Goodbye Credit Card Surcharges

September 2026

From 1 October 2026, that extra line on your receipt for tapping a card disappears. Businesses will no longer be able to add a surcharge when you pay by EFTPOS, Visa or Mastercard (and American Express has agreed to come along for the ride). It is the biggest change to the way Australians pay at the checkout in more than twenty years.

What is changing

From 1 October, three things happen at once:

1. Surcharging ends across the EFTPOS, Mastercard and Visa networks. American Express, JCB and UnionPay have confirmed they will follow suit.
2. Interchange fees are cut. The cap on domestic consumer credit card interchange drops from 0.80% to 0.30%, and debit caps fall to 8 cents. This is the wholesale fee a business's bank pays your card issuer every time you tap.
3. Fees become more transparent. Card networks and large acquirers must publish their average merchant fees quarterly, so businesses can finally compare payment providers properly.

Importantly, this only applies to surcharges added because you paid by card. Weekend and public holiday surcharges at your local café are not affected, and nor are genuine booking or service fees.

Payment type	Surcharge before 1 Oct	Surcharge from 1 Oct
EFTPOS (debit)	Yes	No
Visa – debit, credit, prepaid	Yes	No
Mastercard – debit, credit, prepaid	Yes	No
Weekend / public holiday surcharges	Yes	Unchanged – still allowed
Booking and service fees	Yes	Unchanged – still allowed

What it means for your household budget

Australians currently pay roughly $1.8 billion a year in card surcharges, and about $1.6 billion of that sits on the three regulated networks. That money simply stops being collected.

In practice the saving is modest. A household spending $3,000 a month on cards at businesses charging 1.5% is around $45 a month better off, or a little over $500 a year. Only about 16% of Australian businesses surcharge, so at many checkouts nothing will look different at all.

Businesses that currently surcharge still have to cover the cost of accepting cards, and some will build it into their prices instead. You may find your usual coffee or restaurant meal quietly goes up 10 or 20 cents rather than the surcharge disappearing entirely. Cash payers, who never paid a surcharge, may end up contributing a little for the first time.

The catch for rewards card holders

This is the part worth paying attention to. The interchange fee being cut from 0.80% to 0.30% is the same revenue stream that funds credit card rewards programs. The RBA estimates the change will reduce card issuer interchange revenue by around $660 million a year, with most of that falling on consumer credit cards.

Banks are already responding. Several major banks, including NAB, Westpac, ANZ and Commonwealth Bank, have reduced or removed complimentary travel insurance on some cards already amongst other perks.

If you have been holding a premium card and paying an annual fee largely for the points or the insurance, now is a sensible time to re-run the numbers.

What to do before 1 October

Read the letters from your card issuer. Changes to rewards earn rates, points caps and complimentary insurance are being communicated now, and they are easy to miss.

Do not rely on credit card travel insurance without checking it. If you have a trip booked, confirm what is covered, the limits and excesses, and whether you need to activate the cover. Do not assume the policy you had last year still applies.

Review the annual fee. If the rewards are thinner and the insurance is gone, a premium card may no longer earn its keep. A no-frills or low-rate card may suit you better.

If you run a business, act now. Surcharge settings need to come off terminals, point-of-sale systems, payment gateways and online checkouts, and menus, invoices, websites and signage need updating. Renaming a surcharge an "admin fee" is not a workaround and may be treated as misleading conduct.

Important Updates

Insurance Clients	We have transferred our insurance clients through to HPH Life AFSL 536983 and they will be looking after your insurance arrangements going forward.
Staff Holidays	Michelle is away in Europe till 29th September. Lorna will be away during school holidays 28 Sept – 8th Oct.