



Rounding of Cash Transactions

1 minute guide for retailers

On Wednesday 28 October 2015 Rounding of cash transactions will be rolled out nationally. This initiative arose because 1c and 2c coins are not used actively by consumers and are expensive to mint. This document gives you, the retailer, a brief overview of what rounding is, and how the Central Bank will support retailers in applying it from October onwards.

So what is Rounding? Where a total bill is being paid in cash and the number of cent to be paid does not end in zero or five - so requiring either the customer to use 1 and 2 cent coins in payment or the retailer to use such coins in giving change - the amount of change paid will be rounded to the nearest five or ten cent:

- 1 and 2 would be rounded down to zero;
- 3 and 4 would be rounded up to 5;
- 6 and 7 would be rounded down to 5; and
- 8 and 9 would be rounded up to 10.

For rounding to happen, both the retailer and the customer must accept it; both will have the right to use exact change. Rounding only takes place on the total bill, not on individual prices, so existing price points (for example items priced at 0.99c) will remain unchanged. Rounding will not apply when bills are paid electronically, such as by debit card, credit card or by store card. Where a retailer is applying Rounding they can apply it automatically without asking the consumer – it will be up to the consumer to say if they don't want Rounding applied.

The Central Bank will co-ordinate a national consumer education campaign in advance of the launch date. Retailers should indicate that they are applying rounding through appropriate in-store signage. This could include, for example, a notice on entrance-doors or at the till. The Central Bank will be making suitable signage available to retailers, free of charge, in advance of the rollout on 28 October.

Frequently Asked Questions

Q. When will rounding be rolled out nationally?

A. 28th October 2015.

Q. Do I have to participate in rounding?

A. No. Participation in rounding is entirely voluntary for both retailers and consumers.

Q. Do I round card transactions too?

No, rounding should only be applied to cash transactions. Card transactions are unaffected.

Q. What support will I get in applying rounding?

The Central Bank will engage in a public information campaign to make consumers aware of rounding. It will make in-store signage available to retailers to indicate their participation.

Q. Will this mean that all prices will be rounded to price points of 5 or 10 cent e.g. 99c items to €1?

A. No, rounding only applies to the total bill. Individual prices will remain unchanged.

Q. Will retailers lose out by providing a rounded change amount?

No. On balance, neither consumer nor retailer loses or gains as rounding can be up or down.

Q. What do I do if the customer complains about their total being rounded up at the end?

A. Participation in rounding is voluntary and you should give consumers exact change if requested.

Q. Will there be any implication for my VAT return?

A. VAT will continue to be charged as usual on the unrounded amount.

Q. Do I have to ask if the customer wants to round?

No. If a consumer does not want to participate, they will actively tell you.

Q. If I chose to take part in rounding can I later decide to pull out?

A. Yes, participation in rounding is voluntary at all times.

Q. If I chose initially not to take part in rounding can I take part later?

A. Yes. You can apply rounding at any stage.

Q. Do I have to change how my till operates?

A. That is up to each retailer to decide.

If you have any questions, contact the Central Bank at rounding@centralbank.ie