

Ban on businesses charging for paying by debit or credit card

The government is to introduce new rules which will come into effect on 13 January 2018 that will mean customers cannot be penalised for choosing to pay by card, either online or in-store.

Under the current rules, companies should only charge customers what it costs them to process a debit or credit card payment - they should not make a profit on these surcharges. But customers can still be charged a percentage. The new rules will mean all surcharges prohibited and will apply to UK companies selling to UK consumers. As this law is following an EU directive, companies across the EU will also be banned from charging these extra fees.

The new rules originate from the EU Payment Services Directive, which sets out the changes EU governments must make by 13 January 2018. The new rules will be enshrined in UK law and will therefore continue to be valid after Brexit.

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