Surcharges on Payments

Last Modified on 09/04/2026 8:05 am CDT

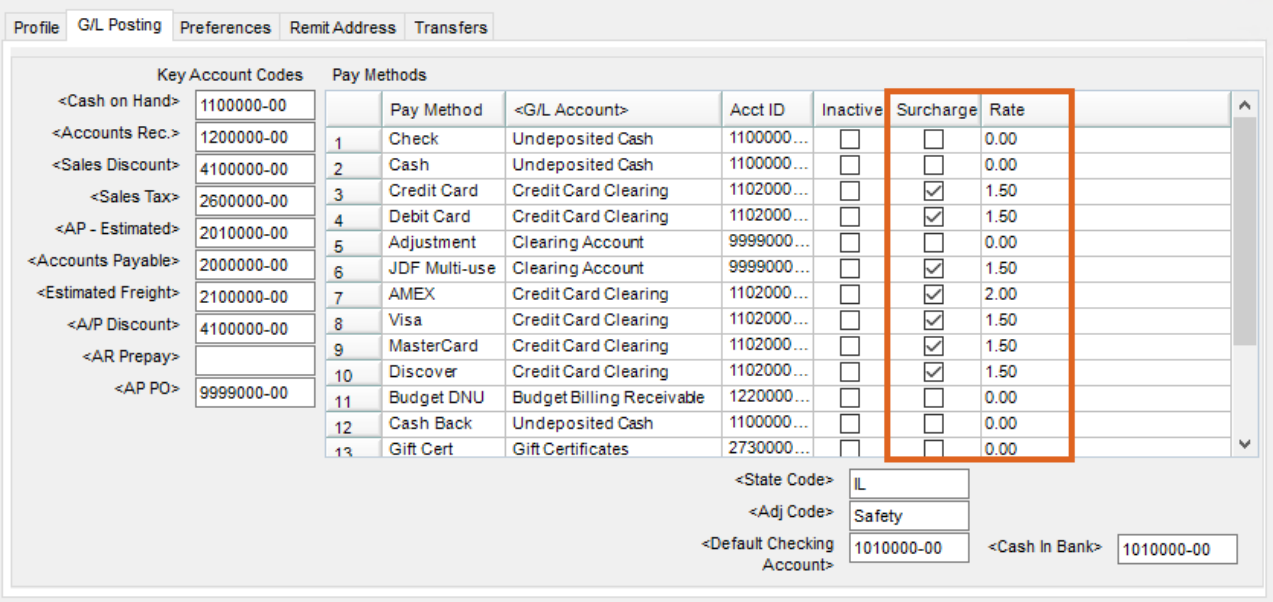
It is recommended to verify the local regulations for applying surcharges before using this function.

There are two methods that can be used when applying surcharges.

- **Method 1** – Based on the Pay Method set up for each Location. An AR Invoice is created and paid for the surcharge. This method is only available for regular Payments on Accounts and Quick Tickets.
- **Method 2** – Assesses the surcharge and adds the amount to the Pay Method subject to the surcharge rather than creating and paying an AR Invoice for the surcharge. The surcharge posts to the GL account specified for the surcharge Pay Method and does not affect the Customer's balance. This applies to the standard Payment on Account (Regular, Prepay, and Budget), the standard Roll Thru payment, and the optional *Display Amount due on roll thru POA*.

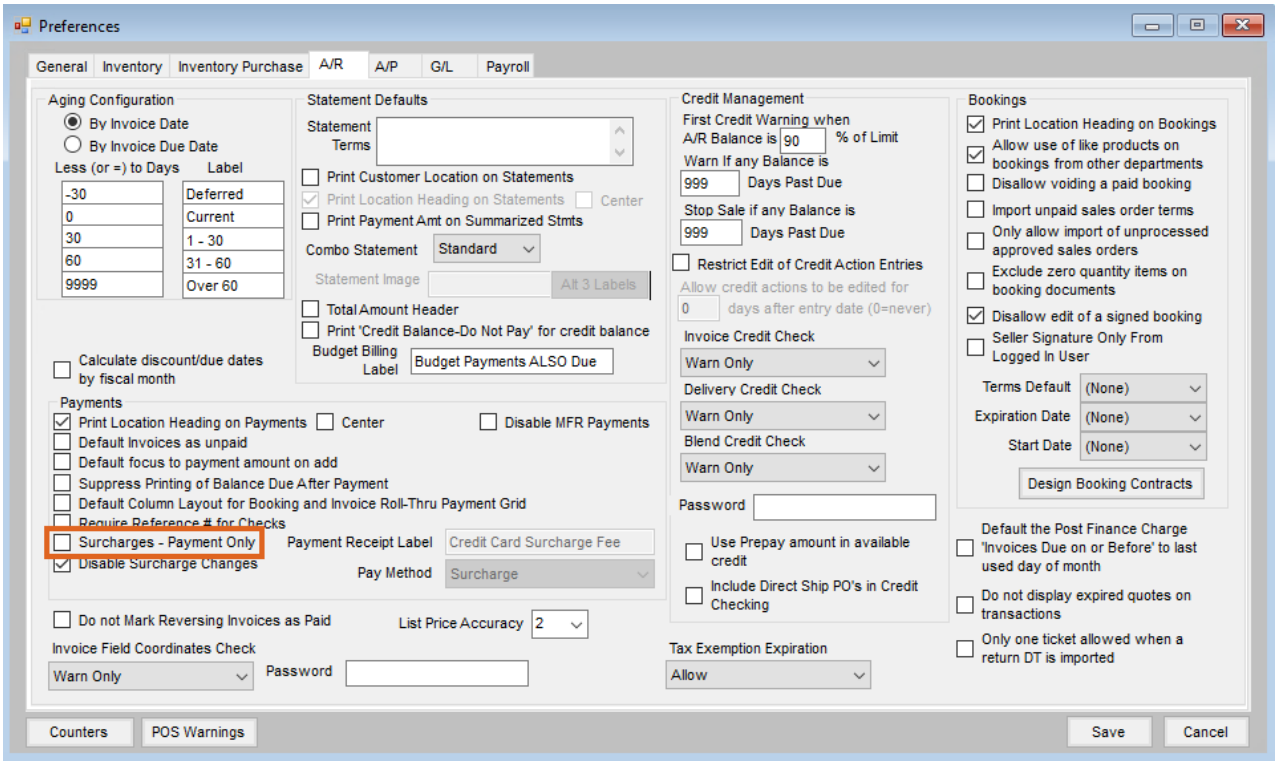
Setup

Add or edit a Location at *Accounting / Setup / Locations* and go to the *G/L Posting* tab. In the *Pay Methods* grid, select the *Surcharge* option for the pay methods that should include a surcharge, and enter a percentage in the *Rate* column.

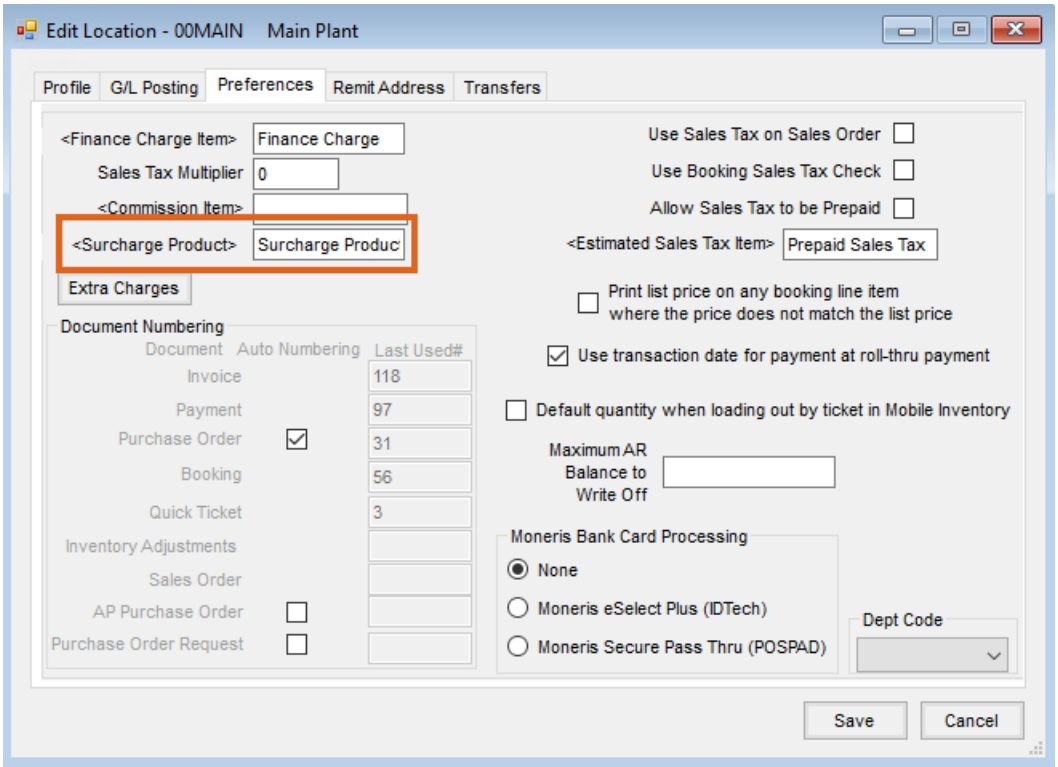


Method 1

With Method 1, the *Surcharge - Payments Only* option is unchecked on the *A/R* tab at *Accounting / Setup / Preferences*.



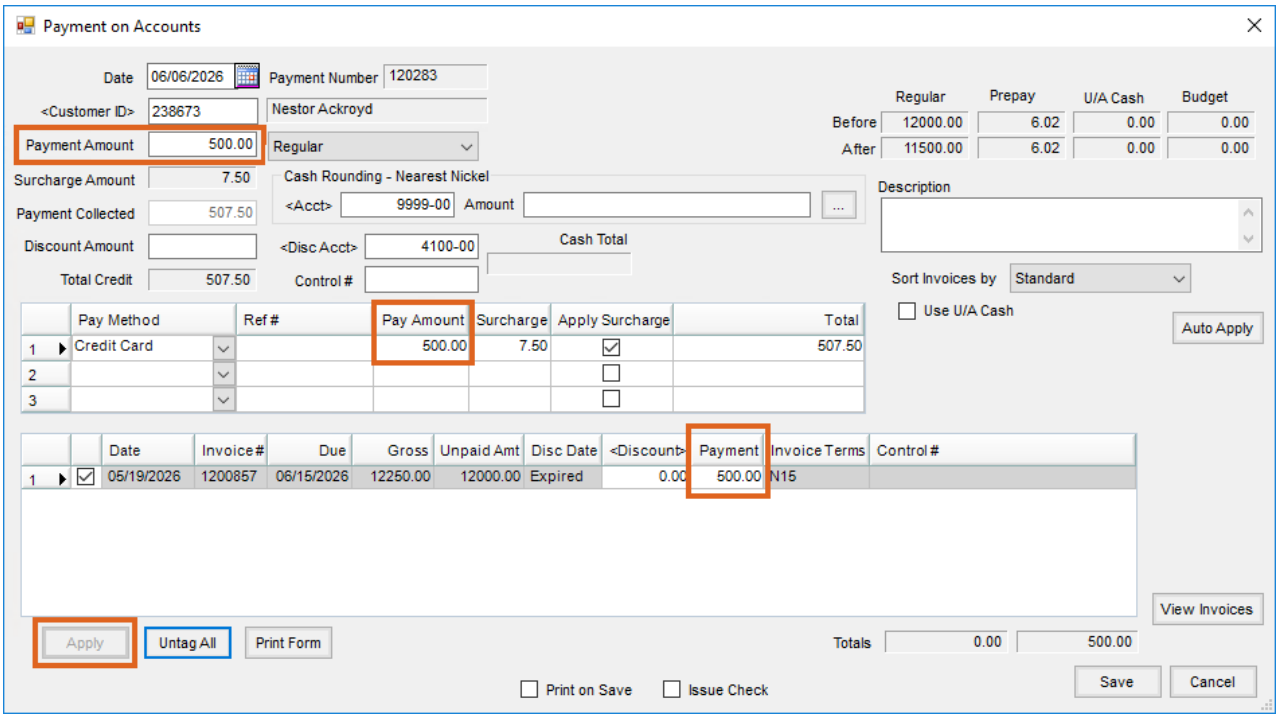
A Surcharge Product also needs to be set up and indicated on the Location's *Preferences* tab, select a *Surcharge Product*.



Note: Each Location utilizing the surcharge functionality should have this information set up.

After setup, the *Payment on Accounts* window displays additional surcharge options.

1. Enter the *Payment Amount* as the amount being paid not including the *Surcharge Amount*.
2. Select the appropriate *Pay Method*. The *Apply Surcharge* option will automatically be checked based on setup above and the *Surcharge* amount will be calculated.
3. Change the *Payment* amount in the grid to match the *Payment Amount* from Step 1.
4. Select **Apply** then choose **Save**.

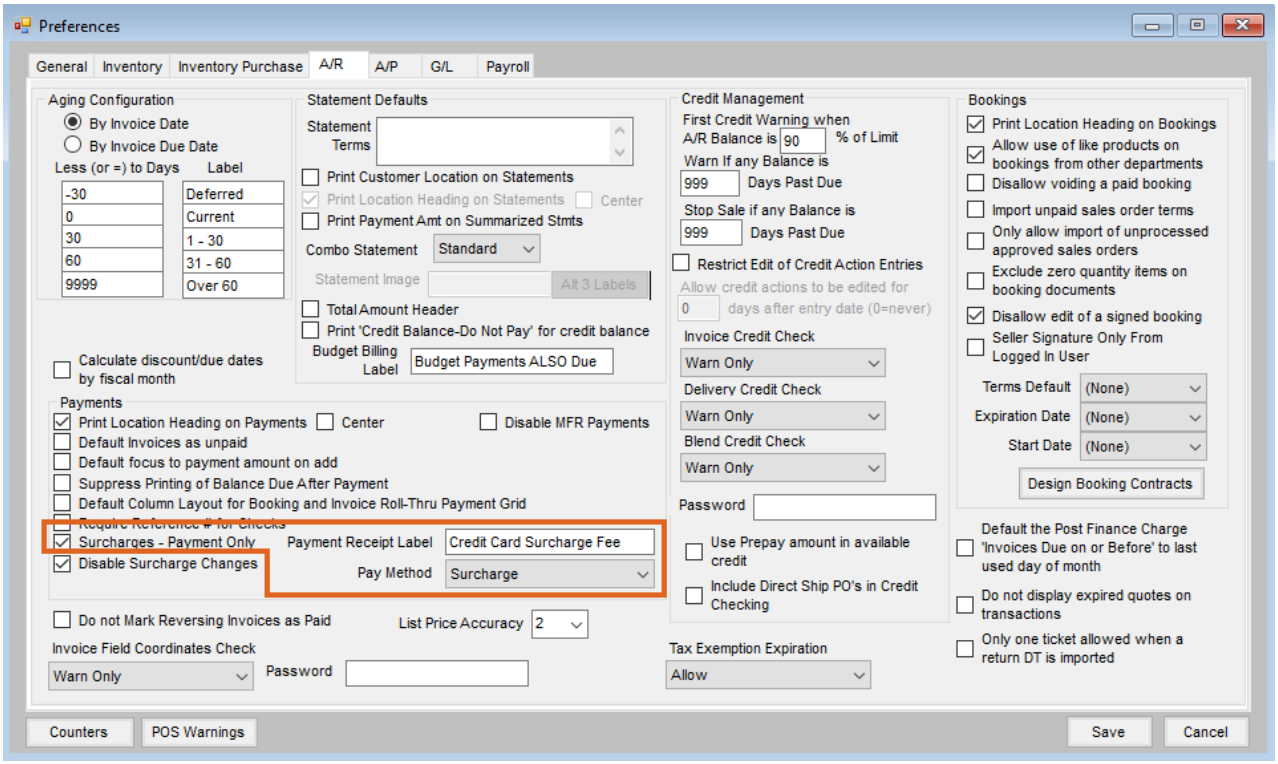


An Invoice will be created and paid for the surcharge amount.

Method 2

When the *Surcharge - Payments Only* option is checked on the *A/R* tab at *Accounting / Setup / Preferences*, selection of the *Pay Method* is required. The Payment Receipt default label for surcharges is *Credit Card Surcharge Fee* but can be changed.

Note: The Pay Method selected is not eligible for selection on *Payment on Accounts* windows.



Regular Payment on Account

For *Regular*, *Prepay*, or *Budget* payments when Pay Method(s) are selected that are subject to a surcharge, the surcharge amount is calculated based on the surcharge percentage for the Pay Method. The surcharge displays in the *Surcharge Amount* in the header of the payment and in the *Pay Method* grid on the surcharged Pay Method(s).

Behind the scenes, the Surcharge Pay Method selected in the *Preference* section is added as a Pay Method for a negative amount but that Pay Method is not visible in the *Pay Method* grid on the add of the payment. (This is visible when the payment is edited.)

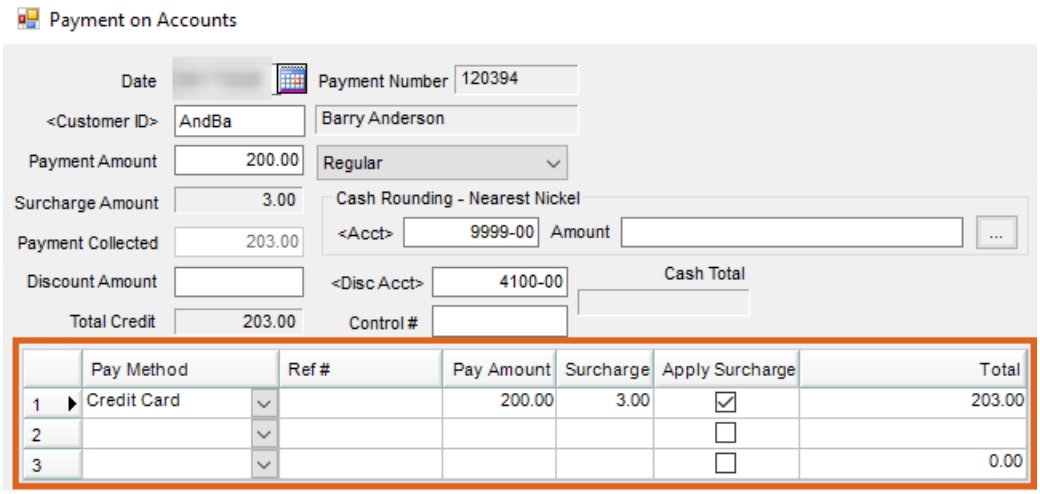
If a surcharged Pay Method is selected, the number of Pay Methods is restricted to two because the third Pay Method will be the Surcharge Pay Method.

Note: If the calculated surcharge amount is a negative, the surcharge Pay Method amount will be positive

If the Surcharge Pay Method (from *Preferences*) is not active for the location of the payment, the payment is stopped and the following message displays: *You have selected a pay method that is subject to a surcharge. However, the surcharge pay method is inactive for the location of this payment. Please edit the surcharge pay method and set to Active.*

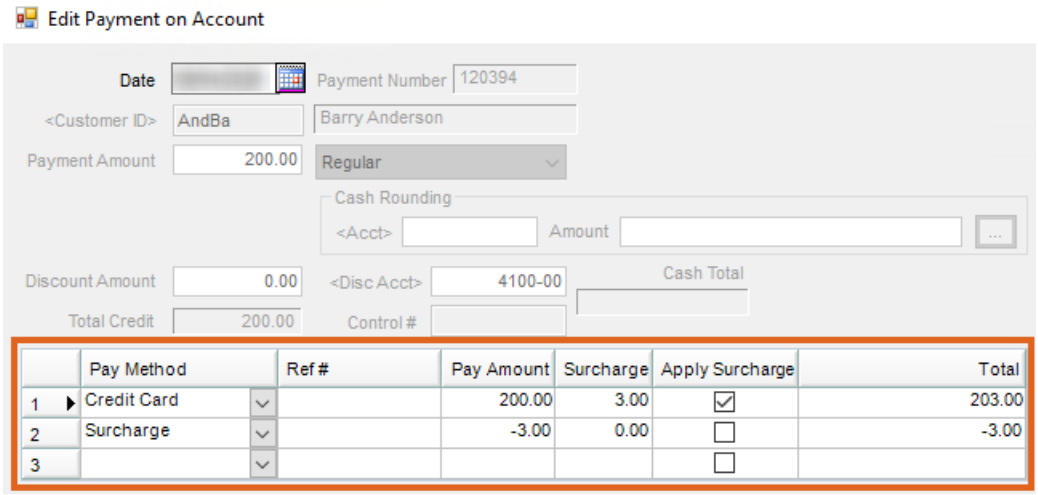
Add of Payment

The Surcharge Pay Method does not display in *Pay Method* grid.



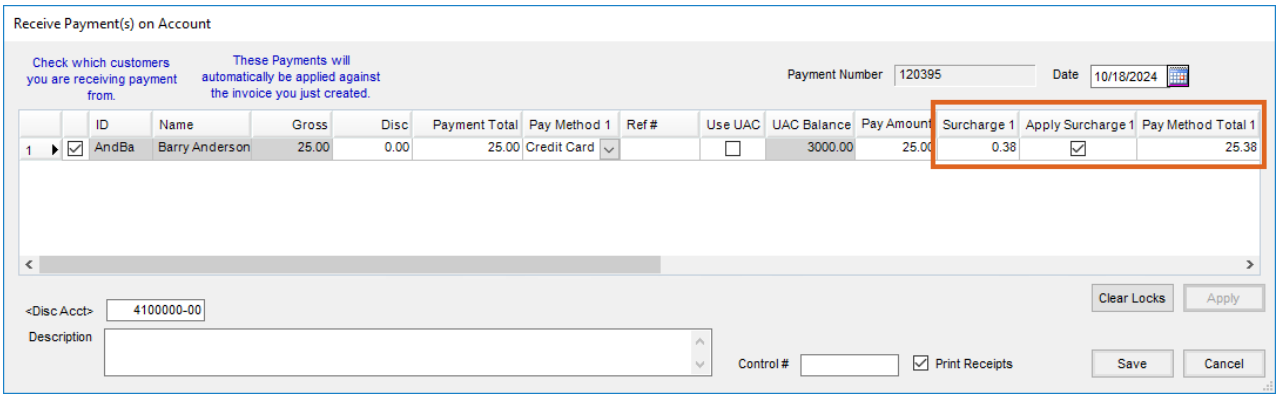
Edit of Payment

The Surcharge Pay Method displays in *Pay Method* grid.



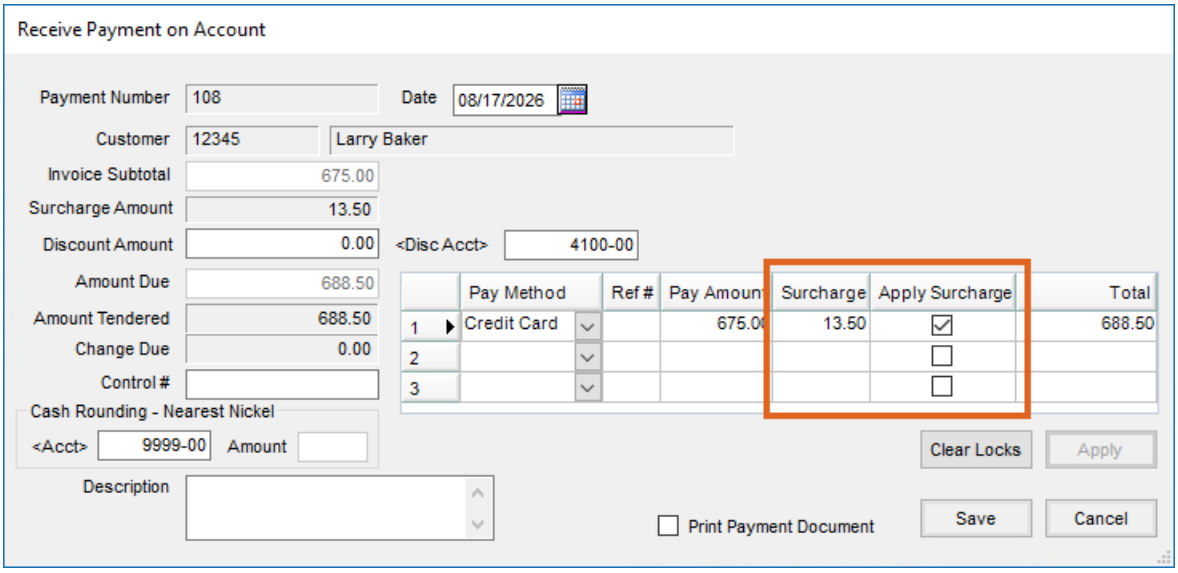
Roll-Thru Payment on Account

When the *Surcharge - Payment Only* preference is turned on, *Surcharge* columns display in the grid.

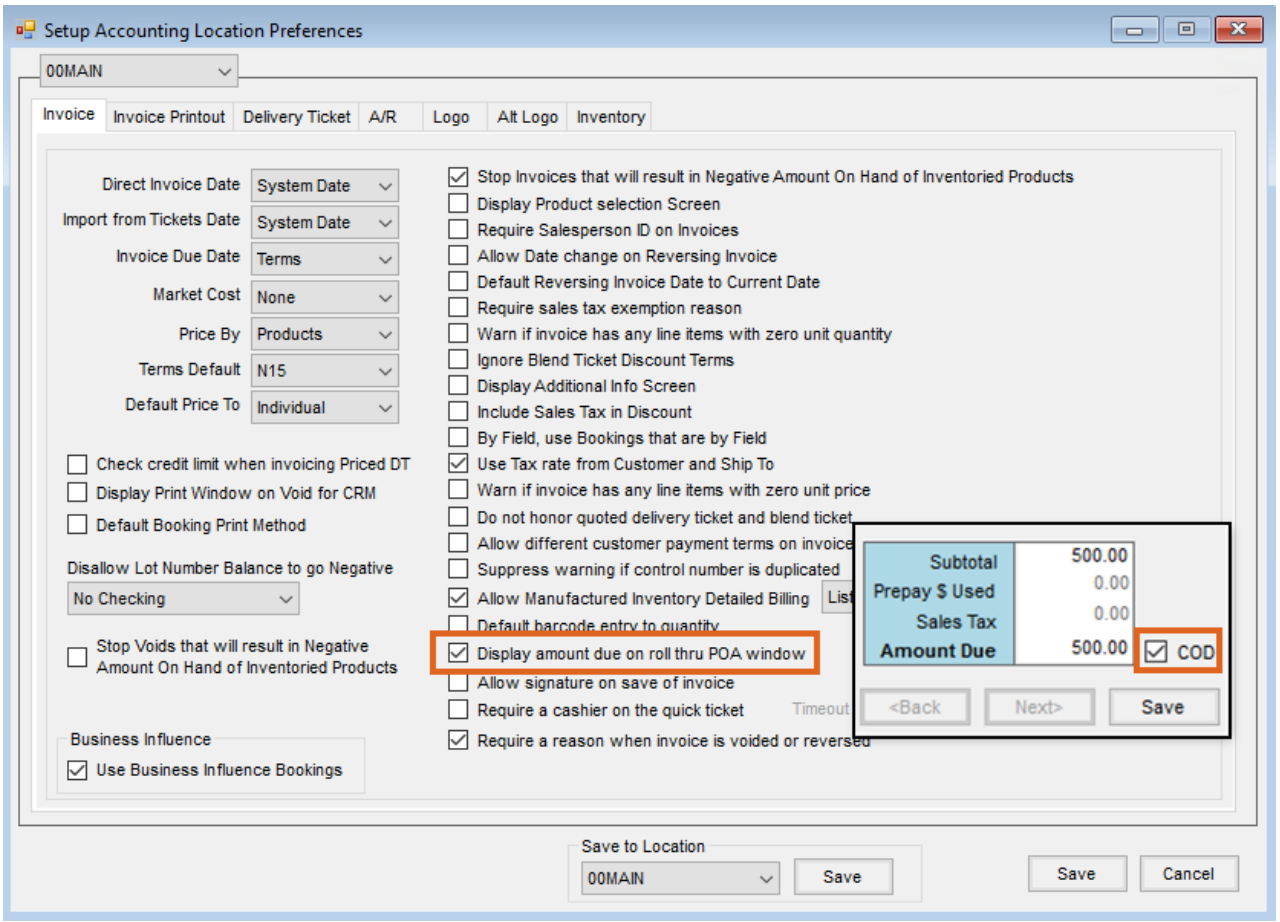


Change Due Roll Thru Payment on Account

When the *Surcharge – Payment Only* preference is turned on, new *Surcharge* columns display in the grid.

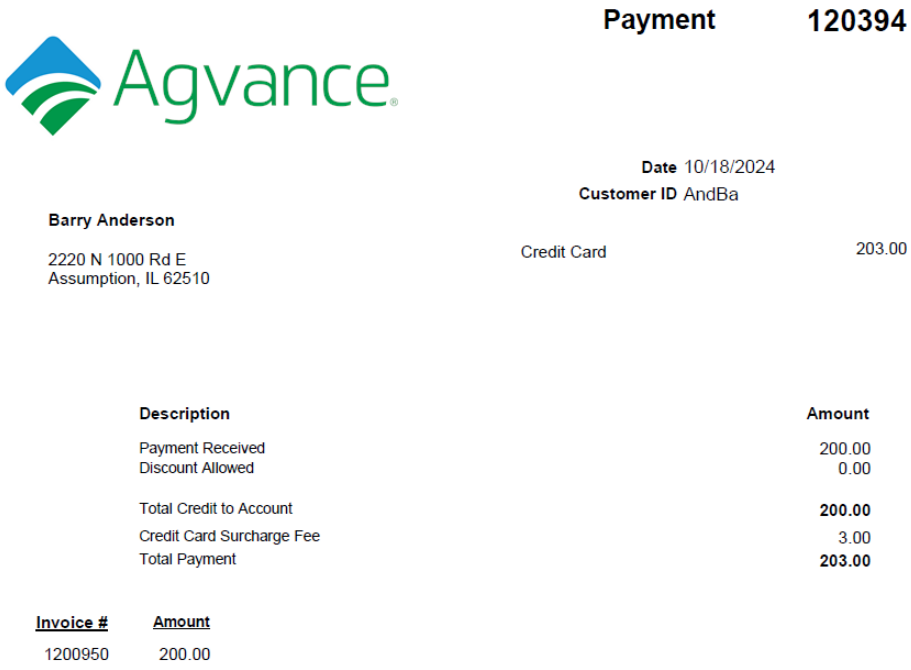


This window displays when the *Display amount due on roll thru POA window* option is enabled at *Accounting / Setup / Location Preferences* and *COD* is checked upon saving an Invoice.



Payment Receipt

The amount applied to the Customer's account is indicated along with the surcharge amount and the total of the two.



Payment **120394**

Date 10/18/2024
Customer ID AndBa

Barry Anderson

2220 N 1000 Rd E
Assumption, IL 62510

Credit Card 203.00

Description	Amount
Payment Received	200.00
Discount Allowed	0.00
Total Credit to Account	**200.00**
Credit Card Surcharge Fee	3.00
Total Payment	**203.00**

Invoice #	Amount
1200950	200.00