SILAS MAIN

The Surcharge Ban Survival Guide

What changes on 1 October 2026, what it quietly costs your business, and the 5 lawful moves that protect your margin.

Written for salons, gyms, clinics, allied health, hospitality and trades.

PART ONE

What is actually changing on 1 October 2026

On 31 March 2026 the Reserve Bank of Australia published the final conclusions of its Review of Merchant Card Payment Costs and Surcharging. Final means decided. This is not a proposal or a consultation. The dates are set.

Surcharging on eftpos, Mastercard and Visa is being removed

From 1 October 2026 you lose the ability to add a surcharge to payments on the eftpos, Mastercard and Visa networks. That covers debit, prepaid and credit cards on those networks. The RBA is lifting its ban on "no-surcharge" rules, which lets the card networks write no-surcharge terms into merchant contracts. It works through your merchant agreement, not a new act of parliament, and the practical effect is the same: the surcharge line disappears.

American Express and BNPL are not in this change

Amex sits in a separate RBA review planned for mid-2026, and buy-now-pay-later in its own consultation. You may still be able to surcharge Amex after 1 October. Treat it separately in your pricing, and watch for the RBA's next decision.

The rule being replaced: your cost of acceptance

There is no flat surcharge cap today. The current rule lets you surcharge up to your actual cost of acceptance, the figure on your acquirer statement. That cost is size dependent: on RBA 2023-24 data small merchants typically pay around 0.85% to 2% to accept debit and 1% to 2% for credit, while large merchants pay a fraction of that. Small businesses lose more when the surcharge goes, because they had more cost to pass on.

The honest offset: interchange caps fall the same day

From 1 October 2026 the cap on consumer credit interchange drops from 0.8% to 0.3%, and debit from 0.2% (or 10 cents) to 0.16% (or 8 cents). Commercial credit stays at 0.8%; foreign-issued cards get a 1.0% cap from 1 April 2027. Your card costs should fall somewhat, if your acquirer passes the cut on. Move 5 shows you how to check.

PART TWO

What it quietly costs you

If you surcharge today, the ban does not send you an invoice. It just deletes a line of recovered cost, and your margin absorbs it silently from the first card payment of 1 October. Here is the shape of it, with a worked example you can rebuild on a napkin.

A salon example (illustrative)

A salon takes $30,000 a month on card. Its blended cost of acceptance is 1.2%, and 90% of its card turnover is on Visa, Mastercard and eftpos, the affected networks.

$324 a month. $3,888 a year.

$30,000 × 1.2% × 90% = $324 of card cost per month the salon currently passes on and soon cannot. Across a year that is $3,888 straight off the bottom line, before a single price or process changes.

LINE	FIGURE	WHERE IT COMES FROM
Monthly card turnover	$30,000	POS or acquirer statement
Blended cost of acceptance	1.2%	Acquirer statement
Share on affected networks	90%	Statement card mix
Cost newly absorbed	$3,888 / year	Turnover × cost × share
Base-price lift to stay whole	about 1.1%	Cost × affected share

The offset, counted honestly

The same 1 October change cuts interchange caps, so the salon's underlying card cost should fall somewhat. How much of that reaches the salon depends on its acquirer passing the cut on. The net hit is therefore lower than $3,888, but it only shows up if you check your post-October statements and hold your acquirer to it. Move 5 covers exactly that.

All numbers on this page are illustrative and labelled as such. Your real figures come from your own acquirer statement. Run yours in two minutes at silasmain-marginshield.netlify.app.

PART THREE

The 5 lawful moves

Everything below is lawful under the new rules: rebuilding your advertised prices, offering genuine discounts for cheaper payment methods, and cutting the cost of acceptance itself. Nothing below renames a surcharge. That trap is covered on page 6.

1 Rebuild your base prices

Build the card cost into your advertised prices before 1 October. The maths is one line: your blended card cost multiplied by the share of your turnover on affected cards. In the salon example that is 1.2% × 90%, about 1.1%. A $90 cut becomes $91. A $250 colour becomes $253.

- Reprice the whole list at once, not item by item over months. One clean change, one announcement.
- Round to clean numbers. $91, not $90.99. Clean prices read as considered, not sneaky.
- Do it before October, so the new list is normal by the time the surcharge disappears.

2 Steer payments to near-zero rails

The ban stops fees on card payments. It does not stop you rewarding cheaper payment methods. A genuine discount for PayID, PayTo, bank transfer or direct debit stays lawful, and those rails cost you at or near zero.

> Front desk script: "That's $253 on card, or $250 if you pay by bank transfer or PayID, it lands instantly." One sentence, said at every high-ticket sale.

- Ask your bank to switch on PayID and PayTo for your business account. Usually free, often same-day.
- Start with invoices and anything over a few hundred dollars. Big payments move easiest and save most.
- The discount must be genuine: the card price is your real advertised price, the cheaper-rail price is lower.

3 Move memberships and recurring billing to direct debit

Memberships, packages and payment plans are your most predictable revenue, and if they run on stored cards they ride your most expensive rail every single cycle. Direct debit costs cents where cards cost percent.

- List every recurring payment you take: memberships, retainers, payment plans, subscriptions.
- Migrate new sign-ups to direct debit first, then invite existing members across with a small genuine incentive.
- A gym with 200 members at $60 a fortnight moves over $300,000 a year off the card rail with one form change.

4 Renegotiate your acquirer plan

Your cost of acceptance is not fixed. It is a plan you were sold, and plans move when you ask with numbers in hand.

- Pull your last three acquirer statements and find your effective cost of acceptance: total fees divided by total card turnover.
- Get one written quote from a competitor (the majors and the newer flat-rate providers will all quote a monthly figure).
- Call your provider, quote the competitor, ask for a match or better. Do it before 1 October, while switching is your credible threat.
- Ask specifically whether their pricing already reflects the new interchange caps. Make them answer in writing.

5 Capture the lower interchange

From 1 October 2026 the interchange cap on consumer credit falls from 0.8% to 0.3%, and on debit from 0.2% (or 10 cents) to 0.16% (or 8 cents). That cut lands first with your acquirer. Whether it reaches you depends on your plan and on you checking.

- Diarise a statement review for early November 2026: compare your effective rate against September.
- On "interchange plus" style plans the cut should flow through automatically. Verify it did.
- On flat-rate plans the provider pockets the cut unless you renegotiate. That is Move 4, round two.

The trap: renaming the surcharge

Calling it a "card admin fee", "service fee" or "handling fee" and applying it only to card payments does not escape the ban. The ACCC treats a fee that only applies to card payments as a surcharge by another name, and misleading pricing conduct carries penalties. After 1 October it is the same banned conduct with a new label.

This guide never recommends it. If an adviser suggests it, that is the moment to find a new adviser.

Keep Amex out of your repricing maths

American Express is not covered by the 1 October change and sits in a separate RBA review. If you take Amex, treat it as its own line: you may still be able to surcharge it, and folding it into your base-price lift would overcharge every non-Amex customer.

PART FOUR

The one-page checklist

- [ ] Pull your last three acquirer statements. Write down your effective cost of acceptance (total fees ÷ card turnover).
- [ ] Write down your card mix: % debit, % Visa and Mastercard credit, % Amex.
- [ ] Run your number at silasmain-marginshield.netlify.app: annual exposure and the exact base-price lift.
- [ ] Reprice your full list in one pass. Round to clean numbers. New list live before 1 October.
- [ ] Ask your bank to activate PayID and PayTo on the business account.
- [ ] Add the one-line cheaper-rail script at the counter and on every invoice.
- [ ] Move new memberships and payment plans to direct debit now; invite existing ones across.
- [ ] Get one competitor quote and renegotiate your acquirer plan before October.
- [ ] Diarise early November: check your statement for the interchange cut (credit 0.8% to 0.3%, debit 0.2% to 0.16%).
- [ ] Do not rename the surcharge. No admin fee, no service fee, no card handling fee.

PART FIVE

Your number, then your move

This guide gave you the rules and the playbook. The two things it cannot give you are your exact number and your exact new price list. Those come from your own figures.

Free: run your number

The Margin Shield calculator takes four inputs from your acquirer statement and shows your annual exposure, the interchange offset, and the precise base-price lift that keeps you whole. It runs in your browser in about two minutes.

silasmain-marginshield.netlify.app

The Margin Protection Audit

Done with real statements instead of estimates. We read your actual acquirer data and hand back your true fee leakage per payment type, the **precise new prices** that keep your margin whole, and the rail-migration playbook for your business, including the scripts your front desk uses. Delivered personally by David Saleh, with a 30-minute walkthrough.

Book a free 30-minute call: **cal.com/david-saleh-8p0c6t/free-30-min-strategy-call** · hello@silasmain.com

Disclaimer. General information only, current as at 14 July 2026. Not financial, legal or tax advice. Confirm your specific numbers with your accountant. Figures in the worked example are illustrative. The interchange offset depends on your acquirer passing the reduction on. American Express and BNPL arrangements are subject to separate RBA processes and are not covered by the 1 October 2026 change. Sources: RBA, Review of Merchant Card Payment Costs and Surcharging, Conclusions Paper and media release mr-26-10, 31 March 2026; RBA interchange fees conclusions; ACCC card surcharges guidance, accc.gov.au/consumers/pricing/card-surcharges.