

VISA Tells Government to Stop Taking Their Card at the Counter

VISA is not everywhere; VISA cards not taken at local tax offices.

Effective May 1, 2009, VISA will no longer be accepted in the Osceola County Tax Collector offices.

VISA's regulations prohibit government agencies from continuing to accept their credit or debit card at the counter as payment for various transactions. VISA is requiring government agencies, including the Tax Collector's Office, to sign merchant agreements that would force them to pass on VISA's charges to all customers, not just those who are using their credit or debit cards at the counter.

MasterCard, American Express & Discover will continue to be accepted by the Tax Collector's Office at the counter, through the mail, over the telephone and online at www.osceolataxcollector.org. Because of VISA's regulations, the Tax Collector's Office will no longer be able to accept VISA for any transactions.

In response to this development, Patsy Heffner, Osceola County Tax Collector, stated, "VISA's position is not feasible in the public sector. It is our position that if a taxpayer wants to have the convenience of using VISA, the card holder should shoulder the additional costs and not all taxpayers."

The State of Florida has already weighed in on this issue by authorizing governing agencies conducting state business to accept credit card payments and charge a convenience fee.

"When I go to dinner and pay with cash, I know the price includes additional costs that allow someone else to use their VISA card. As Tax Collector, I can't do that. Fees are established by statute and I do not have the authority to increase everyone's fees to cover the cost of those using VISA" said Heffner.

Background

VISA does not allow merchants to pass along the cost of accepting credit cards to the individual user. Because of the law and VISA's policies, merchants are left to pass along the cost of accepting VISA cards to all of their customers, including those who choose to pay by cash or check (Re: F.S. 501.0117). As such, people who pay for goods or services by cash or check are, in effect, subsidizing VISA transactions.

State law does allow specified government agencies to pass along credit card fees to the individual user in the form of a convenience fees (F.S. 215.322). This provision allows these agencies to accept payments from individual taxpayers who choose to use a credit card without creating an additional burden for all taxpayers. VISA, which accounts for a majority of credit card transactions, is seeking to curtail the ability for government to utilize convenience fees and, instead, have all taxpayers subsidize their card operations.