
CREDIT CARD MERCHANT FEES TO BE LOWERED FOR MORE SMALL MERCHANTS

The FSC proposed amendments to the Enforcement Decree of the Specialized Credit Financial Business Act to lower credit card merchant fees for small businesses with annual sales of KRW 500 million or less. Currently, preferential rate of 0.8% is applied to small merchants with sales of less than KRW 200 million; 1.3% to those with sales of less than KRW 300 million. The amendments proposed to raise sales threshold for preferential rates so that more small merchants and businesses can benefit from low preferential rates.

CHANGES TO ANNUAL SALES THRESHOLD FOR PREFERENTIAL RATES

- small merchants for *preferential rate of 0.8%*:
KRW 200 million (current) → **KRW 300 million** (amended)
- small and medium-sized business for *preferential rate of 1.3%*:
KRW 300 million (current) → **KRW 500 million** (amended)

The amendments are expected to save merchant fees of about KRW 350 billion per year for small merchants whose annual sales range from KRW 200 million to KRW 500 million.

The amendment proposal will be open for public comments until June 26 and submitted to the Cabinet for final approval in late July to take effect in August.

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For any inquiry, please contact Foreign Press & Relations Team at fsc_media@korea.kr