

## Credit Card Processing Fees Will Skyrocket for American Businesses Under New Law, According to Merchant Rights Advocate Robert Livingstone of IdealCost.com

Published: Monday, 26 Sep 2011 | 7:50 AM ET ↑ Text Size - +

WESTON, Fla., Sept. 26, 2011 /PRNewswire via COMTEX/ -- Many businesses will face substantial rate hikes instead of rate reductions under a new law set to go into effect soon, according to merchant rights advocate Robert Livingstone, president and founder of IdealCost.com, a consulting firm that reduces credit card acceptance fees for merchants without switching their existing provider.

Contrary to its stated purpose, The Durbin Amendment, attached to the Dodd-Frank Act passed last year, is supposed to substantially reduce card acceptance fees for merchants across America. When the law is enacted on October 1st three immediate problems will occur, Livingstone said: Visa and MasterCard have already announced historically high credit card processing rate increases to begin in October.

Credit card processors, that act as brokers between Visa/MasterCard and businesses, are the ones who receive the rate reduction. Many processors intend to pocket the difference without passing the savings onto their clients.

Publicly, held processors have made these announcements to their shareholders.

Businesses that accept credit cards over the phone or Internet will not see any discounts even if their credit card processor wants to pass the on the savings because it is only applies to cards that are swiped. Intended discounts that only apply to brick and mortar retailers are discrimination.

"What many companies aren't privy to is that these rate reductions are specifically for swiped debit card transactions. Visa and MasterCard have announced historically high credit card processing rate increases to offset these rate reductions," said Livingstone. "Merchants who accept cards over the phone or the Internet will see zero rate reductions and huge fee increases on their merchant statements. In this economic climate how are these merchants supposed to pay for these increased fees?" "As we've anticipated these consequences for over a year and a half we have prepared all of our clients' accounts to minimize the damage and maximize the benefit," he said.

For the last 18 months Livingstone has shed light on how poorly drafted the Durbin Amendment is and how it lacked any anticipation to the free market.

"The Durbin Amendment touted itself as the end-all of all unreasonable merchant fees. Whether it was poorly drafted to purposely support only certain industries or miswritten completely by accident, it will result in harming American merchants," he said.

IdealCost.com's founder also adds: "In this economic climate merchants are burdened with rising costs in almost every other aspect of their business. The last thing that they need is an unsubstantiated rate increase." Effectively, non-IdealCost.com clients have no choice but to accept these rate increases, he said.

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About IdealCost.com Founded in 2008 in West Palm Beach, FL, IdealCost.com's mission is to protect large business owners from being taken advantage of by their credit card processors. Until now, merchants haven't had a viable solution to receive truly reasonable rates and fees.

IdealCost.com is different from other companies because it is paid only from the savings that it generates for clients. This performance-based guarantee makes clients feel at ease because traditional credit card processing salesmen are paid a commission even when they raise their clients' rates and fees.

The company represents the merchant rather than acting as an agent for the banks or credit card processors. IdealCost.com performs merchant account audits and offers consulting services. The company strives to separate itself from the stigma of the credit card processing industry. IdealCost.com allows business owners to stop worrying about their merchant account and return to more important matters in their businesses such as sales, customer service, and providing for their families.

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