



OLR RESEARCH REPORT

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MUNICIPAL AUTHORITY TO ACCEPT CREDIT AND DEBIT CARD PAYMENTS

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You asked if state law authorizes municipalities to accept payments by credit card and charge a service fee for doing so.

The law explicitly authorizes municipalities to accept credit card payments for tax bills and charge a service fee, but it does not specify acceptable payment methods and service fees for other charges, such as permits, fees, or fines.

[CGS § 12-141a](#) authorizes municipalities to allow taxpayers to pay taxes, penalties, interest, and fees by credit card and charge a service fee for doing so. The fee may not exceed the credit card issuer's charge, including any discount rate. Effective October 1, 2013, the service fee may not exceed either the credit card issuer's or service provider's charge, including any discount rate ([PA 13-276, § 19](#)). Additionally, [CGS § 12-146](#) authorizes a municipality's legislative body to require delinquent motor vehicle taxes to be paid in cash or by certified check or money order. [PA 13-276 § 23](#), allows the legislative body to require that any delinquent taxes, not just motor vehicle taxes, be paid in this manner, effective October 1, 2013.

State law does not explicitly authorize municipalities to accept payments by credit card for other types of charges (e.g., fines or fees). However, municipalities have the implicit authority to collect payments for charges authorized by statute and in practice, several accept credit cards. An internet search of town websites found that towns accept

credit cards for various charges, including building permits (e.g. [East Hartford, Simsbury, and Tolland](#)), licenses (e.g., [East Granby](#) and [Norwich](#)), parking tickets (e.g., [New Haven](#) and [Hartford](#)), and parks and recreation fees (e.g., [Darien](#) and [Wethersfield](#)).

RP:ts