



# Electronic payment surcharge reduction

## Frequently Asked Questions

As part of the West Australian Government's endorsed surcharge capping reforms, the Department of Transport (DoT) has capped surcharges imposed on taxi patrons who pay their taxi fare using a non-cash payment from 24 February 2015.

### ***What will change?***

From 24 February 2015 the non-cash payment surcharge will reduce from 10 per cent (excluding GST) to a maximum of 5 per cent (including GST).

A non-cash payment surcharge is incurred when a passenger uses a credit, debit or charge card, manual voucher, e-ticket or smartphone app to pay for the taxi fare.

DoT will regulate electronic payment surcharges and as of 24 February 2015 it will be an offence to contravene the surcharge regulations.

Where more than one payment terminal is available in the taxi, the driver must use the payment terminal with the lowest surcharge. DoT believes this will:

- foster competition between payment terminal providers; and
- improve outcomes for taxi patrons.

### ***Will all taxi vehicles reduce the surcharge?***

Most current terminals must be updated to reflect the reduction in the surcharge. DoT has written to known providers of electronic payment terminals for taxis advising them to update their equipment by 24 February 2015.

Where more than one payment terminal is available for payment in a taxi, the taxi driver is obliged to use the terminal with the lowest non-cash payment surcharge.

## How is the non-cash payment surcharge fee applied?

<b>Current surcharge of 10 per cent plus GST</b>	
Fare	\$100
Surcharge 10% (GST exclusive)	\$10
GST on surcharge	\$1
<b>Total fare</b>	<b>\$111</b>
<b>New surcharge with a maximum of 5 per cent including GST (from 24 February 2015)</b>	
Fare	\$100
Surcharge 5% (GST inclusive)	\$5
<b>Total fare</b>	<b>\$105</b>

### Information for taxi patrons

DoT will work with taxi patrons to resolve any issues that may arise with the introduction of this reduced cap.

If a taxi patron feels they have been charged the incorrect surcharge amount, they are encouraged to contact the relevant taxi dispatch company in the first instance. If the taxi patron is unhappy with the outcome, or if the dispatch company is not involved with providing the payment terminal, the customer should contact DoT on 1300 660 147 or [compliance@transport.wa.gov.au](mailto:compliance@transport.wa.gov.au).

Taxi patrons who feel they have been charged the incorrect surcharge amount should provide a copy of the receipt to DoT. A \$200 fine can be imposed on any person – including a taxi dispatch service, plate holder, or taxi driver – who breaches the five per cent surcharge cap in Perth.

### Information for taxi drivers

Drivers must check to ensure payment terminals are compliant. If a terminal is not compliant, it will require updating.

Non-compliant terminals must not be provided by a taxi driver, taxi dispatch service, operator or plate holder nor a surcharge imposed on a taxi patron that exceeds the five per cent cap (inclusive of GST).

Receipts issued to taxi patrons should show the surcharge amount (if any).

Drivers should process all valid credit or debit cards accepted by a compliant terminal.

Penalties or modified infringement notices may be issued by DoT to any taxi dispatch service, driver, operator or plate holder who charge over the 5 per cent cap (inclusive of GST).

### Queries

Please contact DoT via 1300 660 147 or [PSBUindustrydevelopm@transport.wa.gov.au](mailto:PSBUindustrydevelopm@transport.wa.gov.au)