for different merchant categories and sizes. In 2010 or after, several PIN-debit networks introduced the “premium issuer” fees, which are assessed on transactions where the cards belong to qualifying issuers that typically commit to a specific level of transaction volume on a given network. Fees shown in this document as assessed to merchants are from individual networks’ fee schedules and may not necessarily represent interchange fee revenue issuers actually earn. Some networks also offer lower interchange fees than represented in the fee schedule to some (large) merchants.

<sup>§</sup> Fumiko Hayashi, Senior Economist, and Sabrina Minhas, Research Associate, compiled this update. Data sources are: *American Banker* (various issues); *ATM & Debit News* (various issues); *Credit Card Management* (April 1999); *Debit Card Directory* (various years); *EFT Data Book* (various years); *Pacificisland.publishpath.com*; *Vantagecard.com*; *Monerisusa.com*; Wells Fargo; MasterCard Worldwide; and Visa Inc. The original charts appeared in Fumiko Hayashi, Richard J. Sullivan, and Stuart E. Weiner. 2003. *A Guide to the ATM and Debit Card Industry*, Federal Reserve Bank of Kansas City; Fumiko Hayashi, 2006. “A Puzzle of Card Payment Pricing: Why Are Merchants Still Accepting Card Payments?” *Review of Network Economic*, 5(1): 144-174; Fumiko Hayashi, Richard J. Sullivan, and Stuart E. Weiner, 2006. *A Guide to the ATM and Debit Card Industry: 2006 Update*, Federal Reserve Bank of Kansas City; and Fumiko Hayashi, 2009. “Do U.S. Consumers Really Benefit from Payment Card Rewards?” Federal Reserve Bank of Kansas City *Economic Review*, First Quarter: 37-63.

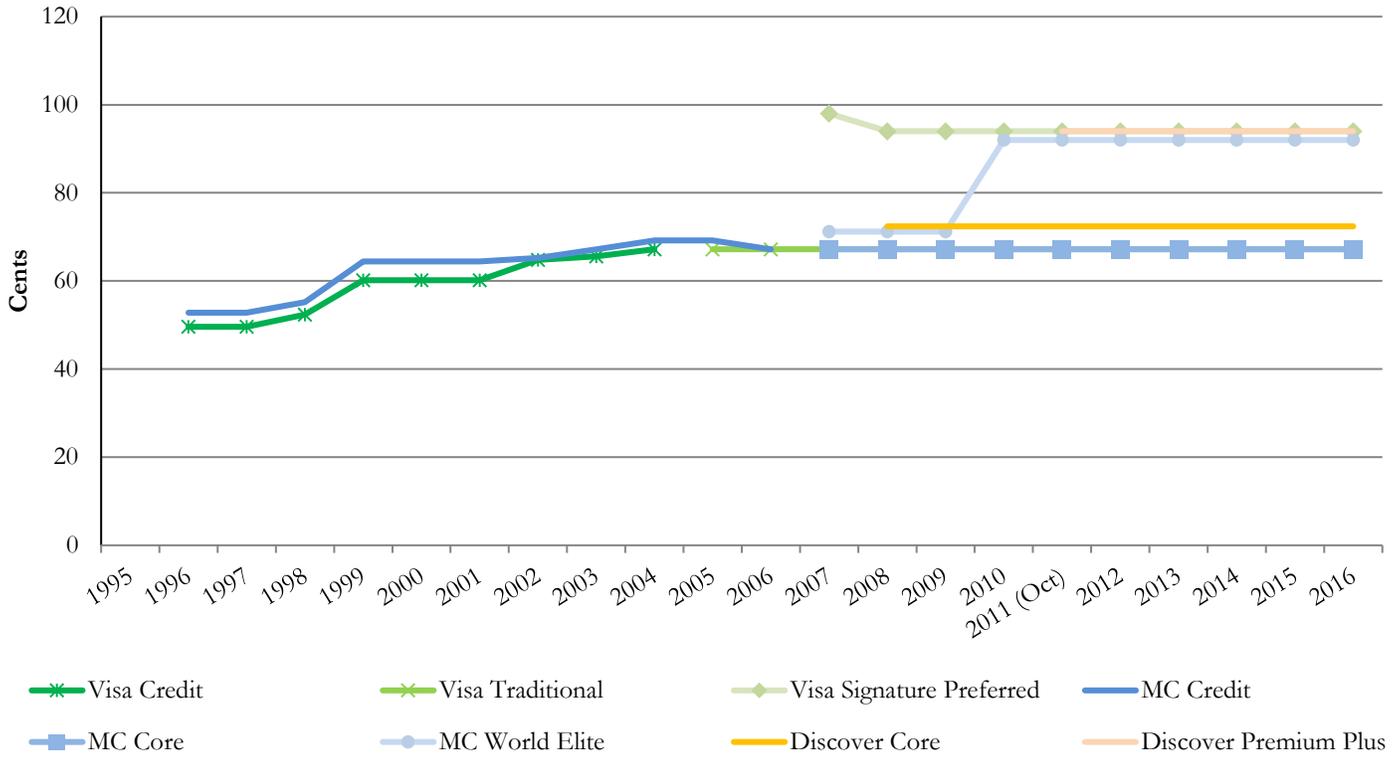
# I. Consumer credit card interchange fees



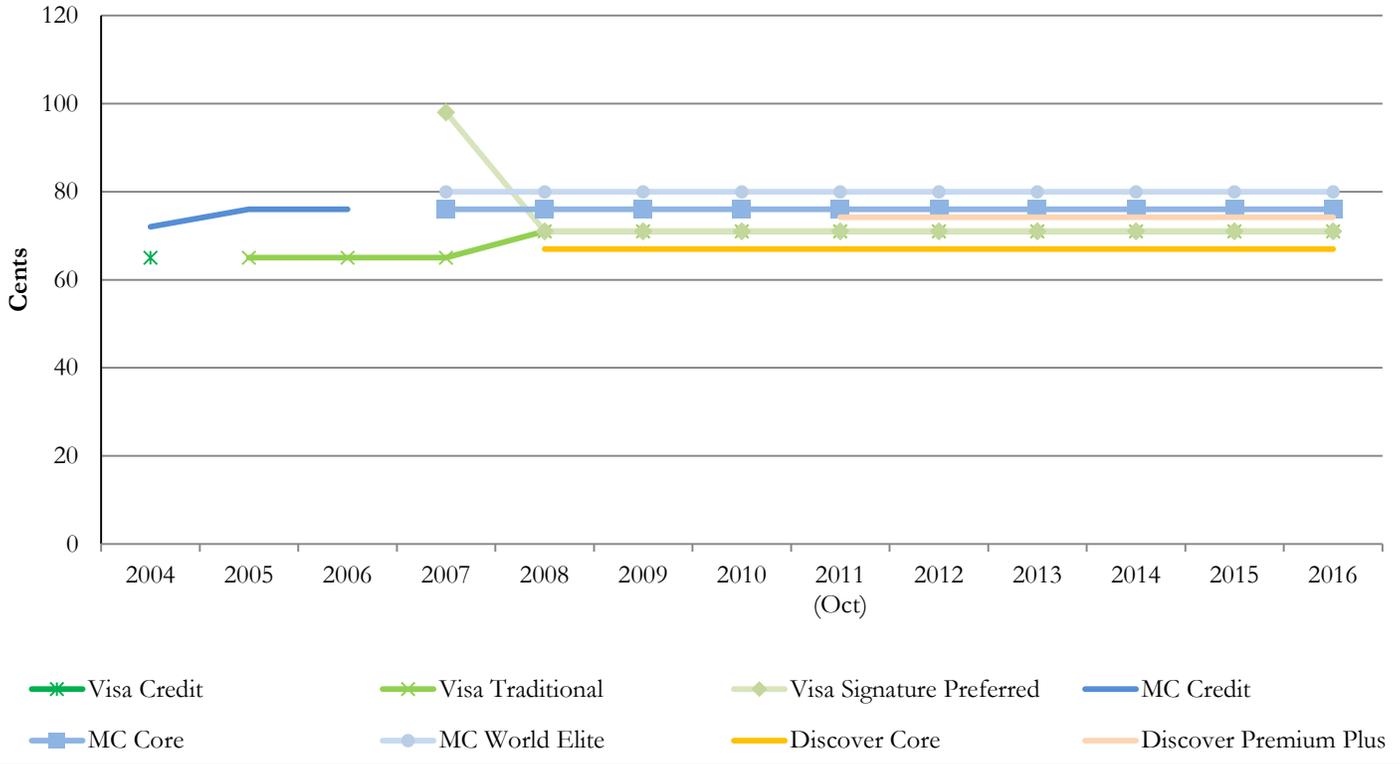
### \$40 transaction at small retailers



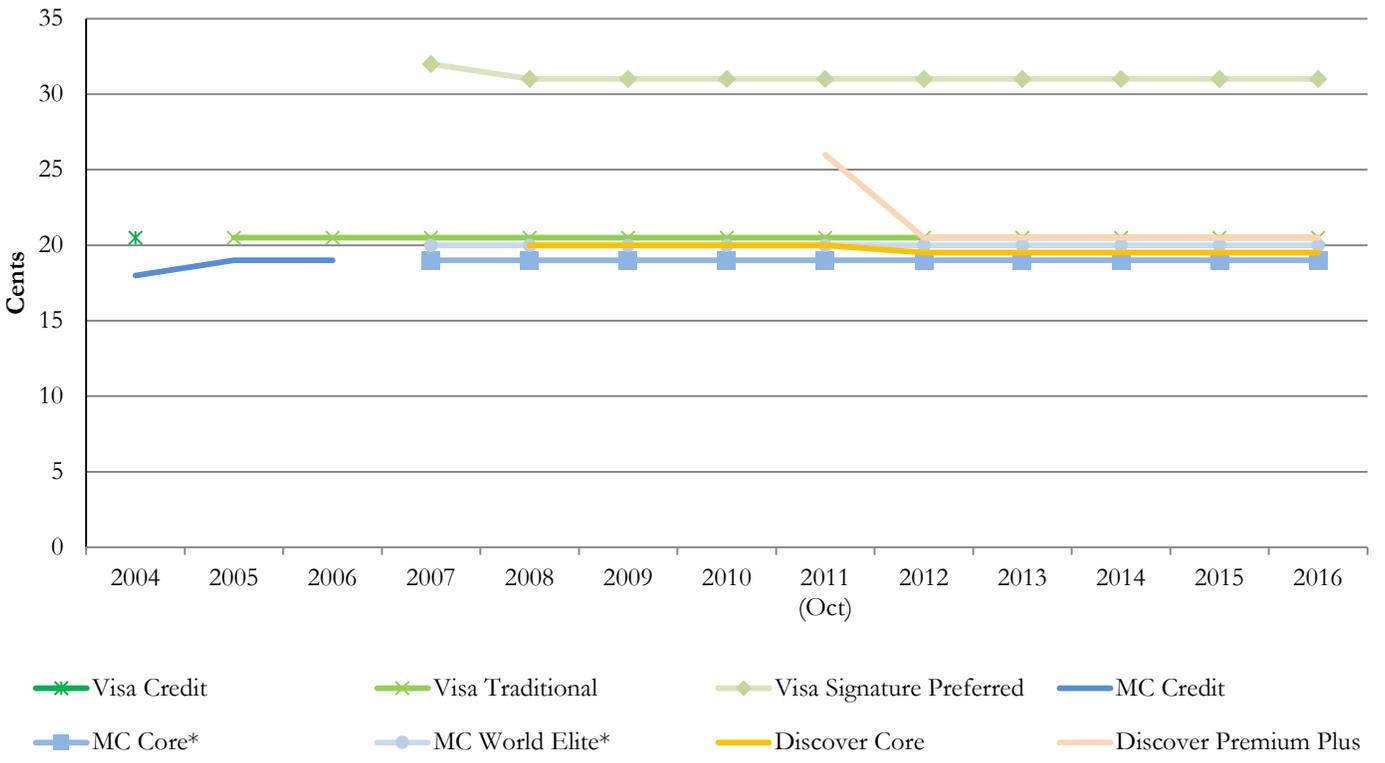
### \$40 transaction at largest retailers



### \$40 transaction at gas stations

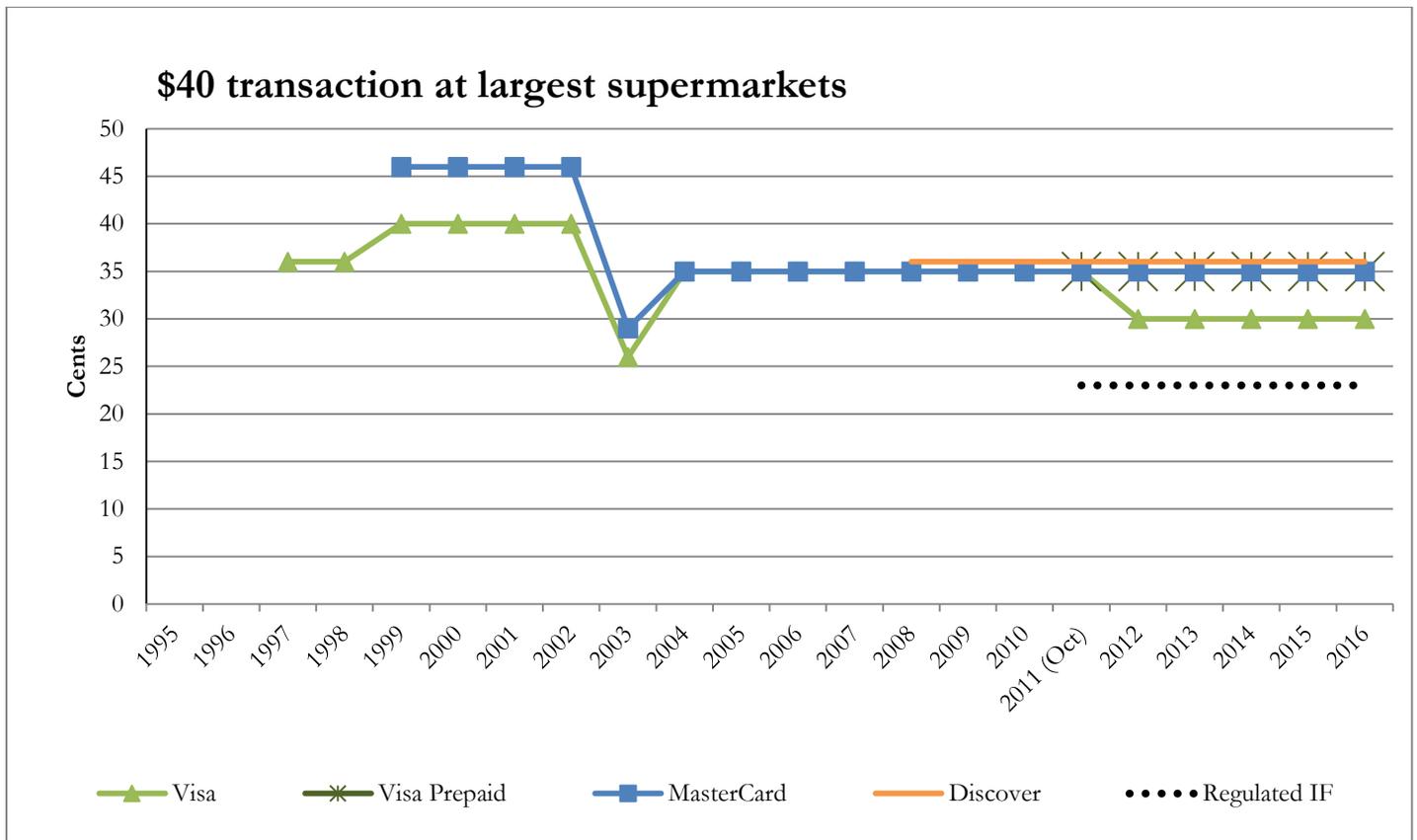
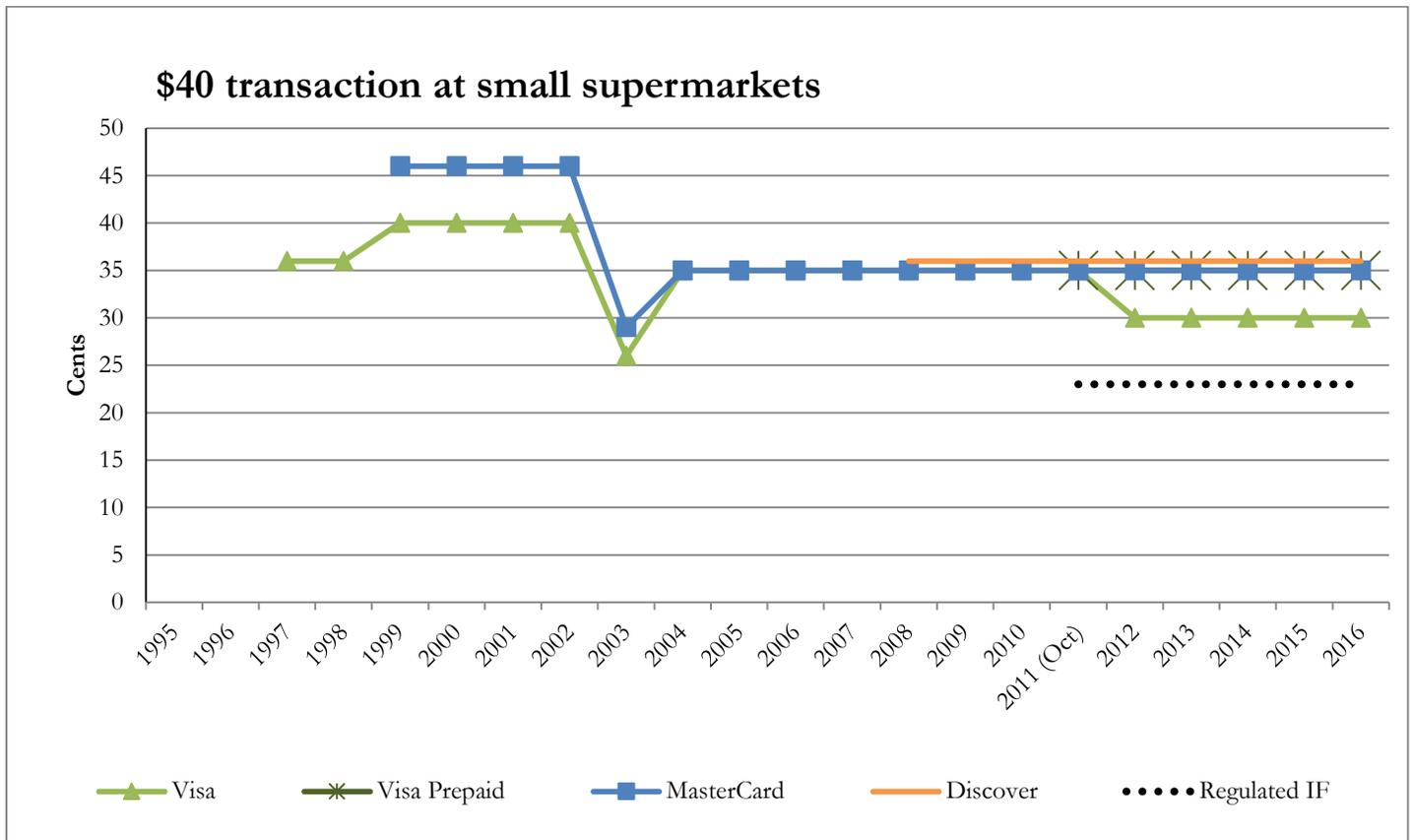


### \$10 transaction at quick-service restaurants



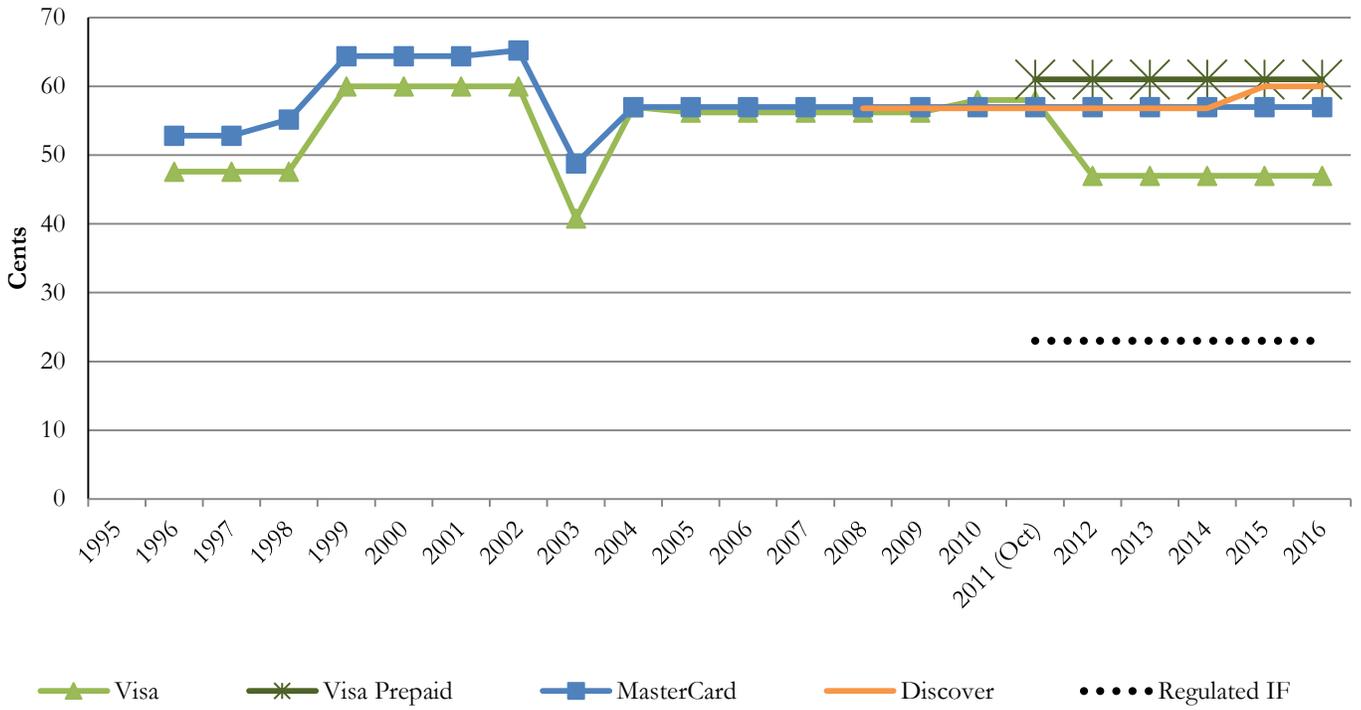
Notes: \* indicates products with volume tiered rates. The base rates are shown.

## II. Consumer signature debit card interchange fees

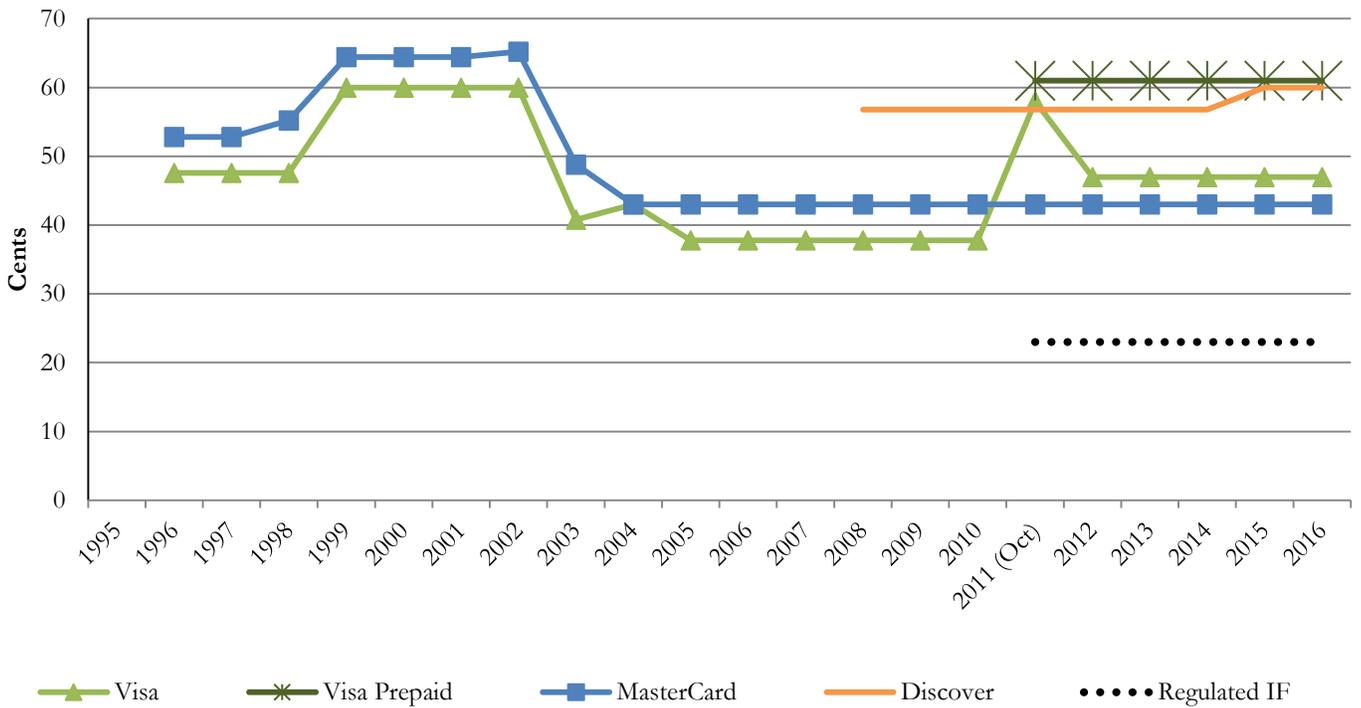


Note: Exempt interchange fees are shown from October 2011 to 2016.

### \$40 transaction at small retailers

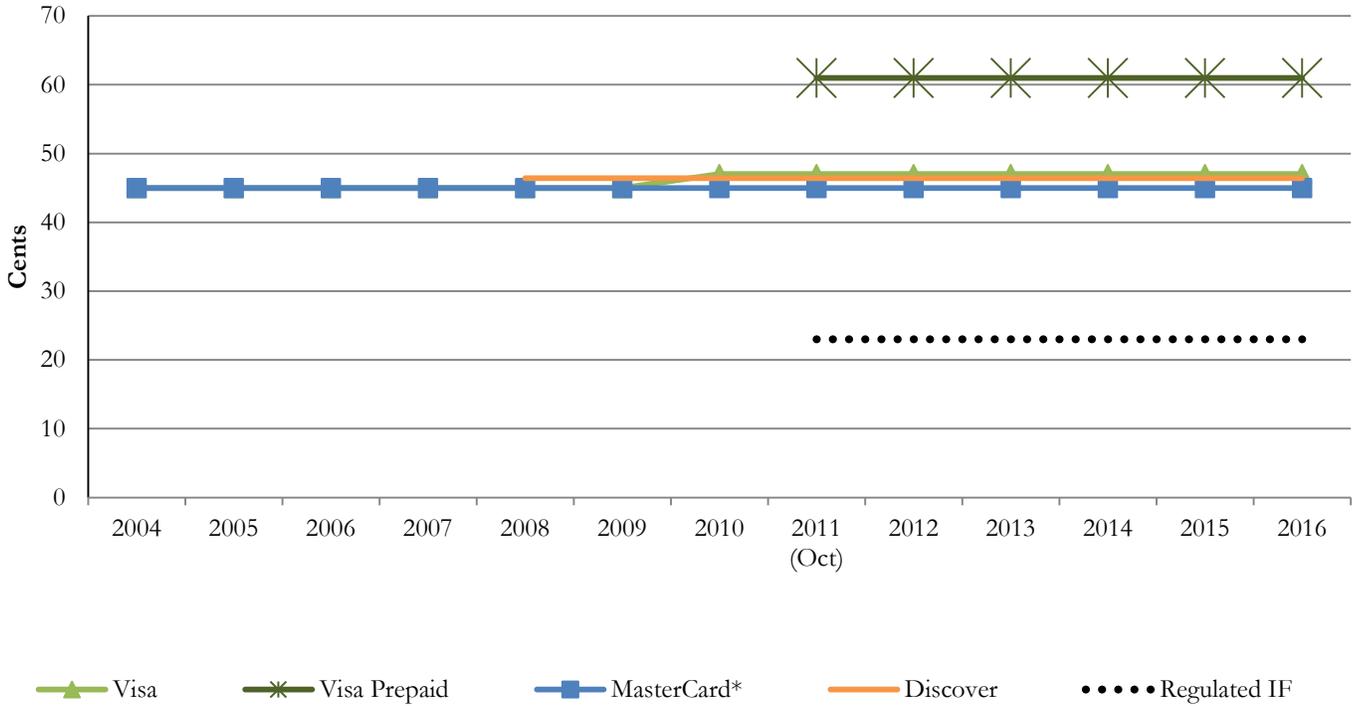


### \$40 transaction at largest retailers

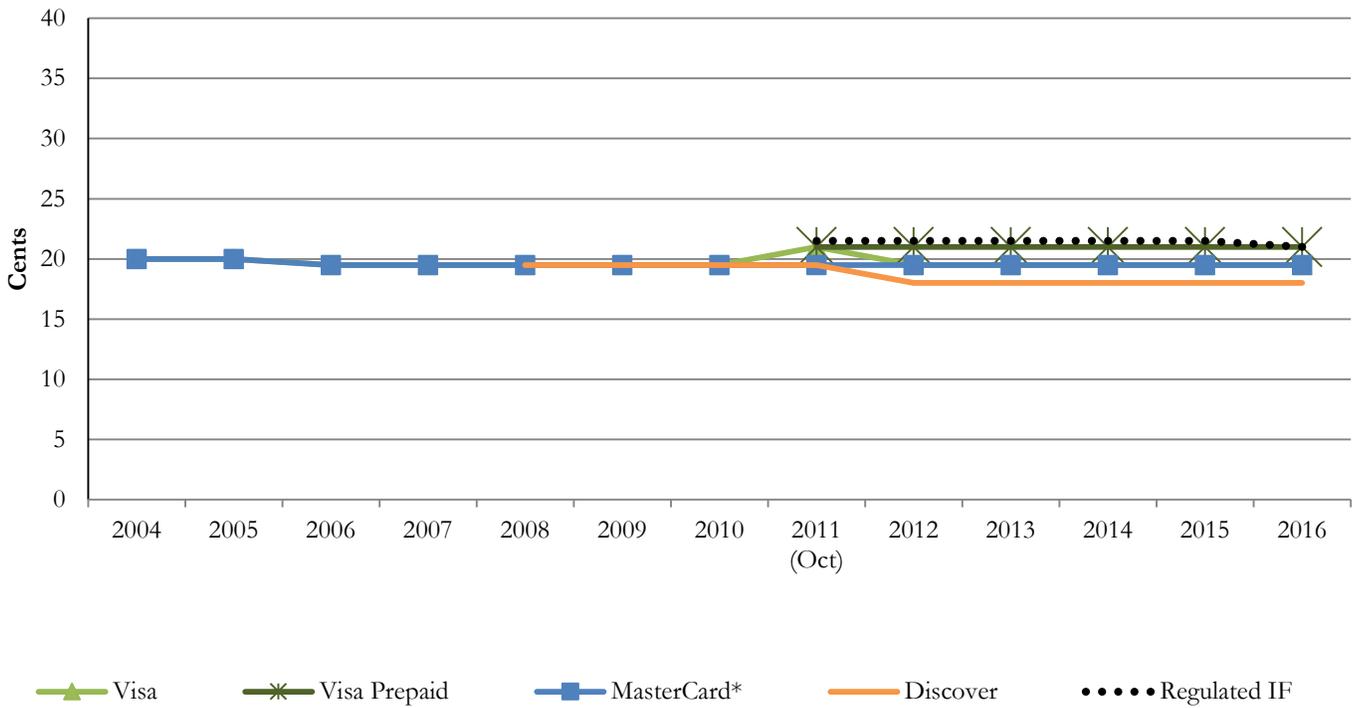


Note: Exempt interchange fees are shown from October 2011 to 2016.

### \$40 transaction at gas stations

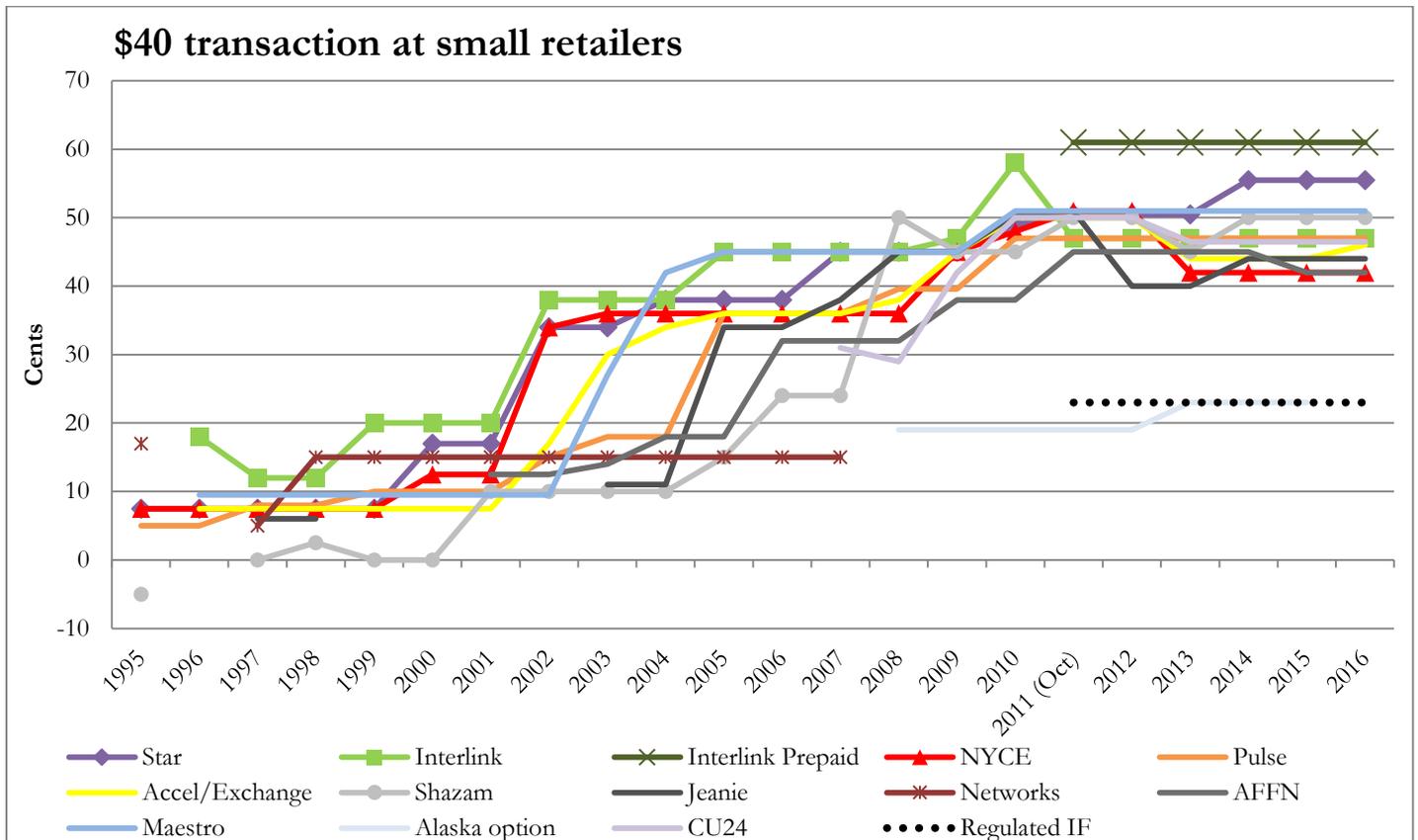
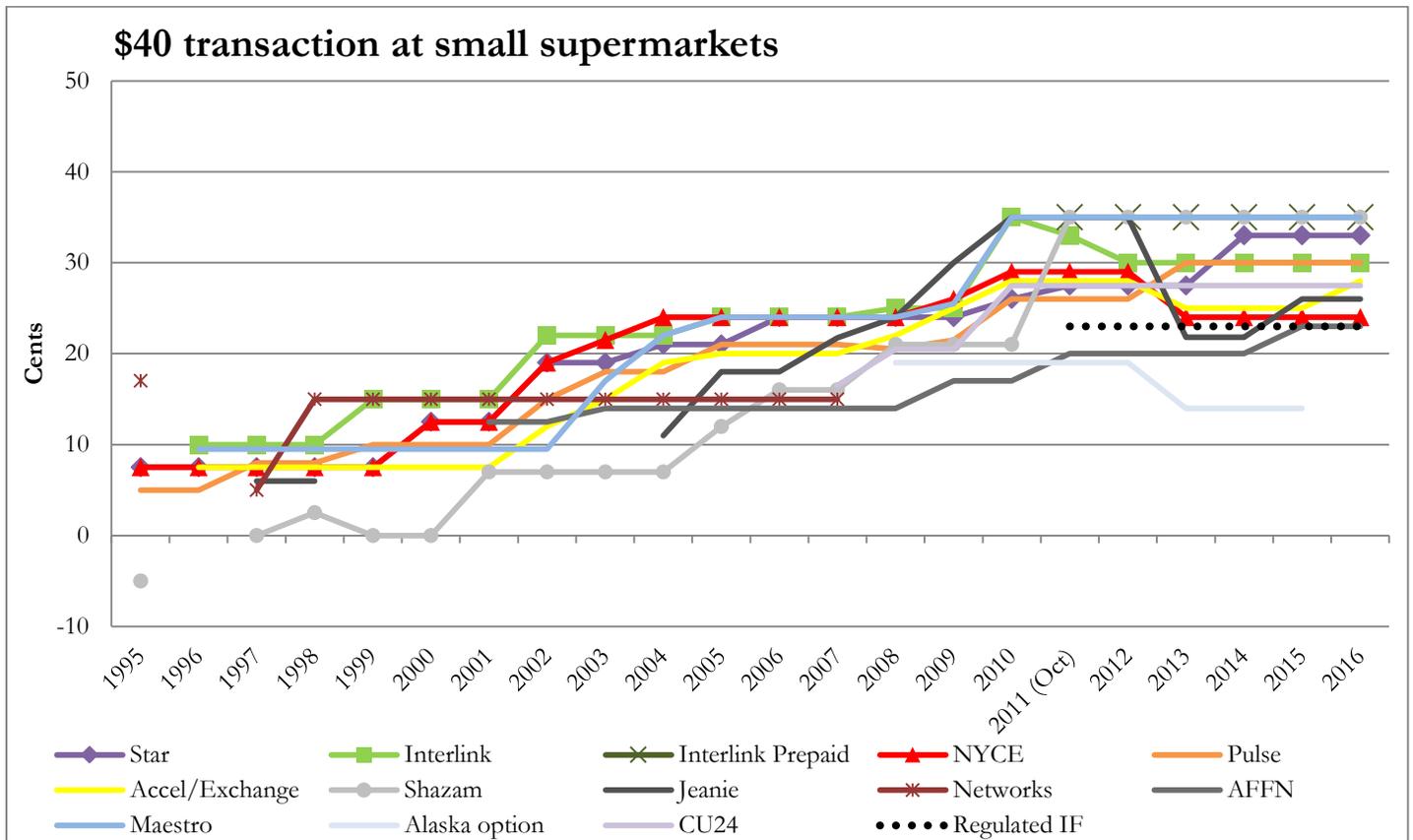


### \$10 transaction at quick-service restaurants

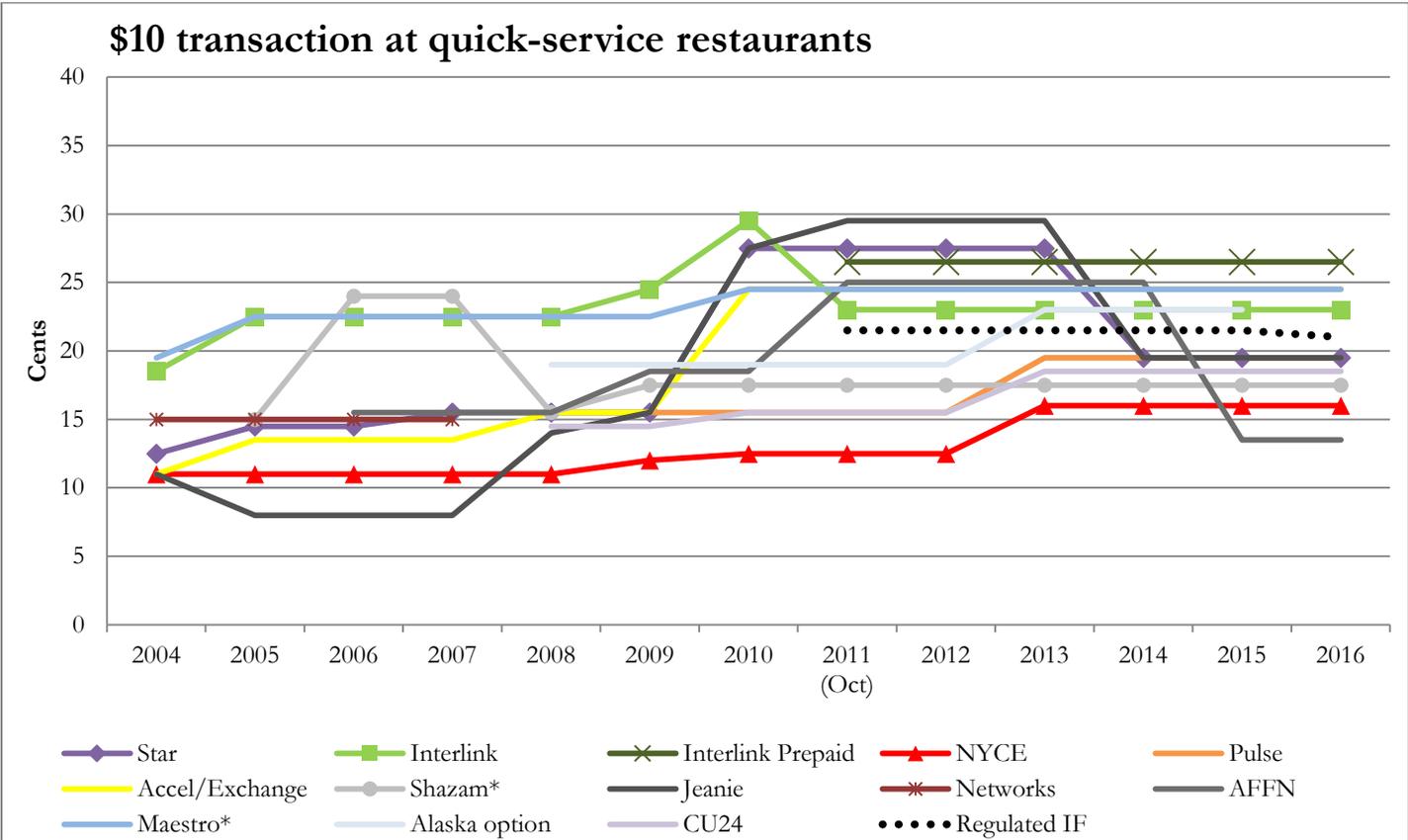
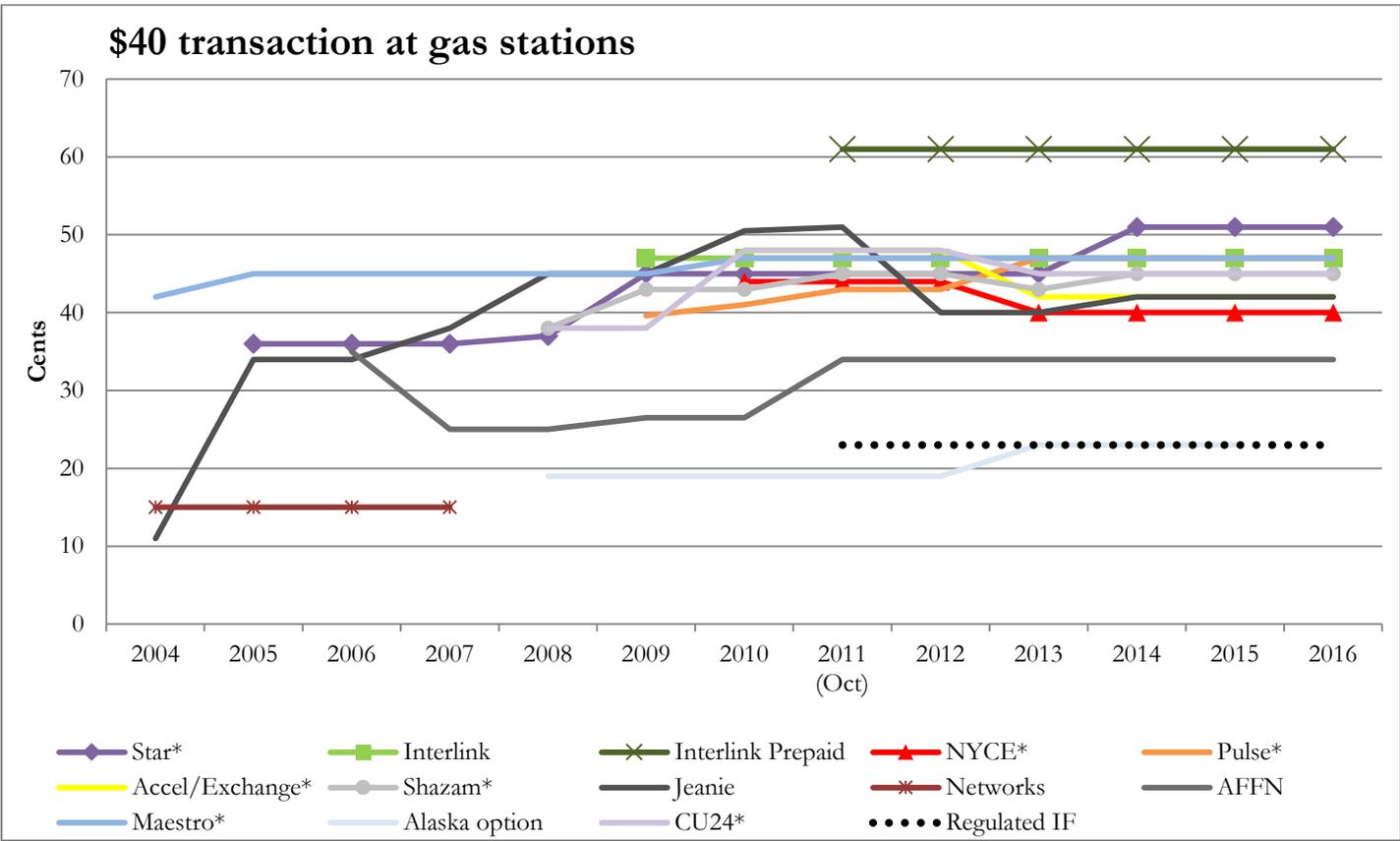


Notes: Exempt interchange fees are shown from October 2011 to 2016.  
 \* indicates networks with volume tiered rates. The base rates are shown.

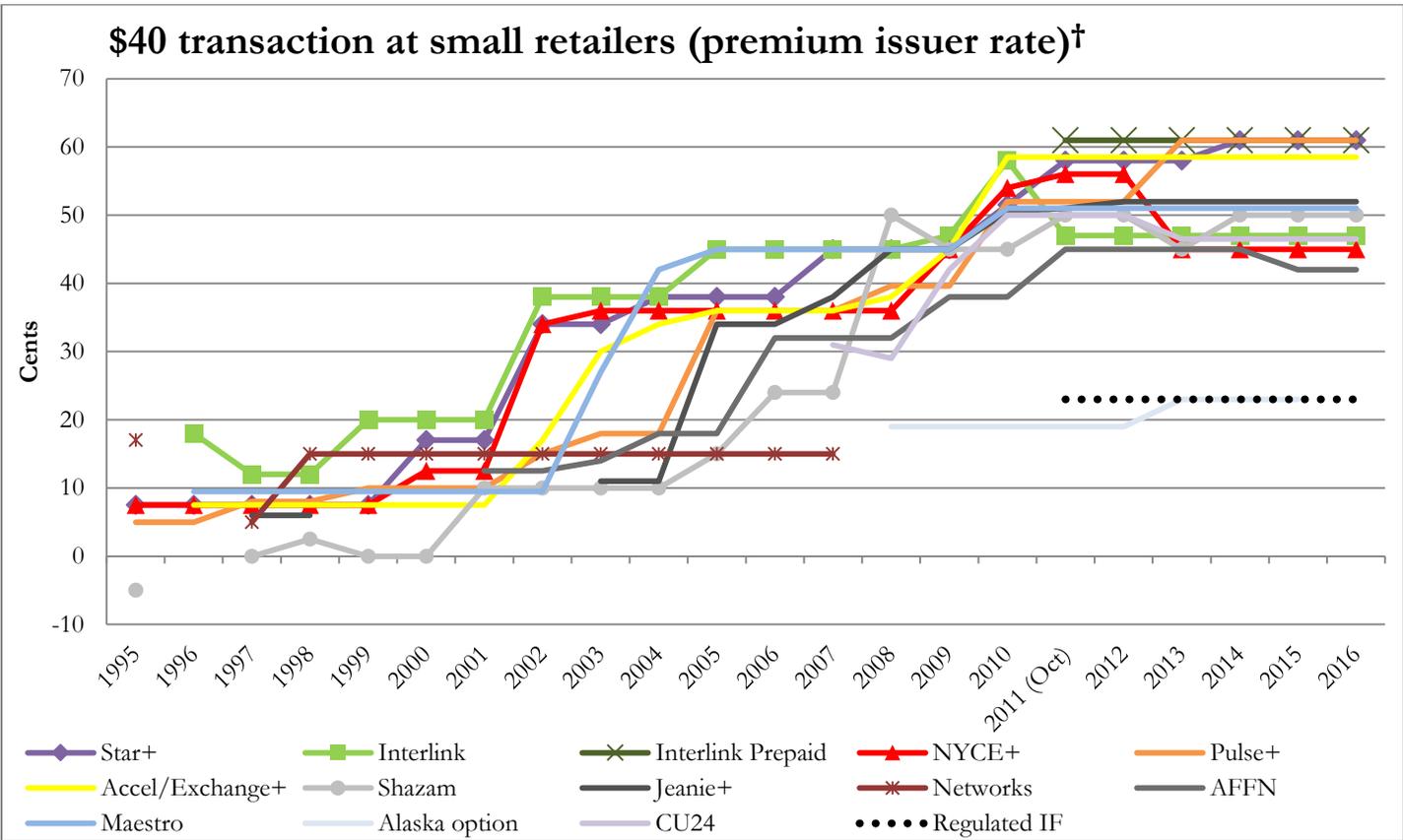
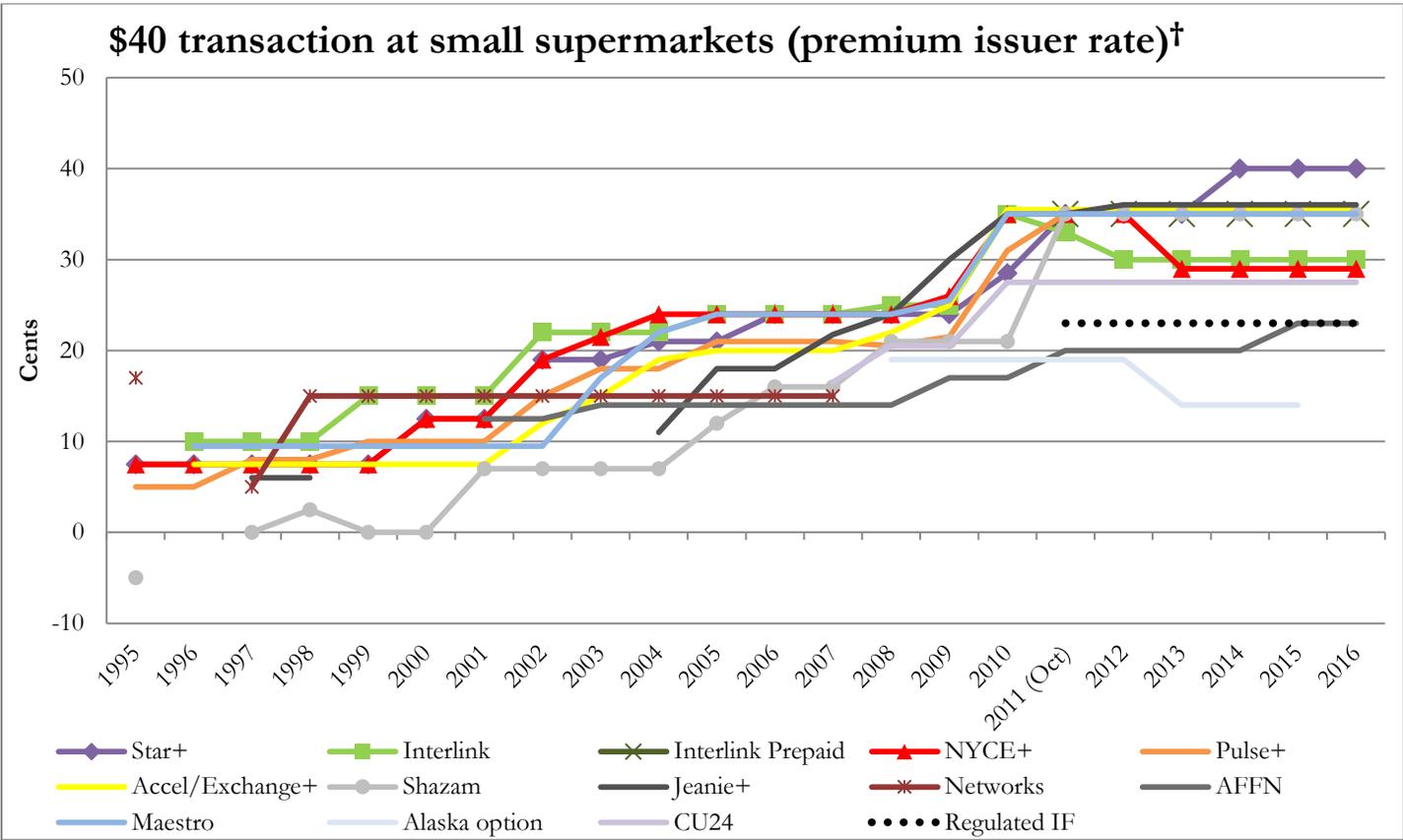
### III. Consumer PIN debit card interchange fees



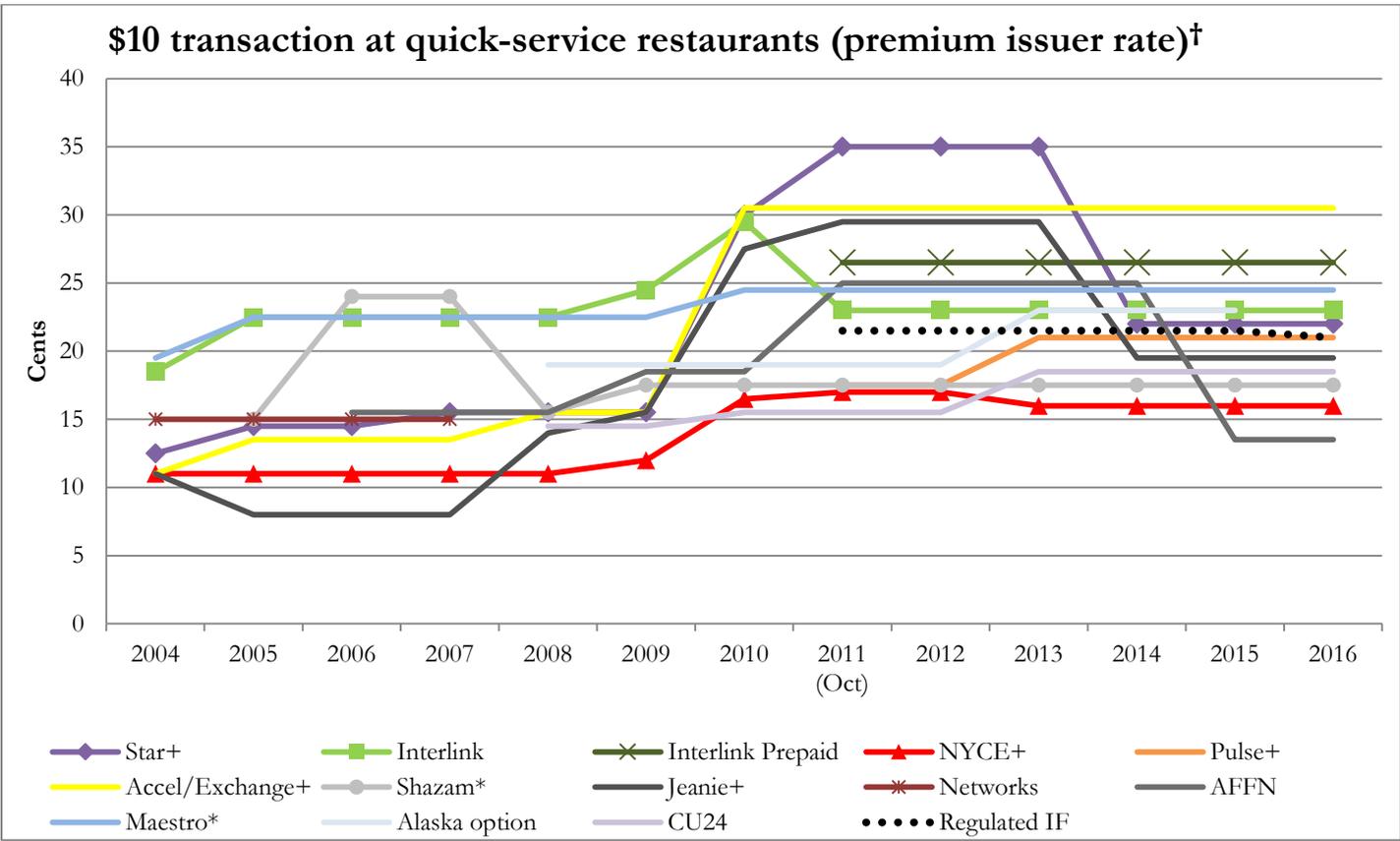
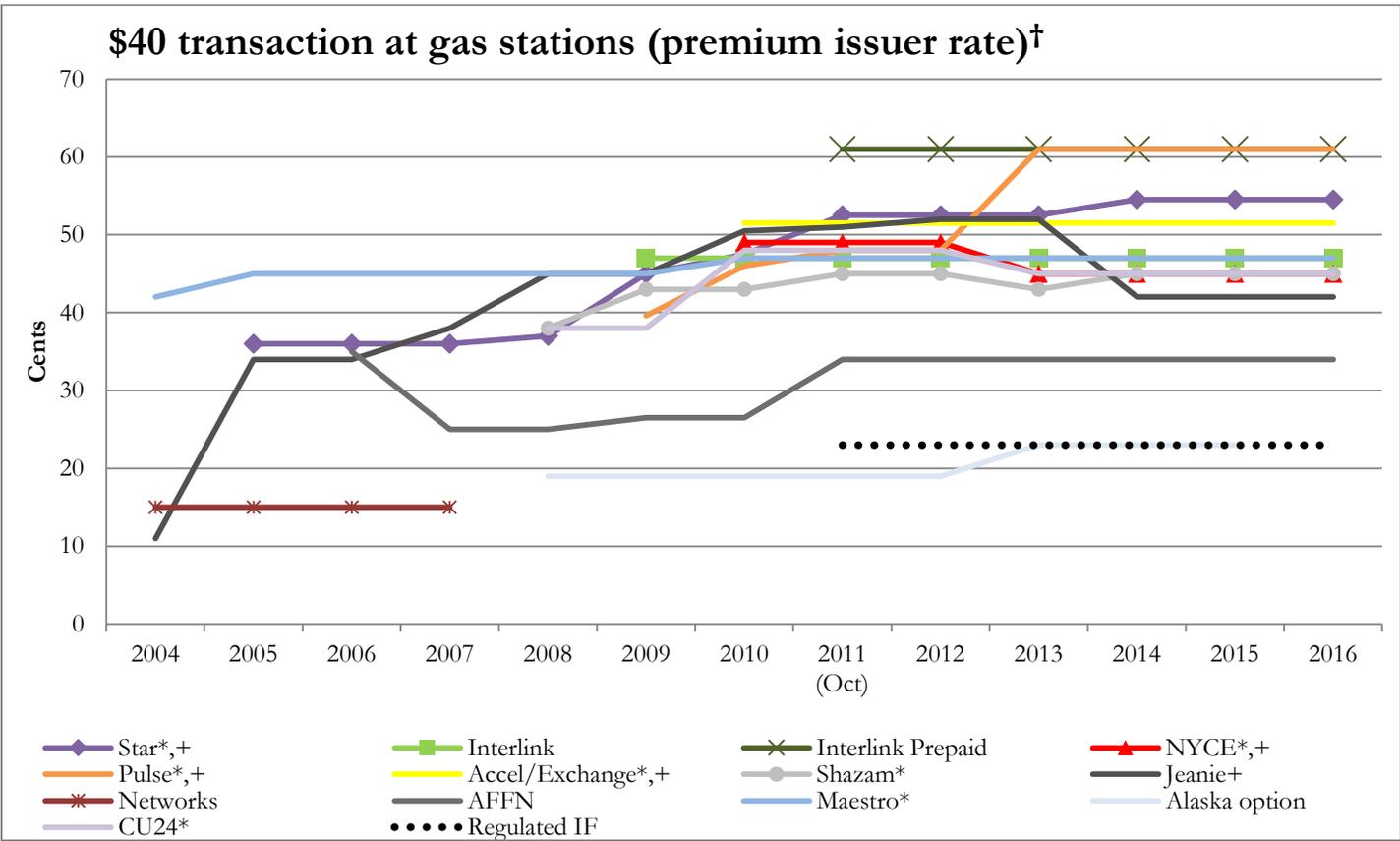
Note: Exempt interchange fees are shown from October 2011 to 2016.



Notes: Exempt interchange fees are shown from October 2011 to 2016.  
 \* indicates networks with volume tiered rates. The base rates are shown

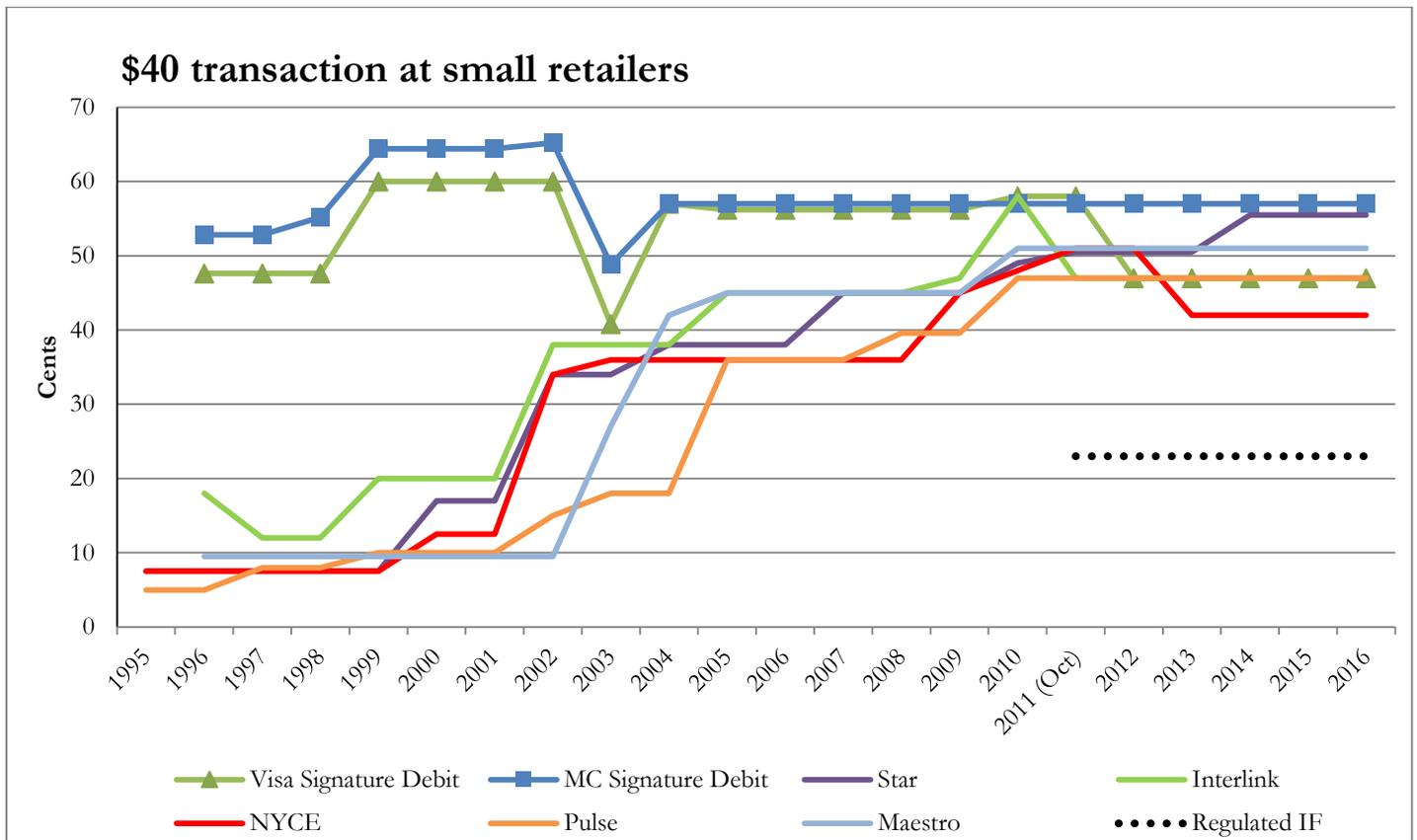
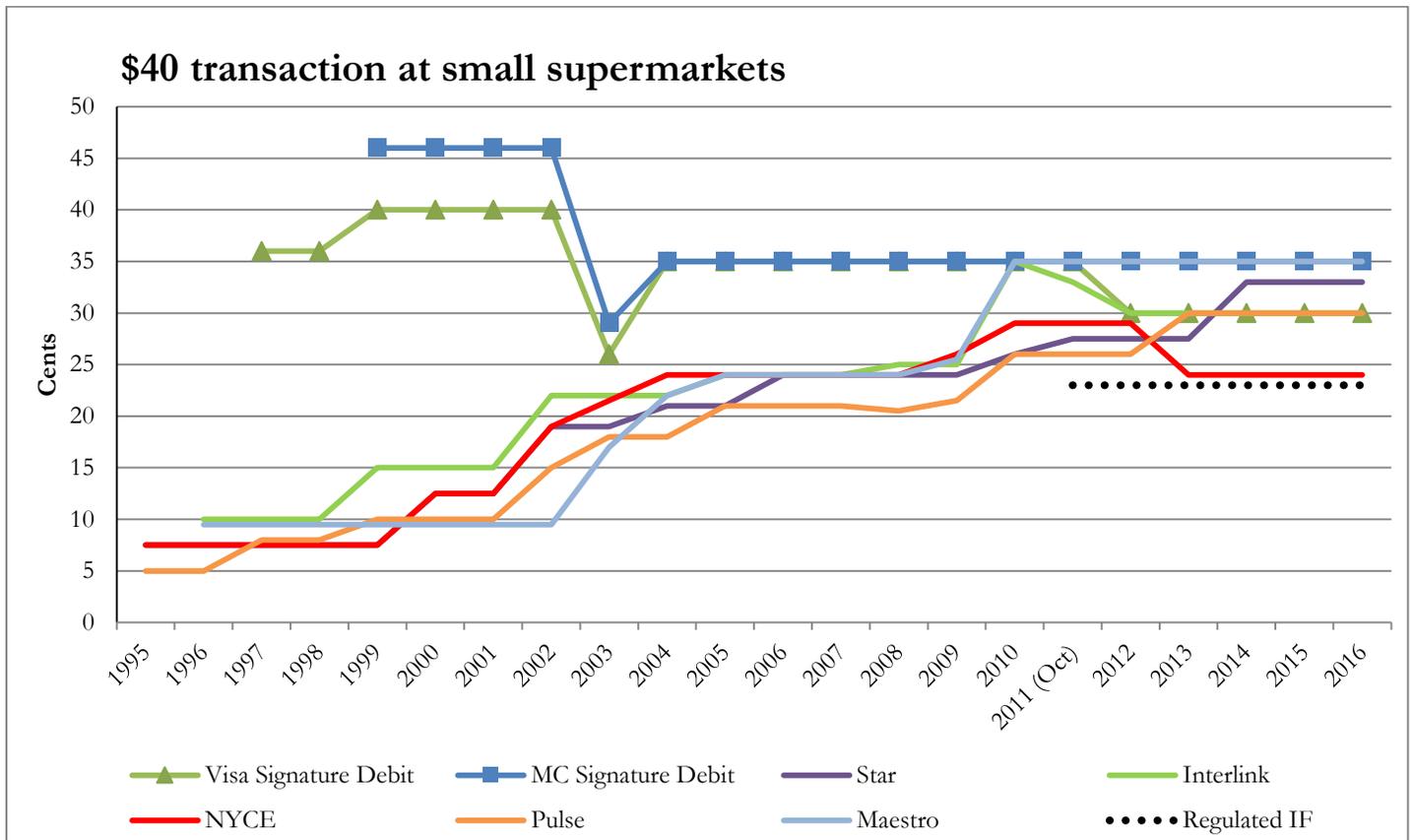


Notes: Exempt interchange fees are shown from October 2011 to 2016.  
<sup>†</sup>See footnote ‡ in the title page for the definition of premium issuer rate.  
 + indicates networks with premium issuer rates, which are shown. For other networks, regular rates are shown.  
 \* indicates networks with volume tiered rates. The base rates are shown.



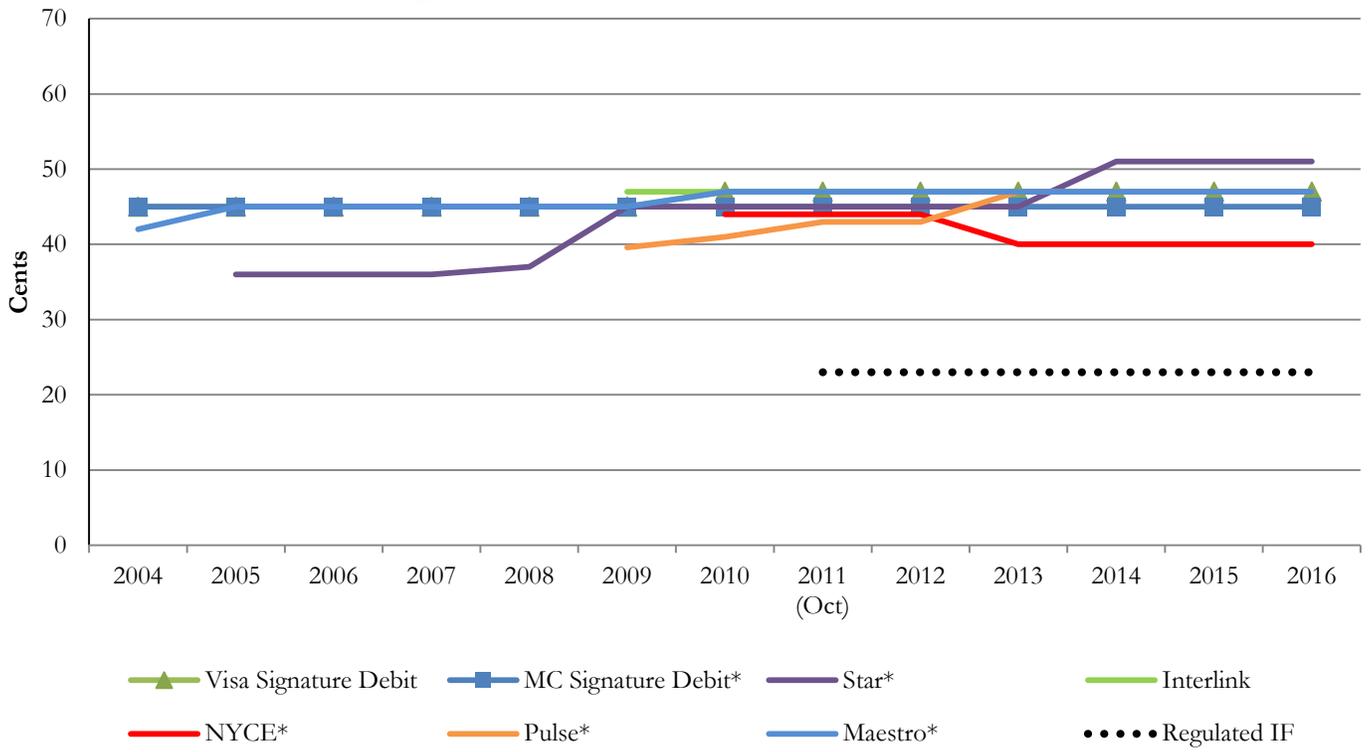
Notes: Exempt interchange fees are shown from October 2011 to 2016.  
 †See footnote ‡ in the title page for the definition of premium issuer rate.  
 + indicates networks with premium issuer rates, which are shown. For other networks, regular rates are shown.  
 \* indicates networks with volume tiered rates. The base rates are shown.

## IV. Consumer signature versus PIN debit interchange fees

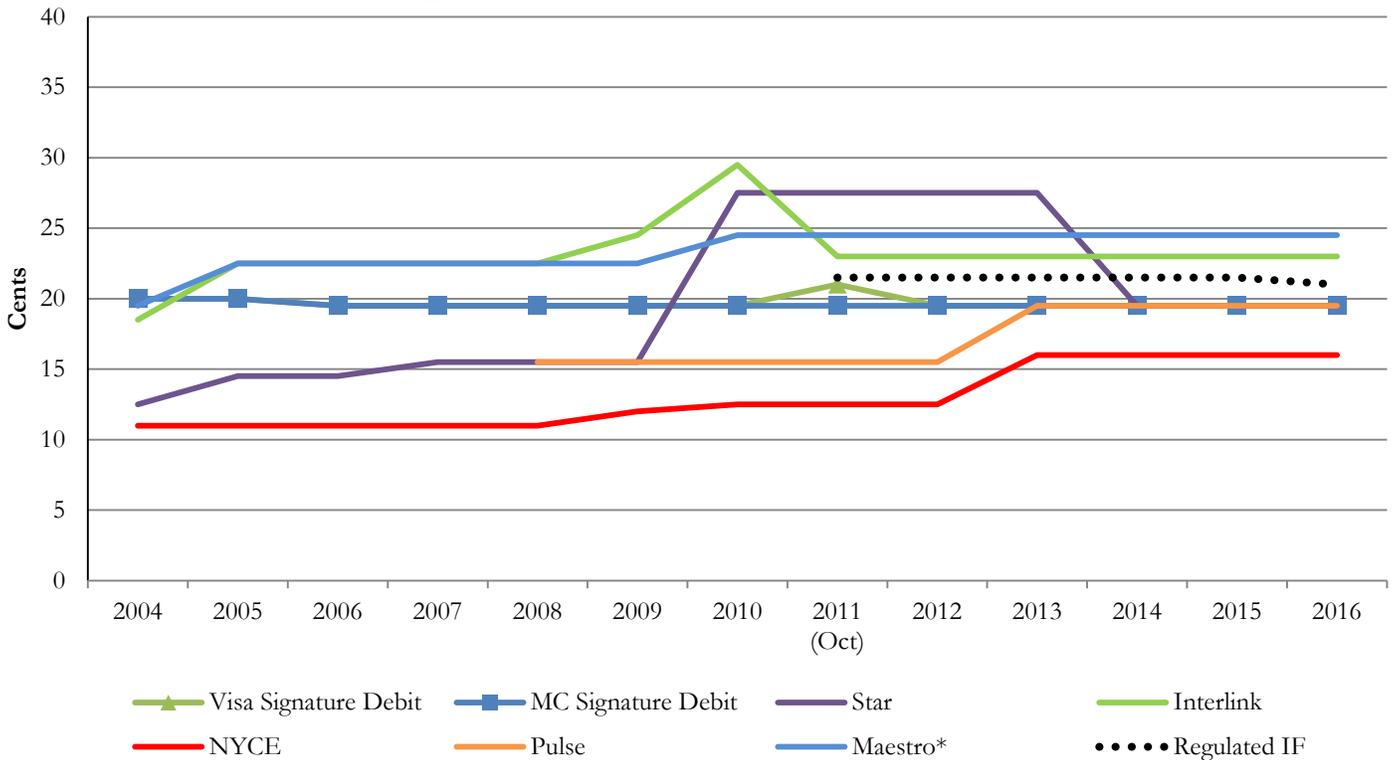


Note: Exempt interchange fees are shown from October 2011 to 2016.

### \$40 transaction at gas stations

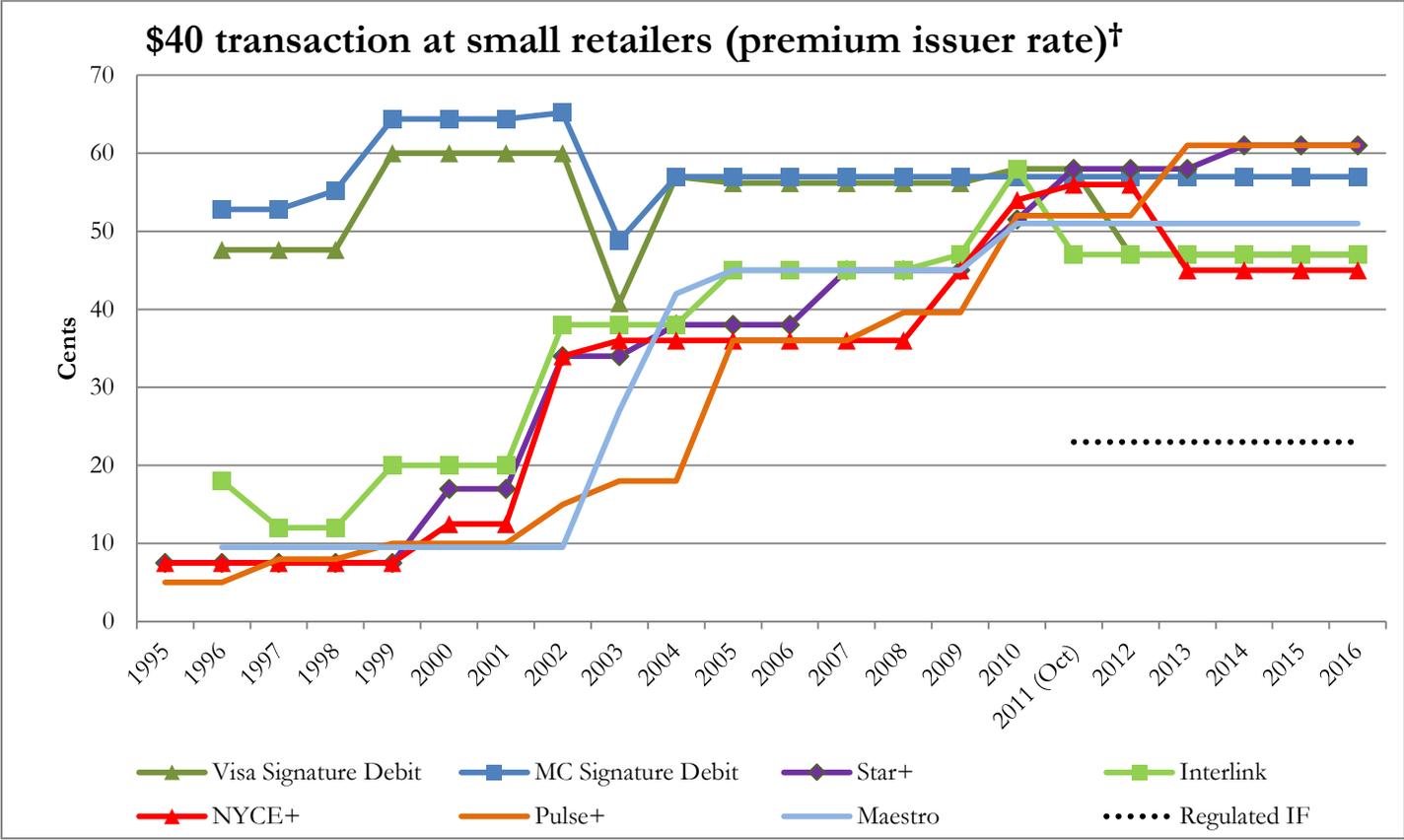
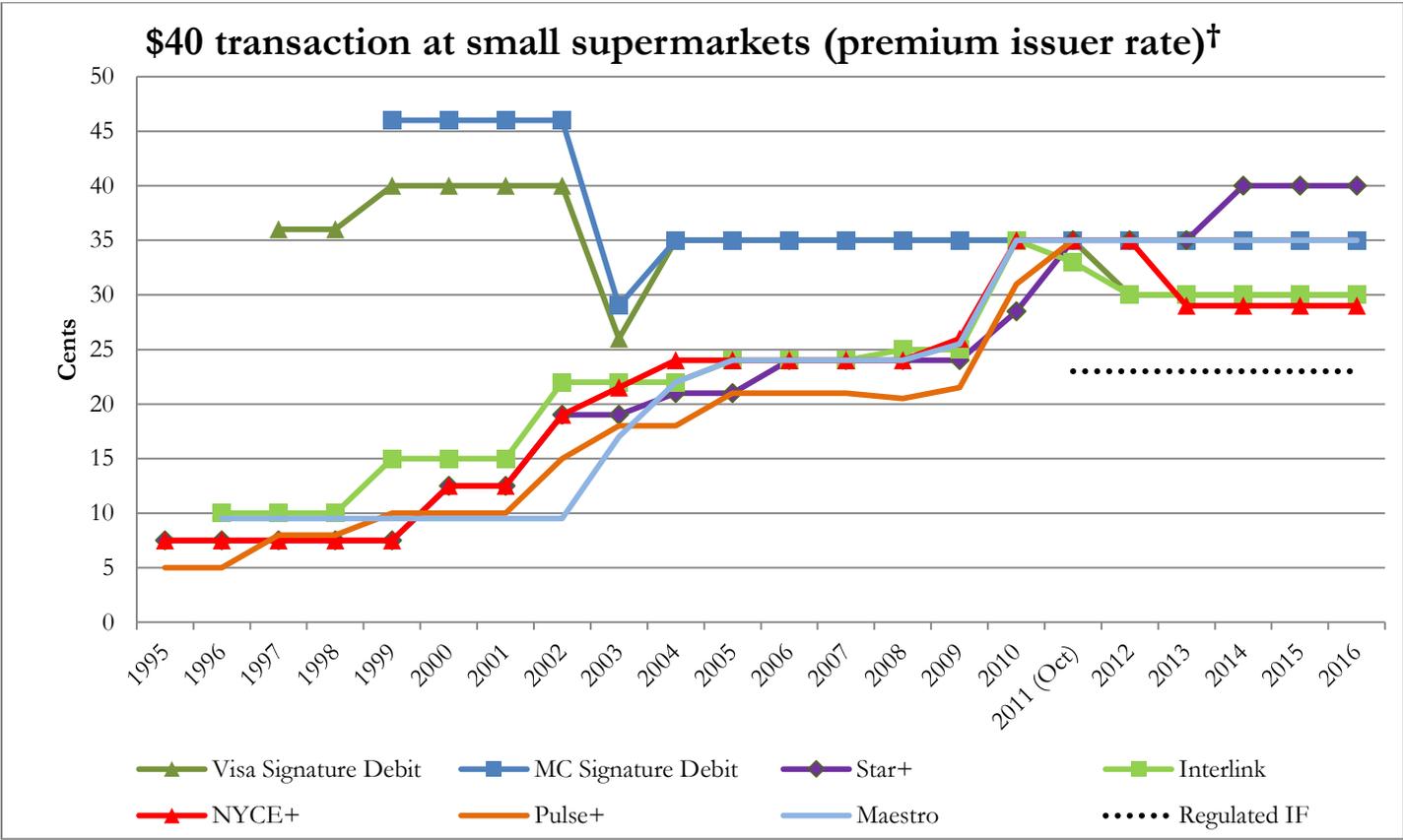


### \$10 transaction at quick-service restaurants



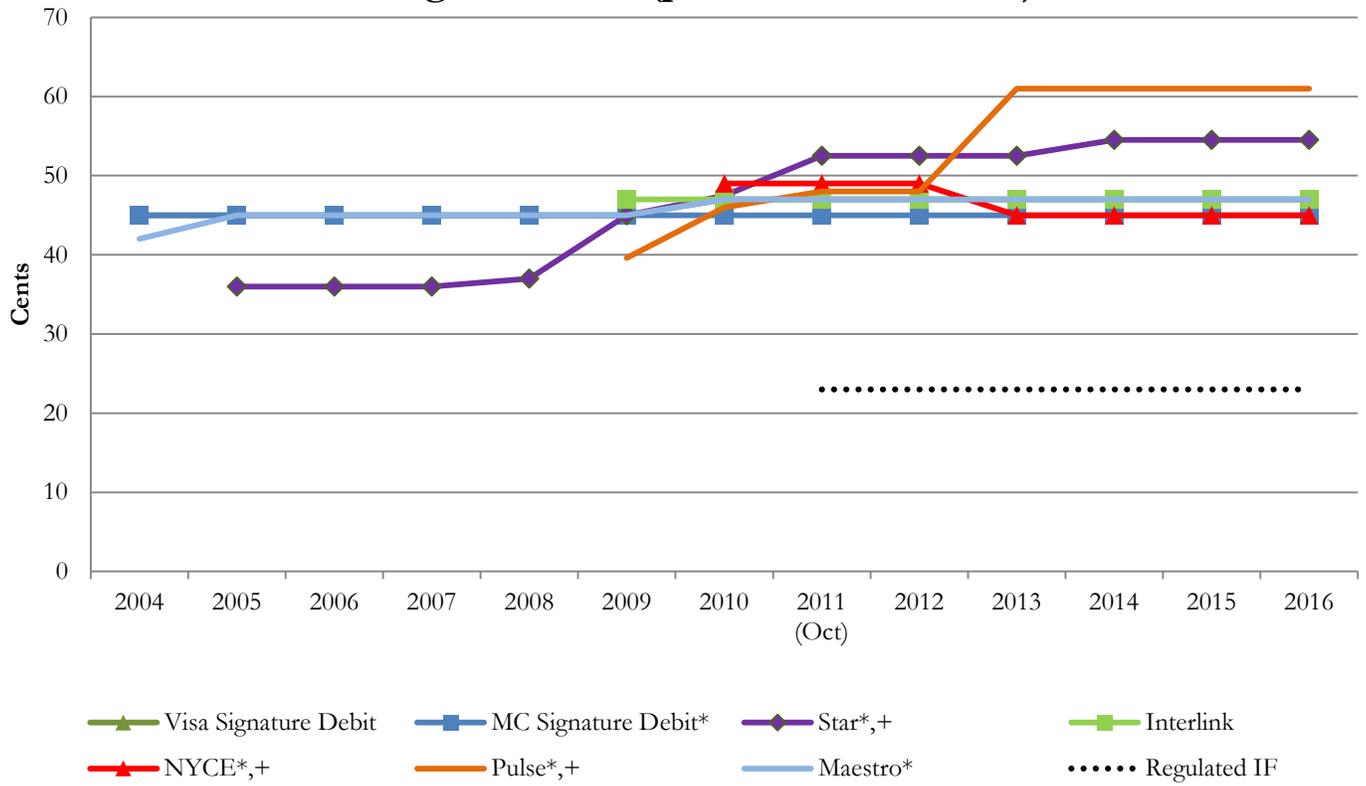
Notes: Exempt interchange fees are shown from October 2011 to 2016.

\* indicates networks with volume tiered rates. The base rates are shown.

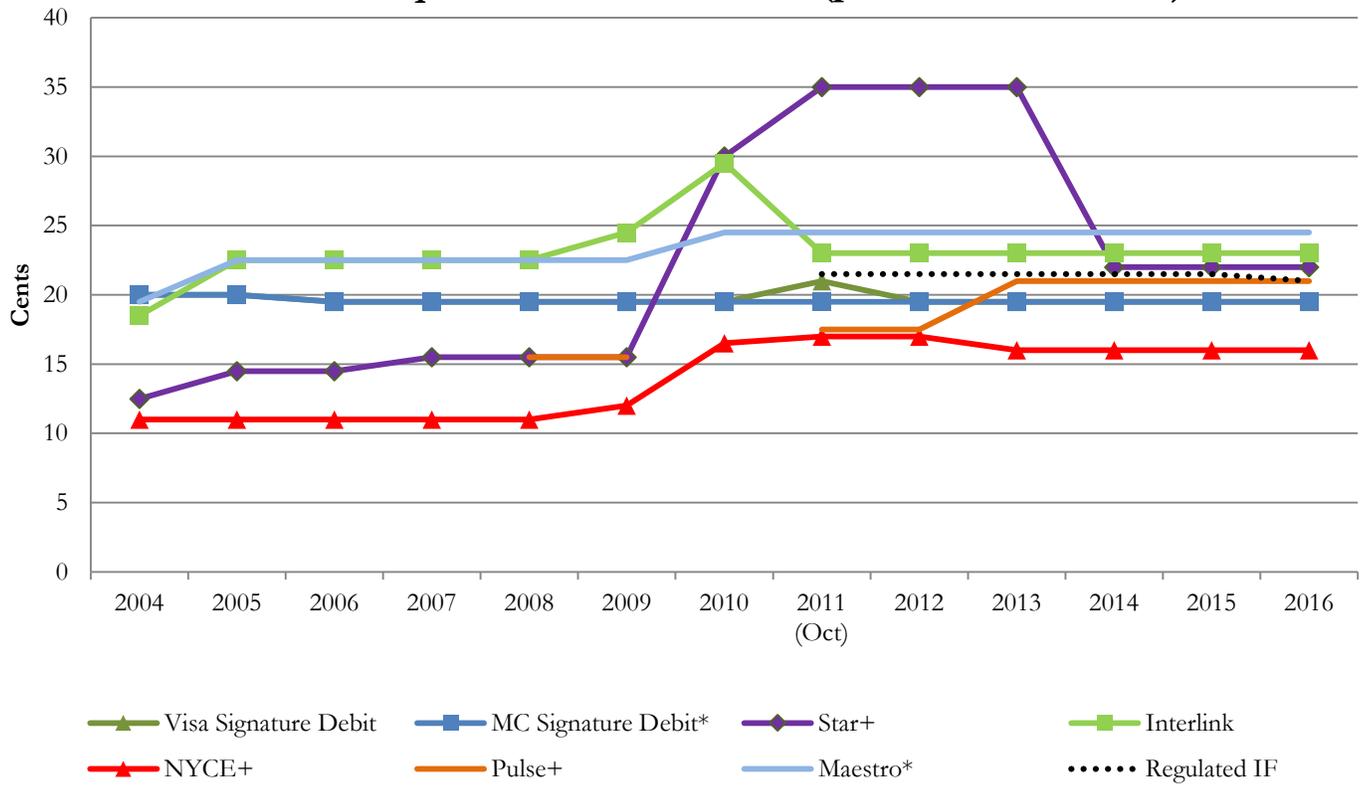


Notes: Exempt interchange fees are shown from October 2011 to 2016.  
<sup>†</sup>See footnote <sup>‡</sup> in the title page for the definition of premium issuer rate.  
<sup>+</sup> indicates networks with premium issuer rates, which are shown. For other networks, regular rates are shown.

### \$40 transaction at gas stations (premium issuer rate)†



### \$10 transaction at quick-service restaurant (premium issuer rate)†



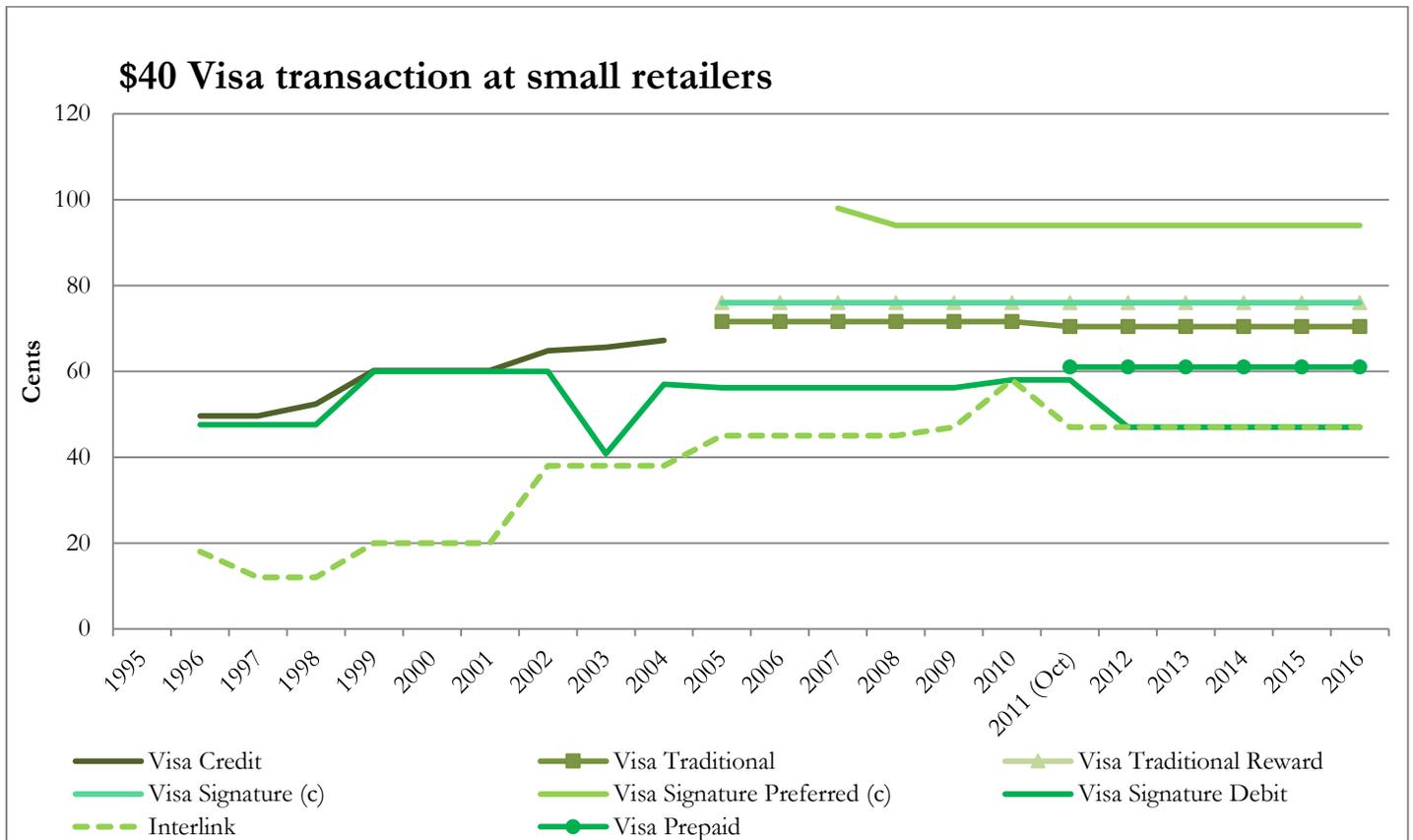
Notes: Exempt interchange fees are shown from October 2011 to 2016.

†See footnote ‡ in the title page for the definition of premium issuer rate.

+ indicates networks with premium issuer rates, which are shown. For other networks, regular rates are shown.

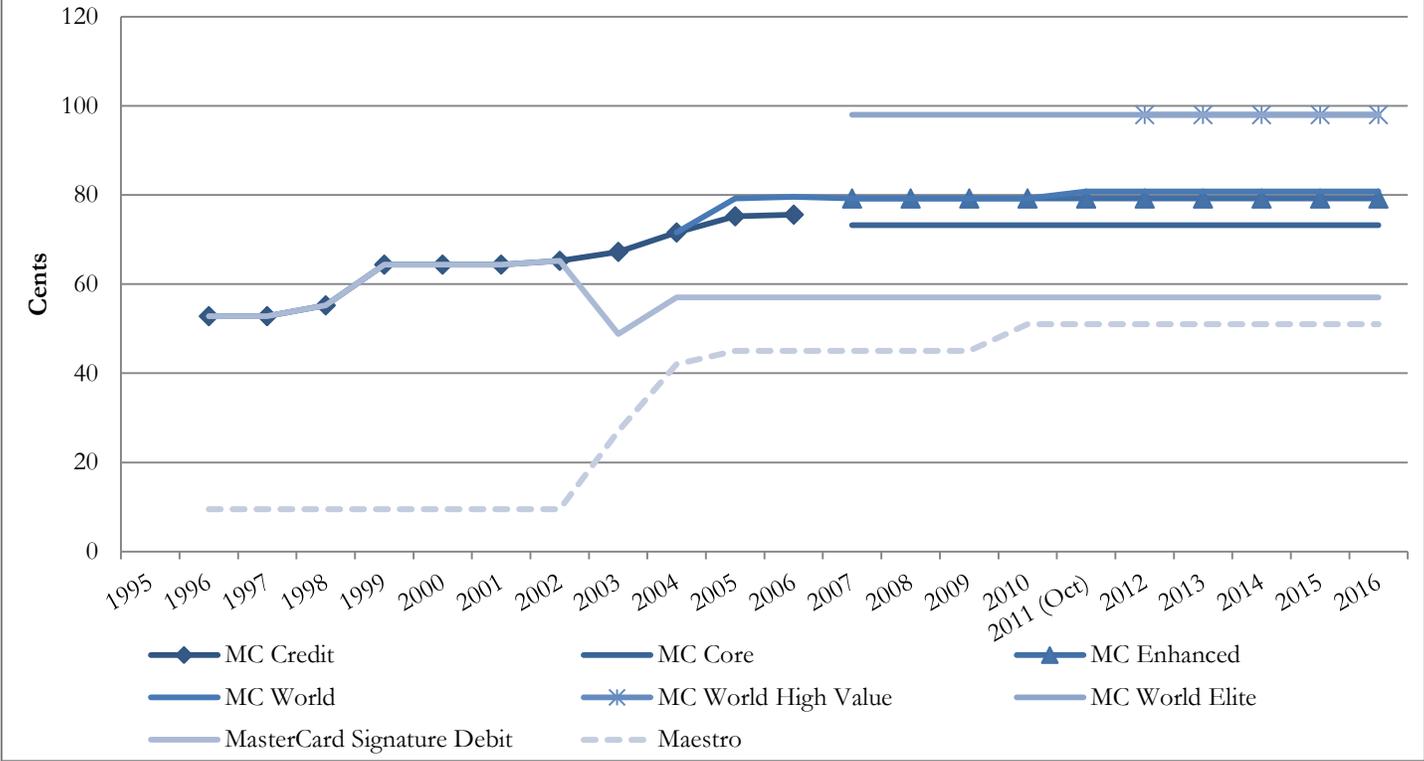
\* indicates networks with volume tiered rates. The base rates are shown

## V. Visa, MasterCard, and Discover consumer card interchange fees

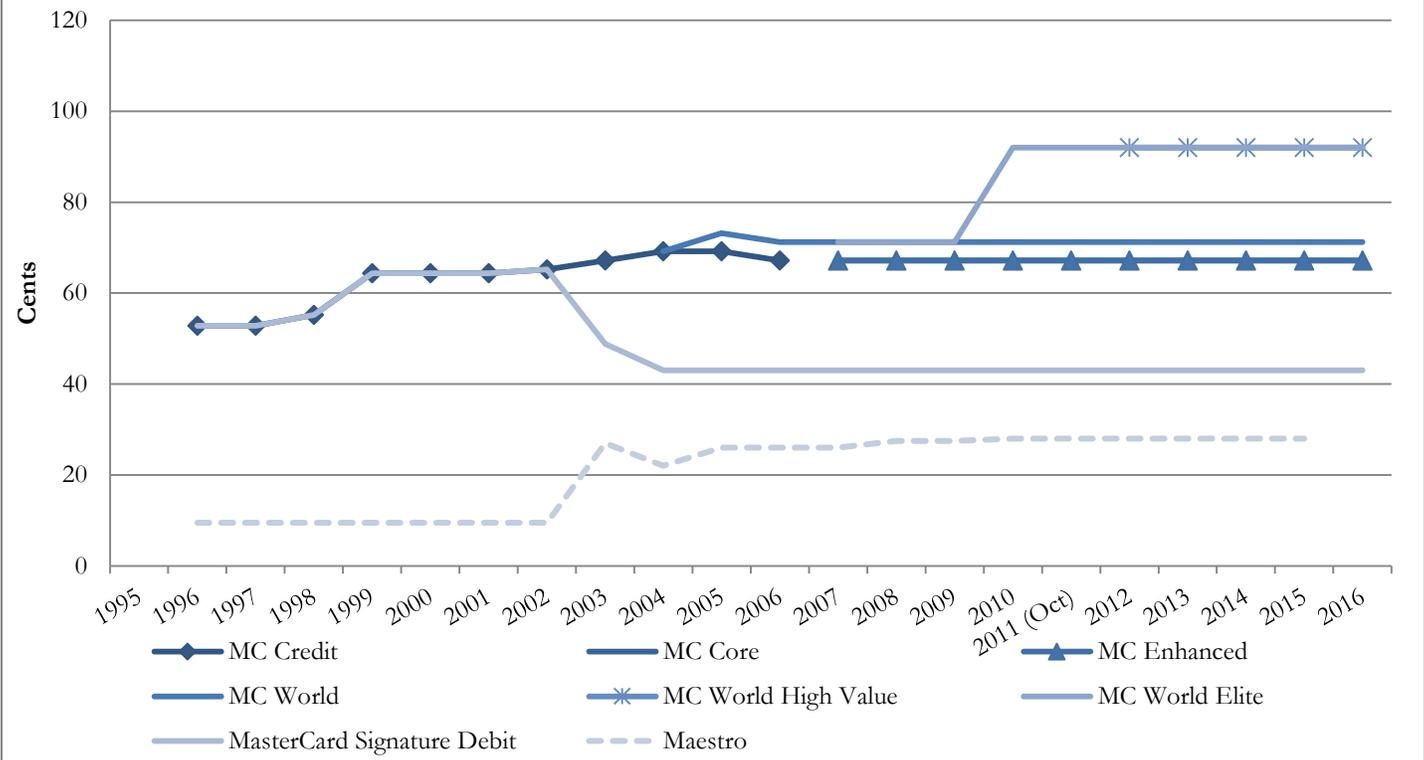


Note: (c) indicates credit card.

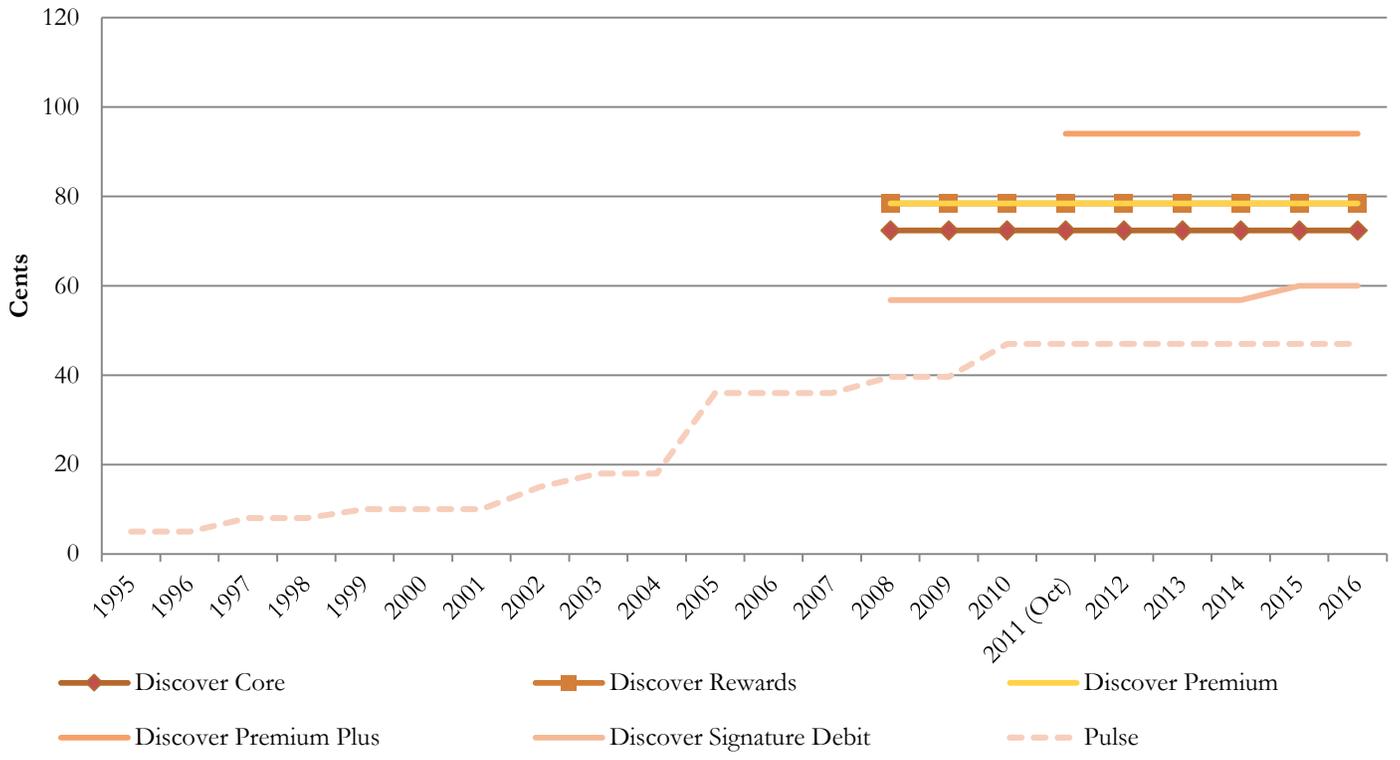
### \$40 MasterCard transaction at small retailers



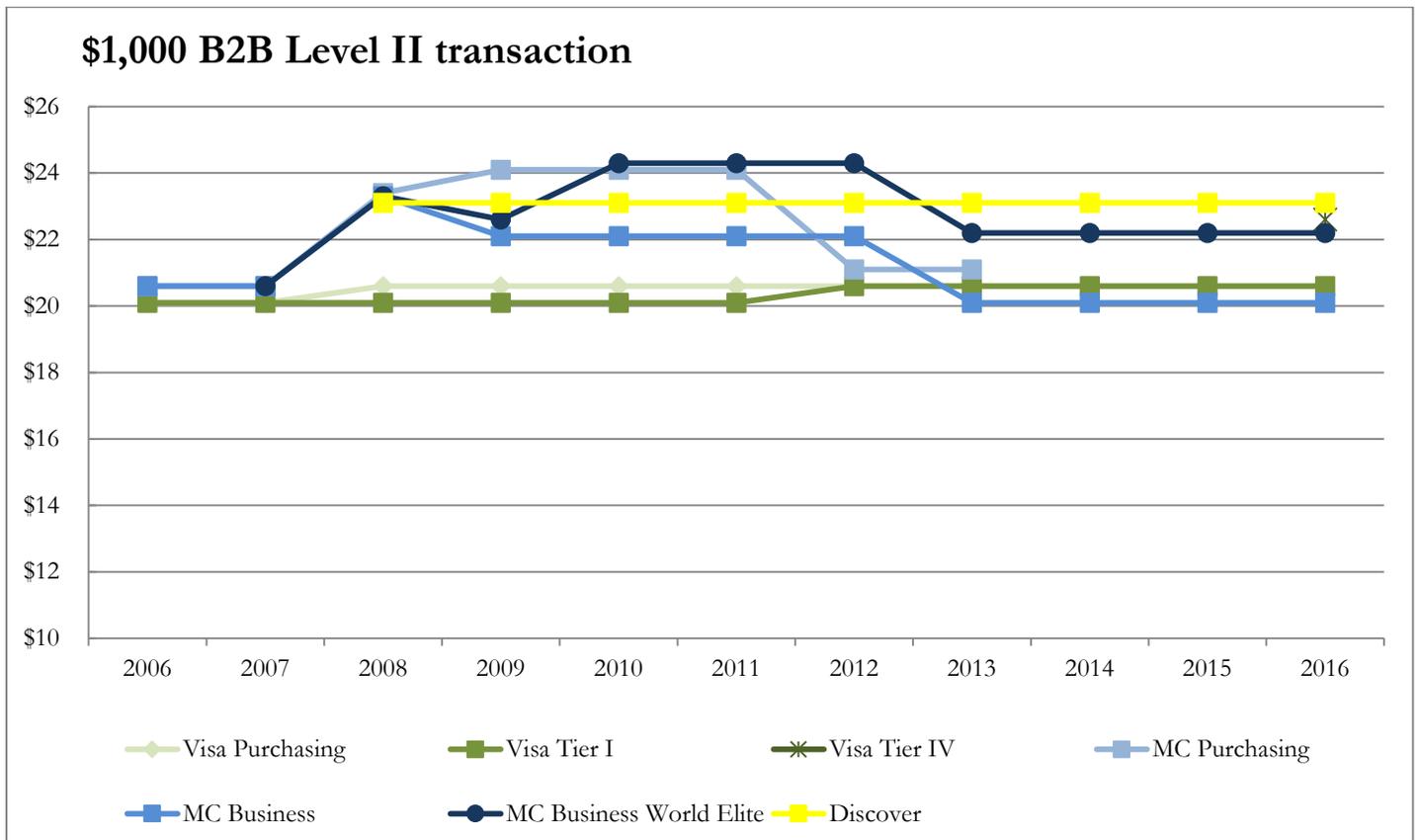
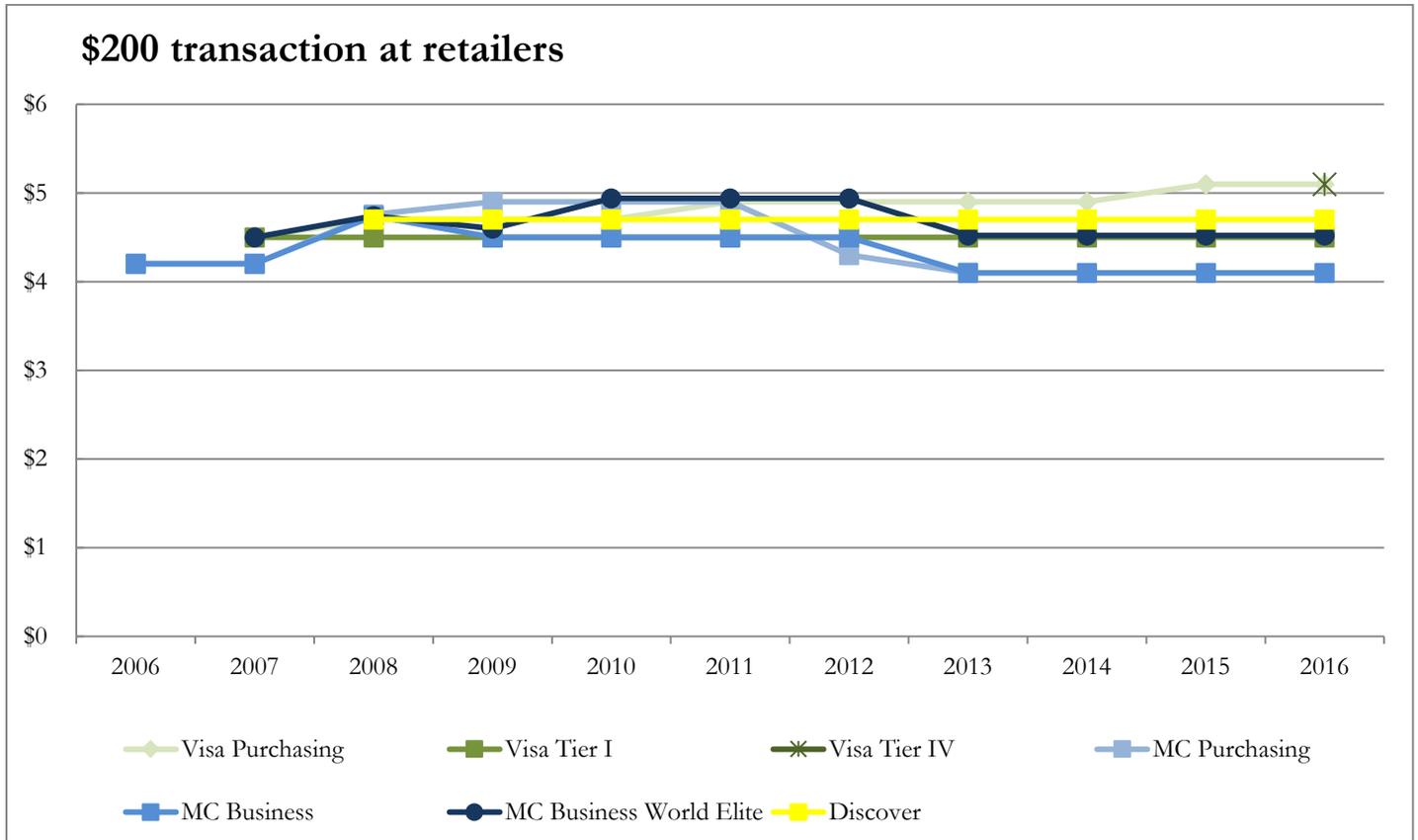
### \$40 MasterCard transaction at largest retailers



# \$40 Discover transaction at small and largest retailers



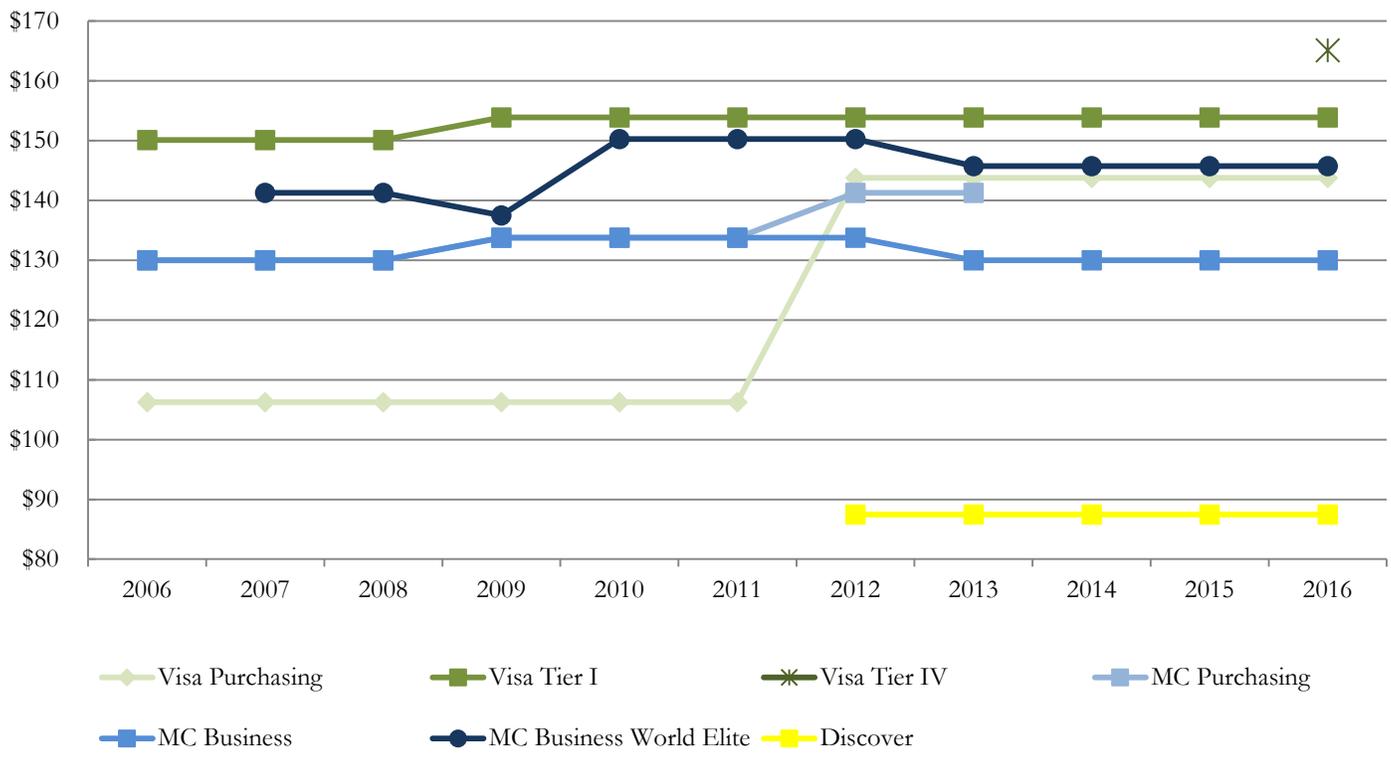
## VI. Commercial credit card interchange fees



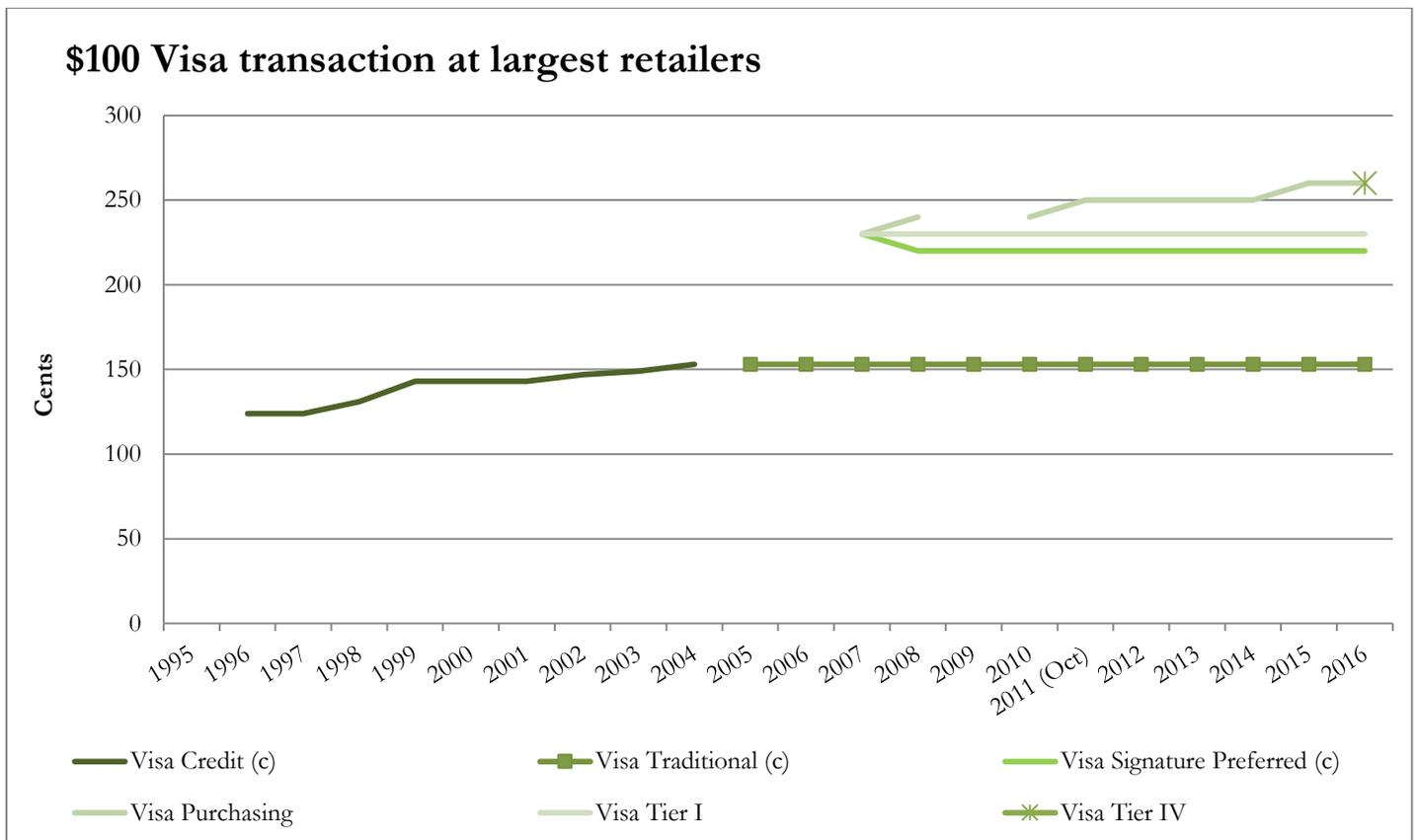
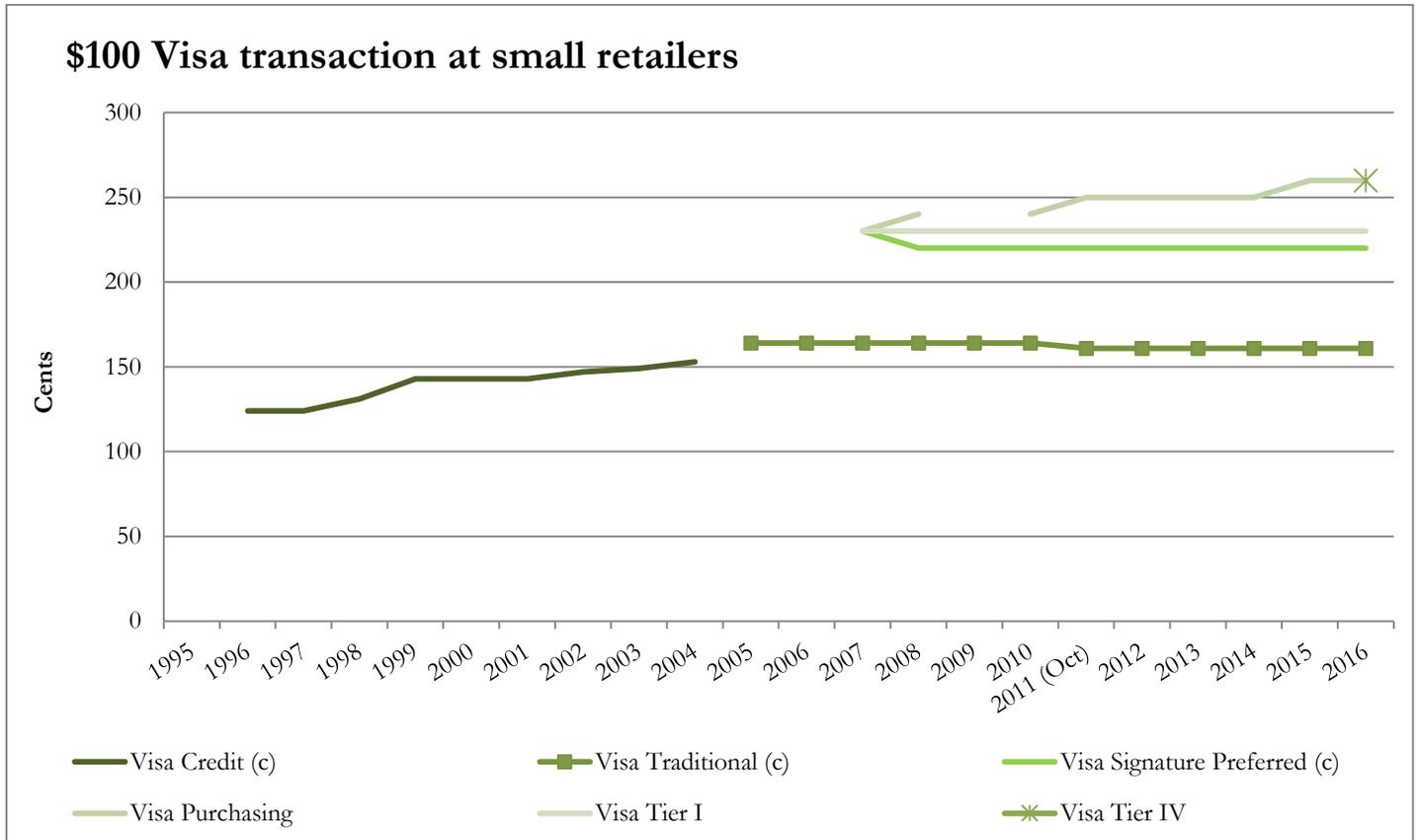
### \$1,000 B2B Level III transaction



### \$7,500 B2B transaction

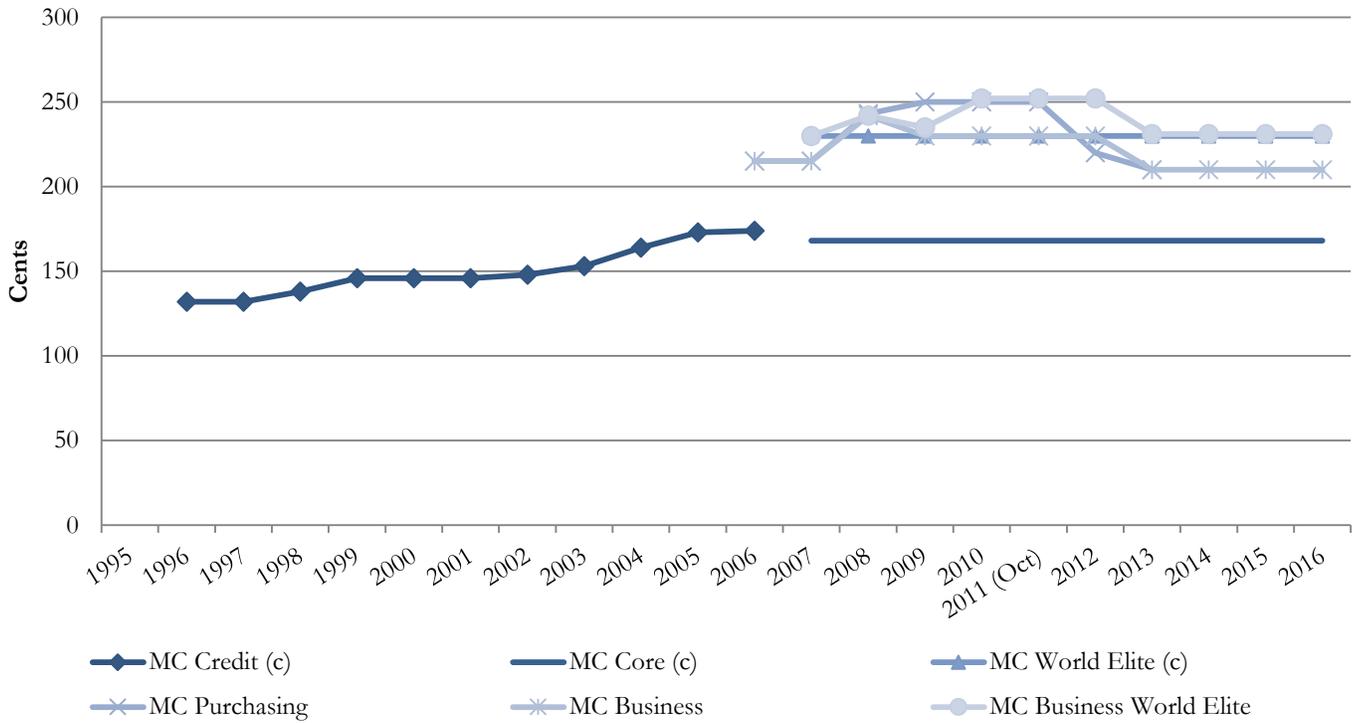


## VII. Consumer versus commercial credit card interchange fees

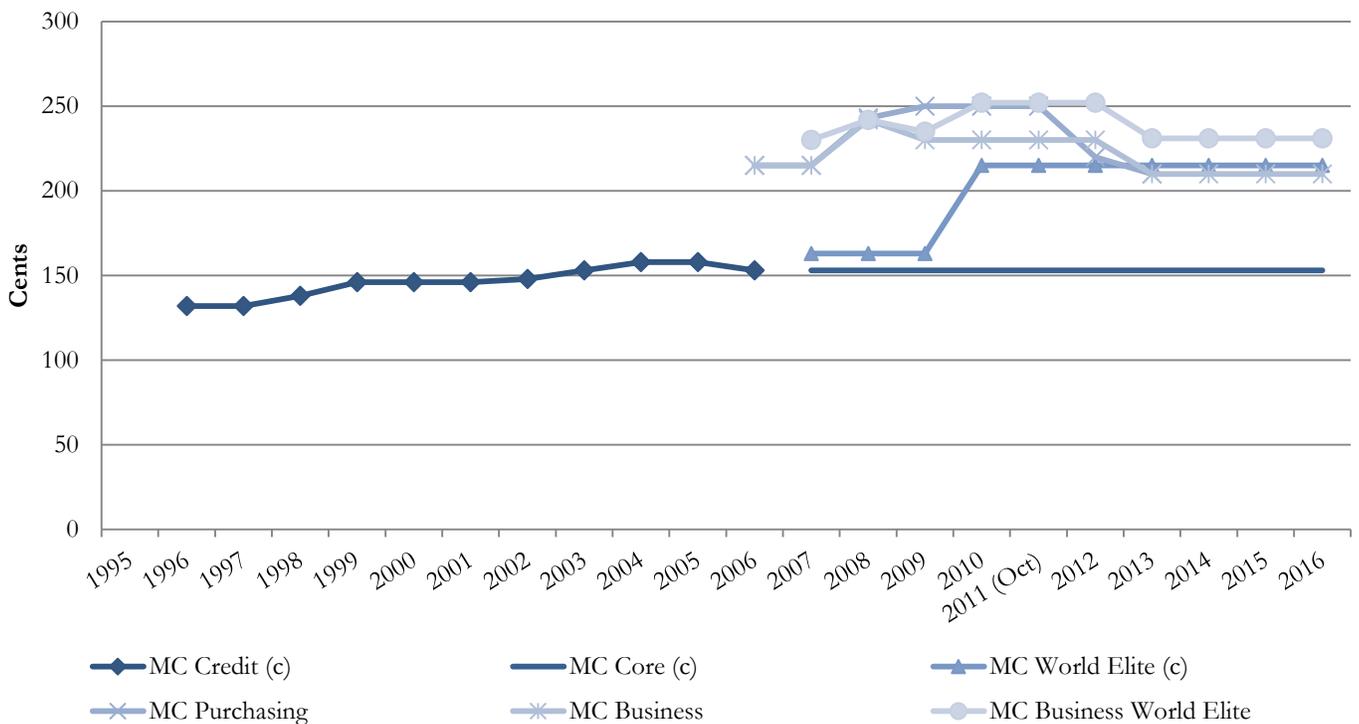


Note: (c) indicates credit card.

### \$100 MasterCard transaction at small retailers

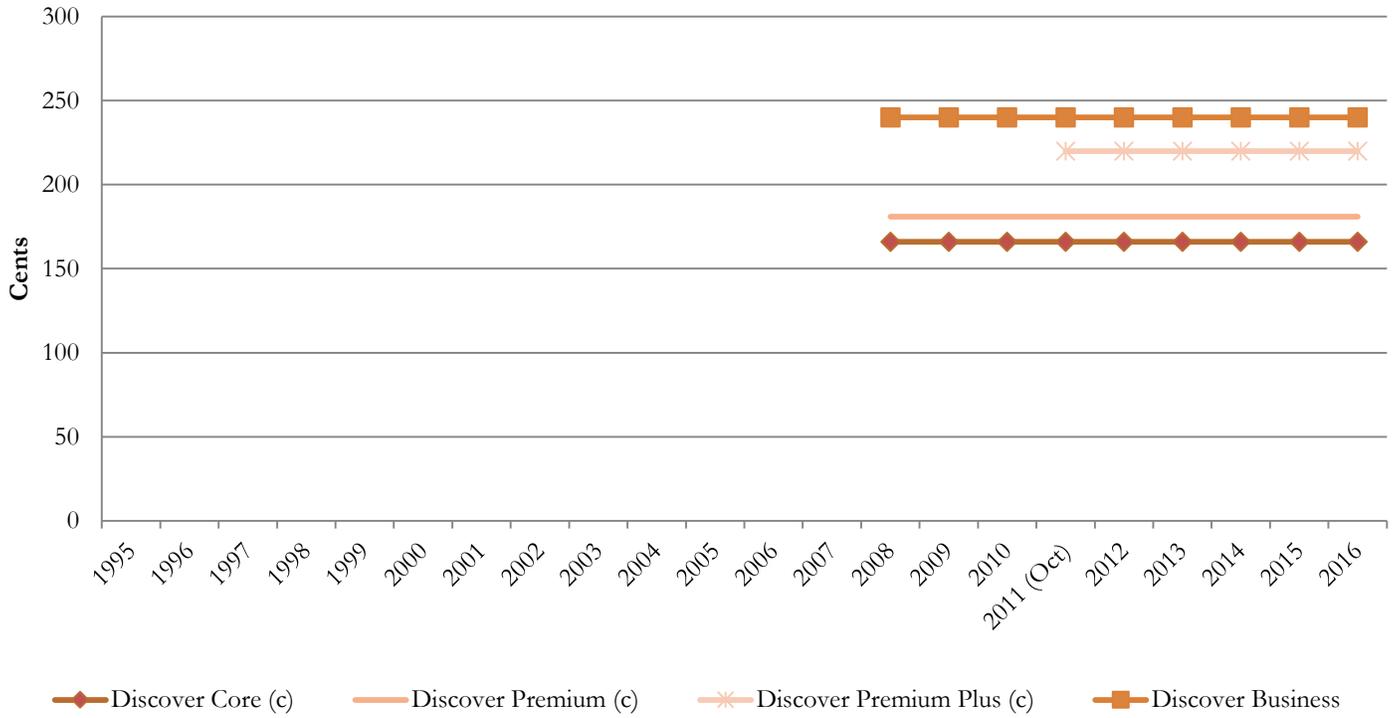


### \$100 MasterCard transaction at largest retailers



Note: (c) indicates credit card.

## \$100 Discover transaction at small and largest retailers



Note: (c) indicates credit card.