Clarification of credit card surcharge rules

October 18, 2023

Following consultation with industry regarding credit card surcharges, the Passenger Transportation Board (Board) has created new rules for all passenger directed vehicle (PDV) authorization and transportation network services (TNS) authorization licensees.

The new rules prohibits licensees from charging a credit card surcharge to passengers for credit card payment.

Board authority to make rules

Under section 7(1)(f) of the Act, the Board has the authority to: "approve, or set, for the purpose of establishing just and uniform charges, rates to be charged by a licensee in respect of passenger directed vehicles operated under a licence ... and approve any rule, practice or tariff of the licensee relating to those rates."

Under section 7(1)(g) of the Act, the Board has the authority to "make rules respecting (i) rates that are or may be charged by a licensee, (ii) any rules or practice of a licensee relating to those rates, and (iii) any tariff of those rates."

Systemic decision on credit card surcharges

The Board considered the topic of credit card surcharges in its December 2022 and January 2023 Board meetings. Following a motion approved by the Board, an Industry Advisory was posted on the Board's website on January 18, 2023. The Industry Advisory provided background information on credit card surcharges and invited submissions from the industry.

Following review of the submissions, the Board panel made the decision to prohibit credit card surcharges. <u>The full reasons for decision</u> includes discussion of the industry submissions, analysis, and the Board's decision on credit card surcharges.

Rates Rule changes

During the implementation of this credit card surcharge decision, the Board has taken the opportunity to modernize its rules and has changed the names of the Rates Rules to:

- Standard Rule for Taxi Rates
- TNS Rates Rule
- Limousine Rates Rule
- Other PDV Rates Rule

All these Rates Rules can be found in the <u>Board's Rates Rules Manual</u>. These Rates Rules are applicable to all licensees under the applicable sector type (i.e., the *Limousine Rates Rule* applies to limousine licensees), unless the Board has specifically exempted a licensee.

Additional Resources

Rates Rule – Standard Rule for Taxi Rates

Rates Rule – TNS Rates Rule

Rates Rule - Limousine Rates Rule

Rates Rule - Other PDV Rates Rule

Credit Card Surcharge decision

TAGS: Taxi, Ride-hail (TNS), Inter-city bus, Limousine, shuttle and other passenger-directed vehicles, Industry-wide, Policy updates