



An Extended Guide · No. 1894

Reading Your Processor Statement — Finding the Fees You Can Cut

A line-by-line walk through your
monthly bill, and what to question

Tech Made Simple — Service Made Personal

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✓ You can read this — I promise

A processing statement looks like it was designed to be skipped, and maybe it was. But underneath the jumble it's just a list of sales and a list of fees. By the end of this guide you'll be able to pick up any statement, find the number that matters, and spot the fees worth questioning. No accounting degree required.

Let's read your statement together

Most owners glance at the total on their processing statement, wince, and file it away. That's exactly how small fees grow into big ones — nobody is looking. A few minutes of reading each month keeps everyone honest.

I'm Bill, and I run Bill's Home Tech here in Portage County, Ohio. In 30+ years of helping folks with their technology, I've learned that a confusing bill isn't a sign you're not smart enough — it's often a sign it was built to confuse. We'll fix that here.

I run my own shop on Square, so I'm most used to its tidy statement, but the skills here work on any processor's bill — a bank's, a reseller's, anyone's. I sell no processing and earn no commission, so I've no reason to steer you anywhere but toward reading your own numbers clearly.

★ Bring me a real statement

Reading a statement is far easier with a live one in front of us. If yours has you stumped, bring it over or send me a photo and we'll go line by line together. Call or text (330) 200-8042.

The whole guide, on one page

If you remember only these things, you'll read a statement better than most owners ever do.

- ❑ A statement has two halves: what you sold (deposits) and what you paid (fees). Find both before anything else.
- ❑ Compute your **effective rate** — total fees divided by total sales. That one number tells you what cards really cost you.
- ❑ Tiered pricing with 'qualified,' 'mid-qualified,' and 'non-qualified' buckets is a red flag built to hide the true cost.
- ❑ Hunt for the usual suspects: monthly, PCI, statement, batch, gateway, minimum, chargeback, and any lease line.
- ❑ A monthly minimum and a PCI non-compliance penalty are two fees you can often cut just by acting.
- ❑ A 'free terminal' line that recurs every month is usually a lease in disguise — find it and question it.

✓ Read one closely each year, at least

You don't have to pore over every statement. But read one carefully a year, recompute your effective rate, and compare it to last year's. That yearly habit catches the slow creep before it costs you real money.

A statement is really just two lists

Before we chase any single fee, get the lay of the land. However busy it looks, your statement is two lists bolted together.

List one — what you sold and were paid

Somewhere near the top you'll find your sales (gross volume) and your deposits — the money that actually reached your bank. On a simple flat-rate statement, deposits are your sales minus fees. On a busier statement, fees may be billed separately once a month instead of taken from each deposit, so the two can look disconnected.

List two — what you paid to accept cards

The other half is fees: the percentage-and-cents on your sales, plus every flat charge. This is the half worth your attention, because it's where money quietly leaves without you deciding.

✓ Find three numbers first

Before anything else, circle three numbers on the page: total card sales, total fees, and total deposited to your bank. With those three in hand, the rest of the statement is just explaining how you got from the first to the last.

Compute the number that matters

The headline rate you were quoted and the rate you actually pay are rarely the same. The gap is the fees. Your effective rate measures the truth.

Take the two numbers you already circled — total fees and total card sales — and do one division: total fees divided by total card sales, times 100. That percentage is your effective rate, the real cost of taking a card through this processor this month.

What the number tells you

- If your effective rate is close to the headline rate you were quoted, your fees are lean. Good.
- If it's noticeably higher, the gap is all those extra fees — and that gap is your to-do list for the rest of this guide.
- Run it on a typical month. A slow month makes fixed fees look huge; a busy month hides them.

There are no real dollar figures in this guide on purpose — your numbers are the ones that matter. Grab a statement and a phone calculator and you'll have your effective rate before this page cools off. Our guide on what card processing really costs goes deeper on why this number beats every headline.

★ Can't find your totals?

Some statements bury the totals or split them across pages. If you can't locate your total fees or total sales, that's worth a call — send me the statement and I'll point to each number. (330) 200-8042.

The biggest red flag: tiered pricing

If there's one statement layout that reliably costs owners more than they think, it's tiered pricing. Learn to spot it on sight.

Tiered pricing sorts your sales into buckets — usually 'qualified,' 'mid-qualified,' and 'non-qualified' — each at a different rate. The pitch quotes you the low qualified rate. The catch is that the processor decides which sales fall into which bucket, and a surprising share of your sales land in the pricier buckets you were never really quoted.

It's the opposite of transparent. You can't predict your cost, you can't audit it, and that's rather the point. Compare it to flat-rate (one clear percentage) or true interchange-plus (wholesale cost plus a fixed, visible markup) and the difference in honesty is stark.

! Seeing buckets? Dig in or move on

If your statement shows qualified / mid-qualified / non-qualified lines, you're on tiered pricing. Ask your processor to move you to flat-rate or interchange-plus, in writing — or get a competing quote. This is the single most common way small merchants quietly overpay.

Where the fees like to hide

Fees rarely announce themselves. They cluster in a few predictable corners of the statement, so you know where to look.

Look here	For fees like
A monthly 'service' section	Account, statement, PCI, gateway
Per-transaction lines	Per-item cents, batch, AVS
A 'fees and adjustments' block	Chargeback, minimum, assessments
A separate equipment line	An equipment lease payment
Fine print / footnotes	The non-compliance PCI penalty

Notice that fees are often split across several sections so no single spot shows the full damage — another reason the effective rate matters: it sweeps them all into one honest number regardless of where they're printed.

✓ **Read every line, even the tiny ones**

The fees that get missed are the small, oddly named ones — a 'network access' charge here, a 'regulatory' line there. Small and recurring is still money every month. If you can't explain a line, that's a question for your rep.

The monthly minimum — a tax on slow months

Here's a fee that punishes you precisely when business is quiet, which is exactly when you can least afford it.

A monthly minimum is a floor on the fees your processor collects. If your percentage-based fees for the month don't reach that floor, they bill you the difference to top it up. In a busy month you never notice it; in a slow or seasonal month, it's pure extra cost for sales you didn't make.

On the statement it may appear as a 'minimum processing fee' or hide inside the monthly service charges. If you run a seasonal business — a market stall, a summer stand, a holiday-heavy shop — a monthly minimum can quietly tax every off-season month.

! Match the deal to your season

If your sales swing hard with the seasons, a monthly minimum (and any flat monthly fee) hurts more than a slightly higher rate would. A no-monthly-fee flat rate, where you pay only when you sell, often fits seasonal selling far better. Weigh it against your real calendar.

Finding the PCI charges

PCI shows up on almost every statement, and it's one of the few fees you can sometimes erase with a free chore. Worth finding.

PCI DSS is the card industry's security standard (v4.0.1 as of late 2026). Many processors charge a modest recurring PCI-compliance fee to run the program — that one is usually just part of the deal. The one to hunt for is the PCI **non-compliance** fee: a monthly penalty added when you haven't completed your security self-assessment.

Owners pay that penalty for years without realizing it's optional. If you use Square, Clover, Toast, or Shopify with their listed hardware, those systems do most of the compliance work, and completing the short self-assessment your processor points you to can switch the penalty off.

✓ Two names, two meanings

On the statement, a 'PCI compliance' or 'PCI program' fee is the normal recurring one. A 'PCI non-compliance' or 'PCI non-validation' fee is the penalty — that's the one to act on. Ask your processor exactly which self-assessment you need and keep proof you finished it.

Spotting a 'free' terminal that's really a lease

If you were given a 'free' terminal, look for a small recurring charge you may have filed under 'just part of the service.' It's often a lease.

A leased terminal shows up as a steady monthly equipment charge, sometimes under a different company's name than your processor, because leases are frequently written by a separate finance company. Over a multi-year term, that quiet line can add up to several times what the same hardware costs to buy outright.

The giveaway is that it never ends and never shrinks — unlike a purchase, a lease just keeps billing. If you spot one, dig out the lease paperwork and find the term, the buyout, and the auto-renewal. Our terminal-leases guide is a whole walkthrough of how these work and how to get out.

! A recurring equipment charge is not nothing

Don't wave off a small monthly equipment line as background noise. Multiply it by the months left on the term and you may be looking at the most expensive item on your statement. Find out what it is and what it takes to end it.

Two kinds of small business, two setups

What your statement should look like depends on how you sell. A steady storefront's bill reads differently from the bill of a vendor working a market from a folding table.

If you sell from a fixed counter or shop

Your sales are mostly in-person taps and dips at a fixed counter, so your statement should lean heavily on the lowest card-present rate. If it's crowded with monthly and per-item fees, your effective rate will drift above the headline — and that's your cue to question lines.

- Expect most sales at the card-present rate; a lot of 'online' or 'keyed' lines at a counter deserve a second look.
- Watch the monthly service block for account, statement, and PCI fees that a steady account can accumulate.
- A monthly minimum usually won't bite if your counter volume is steady, but confirm the floor.
- Check for an equipment-lease line if a bank or reseller set you up (see our terminal-leases guide).

If you sell on the go — markets, trucks, house calls

You sell from a booth, a truck, or a customer's living room, often keying in a card or sending an invoice. Those cost more, so your statement will show a mix of rates and your effective rate will sit above the in-person headline — that's expected, not necessarily a problem.

- Keyed and online lines at a higher rate are normal here — don't mistake them for errors.
- Watch for address-verification (AVS) fees on keyed sales and the online rate on invoices.
- A monthly minimum or flat monthly fee stings in your slow season — see if a pay-as-you-sell flat rate fits better.
- Fewer sales means fixed fees loom larger in your effective rate; compute it on an average month.

★ Statement not matching how you sell?

If your statement is full of rates and lines that don't match the way you actually take payments, that mismatch is worth a look together. Send me a photo of the statement and tell me how you sell. Call (330) 200-8042.

A simple order to read it in

Give yourself a routine and a statement stops being intimidating. Here's the order I use every time.

- **One:** circle total card sales, total fees, and total deposited.
- **Two:** divide total fees by total sales for your effective rate, and compare it to last month or last year.
- **Three:** scan for tiered-pricing buckets (qualified / non-qualified). If you see them, that's your headline problem.
- **Four:** list every flat fee — monthly, statement, PCI, gateway, minimum, batch, lease — and ask whether each earns its keep.
- **Five:** flag anything you can't explain in your own words. Those are your questions for the rep.

Five steps, five minutes once you've done it a couple of times. The goal isn't to become an auditor — it's to never again be surprised by your own bill.

✓ Keep a one-line log

Jot your effective rate and total fees in a notebook each month. A year of one-line entries makes a creeping rate jump off the page — far easier than comparing full statements side by side.

The fees you can actually cut

Not every fee is negotiable — interchange and assessments are wholesale costs nobody escapes. But several lines are within your power to lower or remove.

- **PCI non-compliance penalty:** complete the self-assessment and it often disappears.
- **Tiered pricing:** ask to move to flat-rate or interchange-plus, or take a competing quote.
- **Monthly minimum and flat monthly fees:** a no-monthly-fee flat rate may fit you better, especially if sales swing.
- **Equipment lease:** buy your hardware outright instead; owning cheap readers frees you from the lease entirely.
- **Keyed-sale costs:** take more taps and dips in person — the card-present rate is the cheapest you'll get.

You won't win every one. But between switching off a PCI penalty, escaping a tiered deal, and taking more in-person taps, most owners can trim their effective rate without any heroics.

★ Let's find your cuttable fees

Bring me a statement and I'll help you separate the fees you can do something about from the ones nobody can change — so you spend your energy where it pays off. Call or text (330) 200-8042.

Asking for a statement you can actually read

If your statement is genuinely impossible to follow, that is partly the processor's choice. You can ask for better.

You're entitled to understand what you're paying. Call your processor and ask for a plain-language breakdown of your fees, or for a statement format that separates the rate from the flat fees clearly. Many offer a simpler online dashboard that's far easier to read than the mailed PDF.

Ask them to confirm, in writing, your pricing model (flat-rate, interchange-plus, or tiered), your exact rate for each way you take cards, and a full list of your flat fees. A processor that won't put its own pricing in plain writing is telling you something.

✓ Put requests in writing too

Email or message your requests rather than only phoning, so you have a record.

'Please confirm my pricing model and full fee schedule in writing' is a reasonable ask, and the paper trail protects you if the numbers later don't match what you were told.

Questions to ask your rep

Armed with your statement, here are the questions that get real answers. Honest reps welcome them.

Q: What pricing model am I on, exactly?

Flat-rate, interchange-plus, or tiered. If it's tiered, ask to switch. Get the answer in writing with today's date.

Q: Can you explain this line I don't recognize?

Point at any fee you can't name and ask what it is, why it's there, and whether it can be removed. 'It's just standard' is not an answer.

Q: Am I paying a PCI non-compliance fee, and how do I stop it?

Ask which self-assessment questionnaire you need and whether completing it removes the penalty. Usually it does.

Q: Is there a monthly minimum or an equipment lease?

Both can quietly inflate your bill. Ask for the minimum's floor and the lease's term and buyout, in writing.

! Watch how they answer, not just what they say

A rep who explains each line patiently is worth keeping. One who rushes you, calls your questions silly, or won't commit answers to writing has told you how much your business is respected. Let that guide whether you stay.

Common mistakes people make

A handful of habits let fees grow unchecked. Now you'll recognize them.

- **Only reading the total** and never the lines, so small fees compound for years unnoticed.
- **Comparing headline rates** between processors instead of effective rates on your own numbers.
- **Not noticing a switch to tiered pricing** or a quiet fee increase buried in the monthly block.
- **Paying the PCI penalty** rather than spending twenty minutes on the self-assessment.
- **Treating a lease line as background noise** instead of the long, expensive commitment it is.

! The mistake that compounds

Every item here is really the same mistake: not looking. Fees drift up, models get switched, penalties get added — and none of it gets caught if no one reads the statement. Read one closely a year and you've beaten the lot.

When your deposits don't match your sales

Sometimes the statement reads fine but the money in your bank doesn't line up. Here's what's usually going on.

If your deposits are smaller than you expected, the common causes are fees taken out before deposit, a chargeback or refund clawing money back, or a new-account hold or reserve while the processor gets to know your business. On a busier statement, fees may be billed once a month separately, so a given day's deposit looks fine while the monthly fee charge lands elsewhere.

Match a few deposits against their sales to see which pattern you're on. If money is genuinely missing — not just fees or timing — that's a call to your processor, and worth doing promptly. Our guide on deposit timing, holds, and reserves covers the normal delays so you can tell a hold from a real problem.

✓ Reconcile monthly, not frantically

You don't need to match every transaction. Once a month, check that total deposits plus total fees roughly equals total sales. If those three tie out, your money is where it should be.

Keeping records that make this easy

A little filing discipline turns the yearly statement check from a chore into a glance — and helps your bookkeeper and your CPA at tax time.

- Save each monthly statement in one folder, paper or digital, in date order.
- Log your effective rate and total fees once a month — one line is plenty.
- Keep your processing agreement and any lease paperwork with the statements, so terms are easy to find.
- Hold on to proof you completed your PCI self-assessment.
- Keep any competing quotes you've gathered, dated, for your next negotiation.

None of this takes long if you do it as you go. And when your CPA asks for your card-processing costs for the year, you'll hand over a neat folder instead of hunting through a year of email.

★ I'll help you set up the folder

Setting up a simple, repeatable spot for your statements and a one-line log is a quick, satisfying visit. For the tax side of things I'll point you to your CPA, but I'm happy to get the system tidy. Call (330) 200-8042.

A walkthrough, with your own numbers

No invented dollars here — just the steps, so you can run them on a real statement tonight.

Open last month's statement. Write down your total card sales and your total fees. Divide fees by sales, times 100 — that's your effective rate. Write it next to last month's and last year's if you have them, and see which way it's moving.

Now list the flat fees one by one: monthly, statement, PCI (and any non-compliance penalty), gateway, minimum, batch, and any lease. Beside each, write 'keep,' 'question,' or 'cut.' That short list is your action plan — the questions to ask your rep and the fees to chase. Our what-card-processing-really-costs guide shows how the same numbers let you compare a competing quote.

★ Do it with me the first time

The first walkthrough is the hardest; after that it's routine. If you'd like company for the first one, bring a real statement and we'll build your keep-question-cut list together. Call or text (330) 200-8042.

The dashboard and the statement — use both

Modern systems give you a live online dashboard as well as a monthly statement. They serve different jobs, and the honest numbers can differ.

The dashboard is great for a quick daily pulse — today's sales, recent deposits, a fee summary at a glance. Square, Clover, Toast, and Shopify all offer one. But the monthly statement is the formal record, and it sometimes itemizes fees the dashboard rolls up. For your effective-rate math, trust the statement's totals.

If the dashboard and the statement disagree, don't panic — usually the dashboard is summarizing while the statement itemizes. But if they disagree by real money, that's a question for your processor.

✓ Check the dashboard weekly, the statement monthly

A quick weekly glance at the dashboard catches surprises early — an odd chargeback, a hold, a sales dip. The monthly statement is where you do the real reading. Two habits, each small.

Setting honest expectations

A little perspective before the questions, so you aim your energy where it actually helps.

Reading your statement won't make card fees disappear — everybody pays to accept cards. What it does is make sure you pay a fair, clear price and not a penny of needless fee on top. For most small shops, careful reading trims a fraction of a percent plus a few avoidable flat fees. Over a year that's real money, but it's a tune-up, not a miracle.

The bigger payoff is confidence. When you can read your own bill, no salesperson can bluff you, no quiet fee increase slips past, and you make payment decisions with numbers instead of nerves. That's worth the five minutes a month.

✓ Progress, not perfection

You don't have to catch every last cent. Read one statement well, fix the obvious leaks, and get back to your business. A statement you understand eighty percent of beats one you never open.

Common Questions

The questions I hear most from owners squinting at a processing statement, answered plainly.

Q: Why is my effective rate higher than the rate I was quoted?

Because the quote was the headline percentage, and your effective rate includes every flat fee on top — monthly, PCI, statement, gateway, and the rest. The gap is those fees. Our costs guide explains the pieces.

Q: What does 'qualified' and 'non-qualified' mean on my bill?

It means you're on tiered pricing, where the processor sorts your sales into priced buckets. It's a red flag that usually costs more than it looks. Ask to move to flat-rate or interchange-plus.

Q: There's a small monthly fee I don't recognize — what is it?

Could be a statement fee, a PCI or non-compliance fee, a monthly minimum, or an equipment lease. Ask your rep to name it and say whether it can be removed. Don't accept 'it's standard.'

Q: Can I really get any of these fees removed?

Some, yes. A PCI non-compliance penalty often goes away once you complete the self-assessment; a tiered deal can be renegotiated; a lease can be avoided by owning cheap hardware. Interchange and assessments, no — those are wholesale.

Q: How often should I actually read this thing?

Glance at the dashboard weekly, read one statement closely a year, and recompute your effective rate. That's enough to catch a creeping rate or a new fee before it costs you much.

★ Still squinting at it?

A confusing statement is not a sign you're not sharp — it's often by design. Send me a photo or bring it by and we'll read it together, line by line, in plain English. Call or text (330) 200-8042. No processing to sell, ever.

You don't have to figure this out alone

You just have to remember that a friendly, patient person who speaks plain English is one call away.

I hope this guide made reading your processor statement feel a little less daunting and a lot more doable. Keep it with your other business papers, come back to a page whenever you need it, and don't feel you have to memorize a thing.

When you'd rather have a hand, that's exactly what I do. I come to your shop or your kitchen table, work at your pace, and never make you feel rushed or silly for asking. A first visit is a flat \$99, and for the parts that don't need me on-site I can often help right on your screen for \$49. Every visit comes with a 30-day, come-back-free guarantee. I don't sell payment processing and I earn no commission from any company — so the advice you get is just honest advice. For the tax and legal fine points, I'll point you to your accountant or attorney.

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A Statement Is Just Two Lists

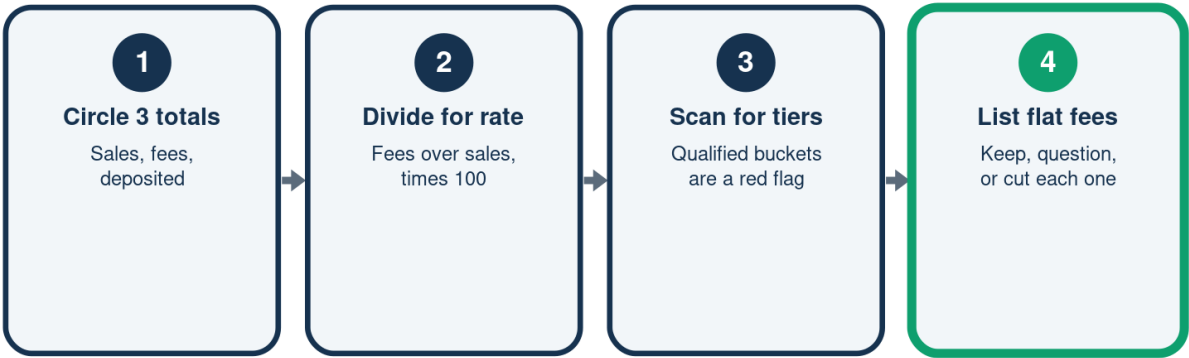
Find both halves before anything else

	What you sold	What you paid
The number	Total card sales	Total fees
Also shows	Deposits to bank	Flat + % charges
Why it matters	The money in	The money out
Your job	Circle the total	Read every line

Fees divided by sales is your effective rate -- the true cost.

Read It in Five Steps

A routine makes it painless



Flag any line you cannot explain – those are your questions.

Where Fees Like to Hide

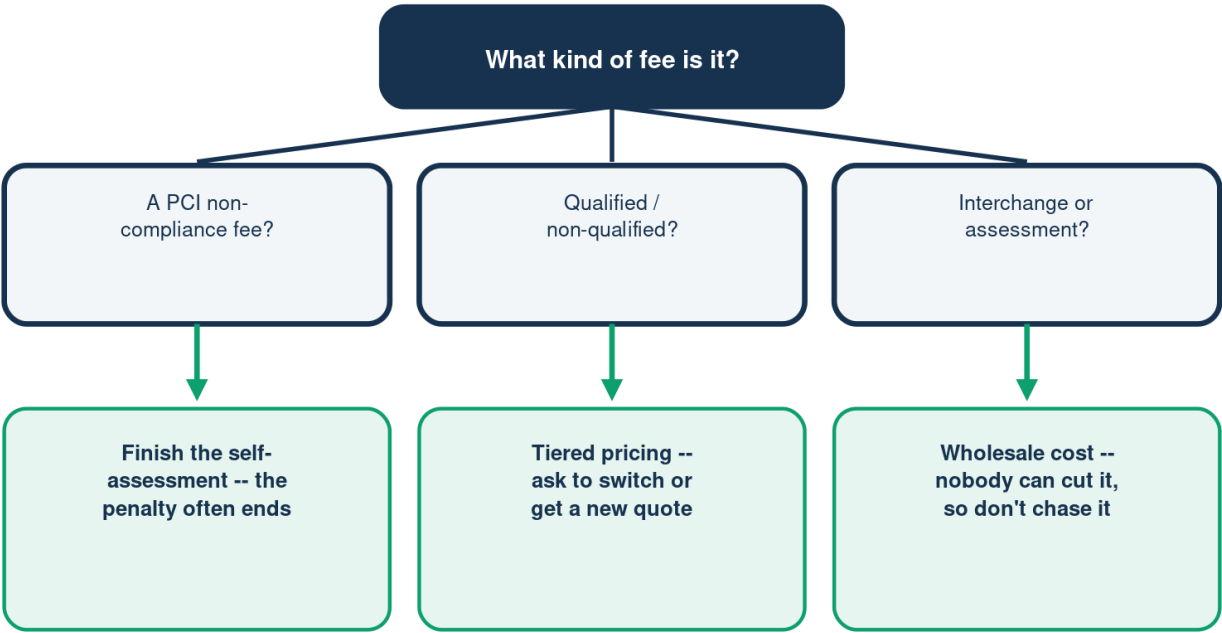
Look in these corners

Fees that lurk there	
Monthly block	Account, PCI
Per-item lines	Batch, AVS
Adjustments	Chargeback, minimum
Equipment line	A lease payment
Footnotes	PCI penalty

Spread across sections on purpose -- the effective rate sweeps all in.

Can You Cut That Fee?

Sort the cuttable from the fixed



Fees change -- confirm your current statement with your processor.

Illustration - a schematic, not to scale. Your setup may differ.



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A Note From Bill

A quick note from Bill.

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