

**BILL SUMMARY**  
1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 2181</b>
<b>Version:</b>	<b>Introduced</b>
<b>Request Number:</b>	<b>6410</b>
<b>Author:</b>	<b>Johns</b>
<b>Date:</b>	<b>2/4/2021</b>
<b>Impact:</b>	<b>Please see previous summary of this measure</b>

**Research Analysis**

HB 2181 excludes state and local taxes from the calculation of the amount on which a service fee is charged for an electronic payment transaction, such as the use of a debit or credit card. The measure also prohibits increasing the rate or amount of the service fee to circumvent the this exclusion. Payment card networks are directed to either deduct the amount of any tax or fee from the calculation of the service fee or rebate the amount proportionate to the amount attributable to the tax or fee. The deduction or rebate is to occur at the time of sale when the seller is able to capture and transmit the relevant tax or fee amounts. If the seller is unable to capture and transmit those amounts at the time of sale, the payment card network is directed to accept proof of tax or fee amounts and promptly credit the seller's settlement account.

Any payment card network that violates these provisions is subject to a civil penalty of no more than \$1,000 per violation, payable to the plaintiff, and shall refund the surcharge to the seller.

Prepared By: Emily McPherson

**Fiscal Analysis**

The measure is currently under review and impact information will be completed.

Prepared By: Mark Tygret

**Other Considerations**

None.