



Rules Regulations of Cash Discount

Regulations of Card Providers, State Law & Federal Law

As stated in the Durbin Amendment ([part of the 2010 Dodd-Frank Law*](#)) businesses are permitted to offer a discount to customers as an incentive and to encourage customers to pay by alternative methods other than credit/debit cards including either cash, checks, money orders or gift cards in order to automatically receive a discount which is applied at the time of sale.

Under the Durbin Amendment there is no distinction between using a PIN or not and if the card is a bank debit card it is always considered a debit transaction – with or without a PIN number and such a transaction would never be considered a credit sale.

As of January 27, 2013 several Bank Card industry changes went into effect with regards to the credit card company's federal class action litigation settlement. The settlement required Visa and MasterCard to change some rules for Merchants who accept their cards, including allowing merchants to “offer a discount to customers who use less expensive forms of payment”, i.e. cash, gift cards, checks, etc.

1. Cash Discount is completely legal and it is totally acceptable to offer a discount to your customers for paying cash or charging them the “regular price” at checkout. This, in turn, could make your business more competitive, especially if most of your customers pay with cash, check, money orders, gift cards or debit card.

2. The customer service fee or discounted amount must be present on any receipts generated from the transaction. Cash Discount processing devices provide customers with receipts that clearly outline:

- a. BaseCost
- b. Cash Discount Amount
- c. Total sale Amount

Joe's Pizza

Order# 16924338
Order Date: 20.07.2017 5:06 PM

Large Pepperoni Pie	\$18.00
\$17.95 x 1	
Sku: 125446	

Subtotal	\$18.00
SVC	\$.70
Discount	\$0.00

Total	\$18.70
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Amount paid via Credit/Debit Card \$18.70

Large Pepperoni Pie	Card number: AMEX XXXXXXXXXXXX2098
\$17.95 x 1	Payment date: 20 Jul 2017 17:06:32
Sku: 125446	Authorization code: 828386
	Transaction Id: 3



Thank you for your business

Joe's Pizza

Order# 16924340
Order Date: 20.07.2017 5:07 PM

Large Pepperoni Pie	\$18.00
\$17.95 x 1	
Sku: 125446	

Subtotal	\$18.00
Sales tax @ 0.00%	\$0.00
SVC	\$0.70
Discount	-\$0.70

Total	\$18.00
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Amount paid via Cash	\$20.00
Change	\$2.00



Thank you for your business