Convenience or Service Fee on Credit and Debit Card Transactions

WHEREAS the volume of credit and debit cards has grown substantially over the past several years; and

WHEREAS the trend towards increased use of credit and debit cards as a mode of payment is expected to continue; and

WHEREAS the borough incurs significant costs associated with processing credit and debit card transactions; and

WHEREAS, implementing a service or convenience fee was identified as a means to reduce costs; and

WHEREAS the borough may offset credit and debit card processing by accessing a service fee, which would be based on a percentage of sale, or convenience fee, which would add a fixed amount for every transaction;

NOW, THEREFORE, BE IT RESOLVED BY THE _____________ BOROUGH COUNCIL

Section 1. Service or Convenience Fee

The treasurer or finance director is authorized with approval of borough council to implement a Service Fee to offset the cost of processing credit and debit card transactions.

Section 2. Service or Convenience Fee

The initial Service Fee will be 2.3 % of the gross transaction amount.

Section 3. Service or Convenience Fee Adjustment

The treasurer of finance director will monitor credit and debit card processing fees relative to processing costs and adjust the fees annually as necessary in order for the borough to collect the appropriate amount to offset the credit and debit card processing costs.

Passed and approved this ____________ day of __________ month __________ year.