

BCTM

Payment Processing Fee Disclosure

This document explains how BCTM calculates payment processing fees when fees are passed to the customer. All formulas, rates, and examples are disclosed in full for transparency.

Effective: June 2026 · Version 1.0

Contents

1. Overview
2. When Fees Are Charged
3. Variables & Definitions
4. Card Payment — Gross-Up Formula
5. ACH / Bank Transfer Formula
6. Cash & Check Payments
7. Worked Example — Card Payment
8. Worked Example — ACH Payment
9. International Cards & Per-Country Rates
10. Refund Policy
11. Fee Absorption Option
12. Contact & Questions

1. Overview

BCTM is a payment and invoicing platform for contractors and tradespeople. When you use BCTM to collect payment by card or ACH, two parties charge fees on each transaction:

Party	Fee Type	Rate
BCTM	Platform fee	1.00% of invoice amount
Stripe	Card processing	2.9% + \$0.30 per transaction (US)
Stripe	ACH / Bank transfer	0.8%, capped at \$5.00
N/A	Cash or check	No fees

BCTM uses Stripe as its payment processor. Stripe's fees are set by Stripe and are not controlled by BCTM. Current Stripe rates are published at stripe.com/pricing.

2. When Fees Are Charged

BCTM gives each contractor control over who bears the processing fees:

Mode	Who Pays Fees	Customer Sees
Pass fees to customer (default)	Customer	Grossed-up total — contractor nets full invoice amount
Contractor absorbs fees	Contractor	Invoice subtotal + tax only — contractor nets less
Cash / Check	Neither	Invoice subtotal + tax — no card or platform fees

Fees are calculated and locked at the time the invoice is created. The customer sees the full breakdown before paying — no surprises at checkout.

3. Variables & Definitions

Symbol	Name	Value / Description
Q	Invoice base amount	Subtotal + tax (the amount the contractor wishes to net)
p	BCTM platform rate	0.01 (1%)
r	Stripe card rate	0.029 (2.9%) for US-issued cards — see Section 9 for other countries
f	Stripe fixed fee	\$0.30 per transaction (card only)
T	Customer total	The grossed-up amount the customer is charged

P	Platform fee	$Q \times p$ — collected by BCTM
S	Stripe card fee	$T \times r + f$ — collected by Stripe

4. Card Payment — Gross-Up Formula

When a customer pays by card, BCTM calculates a grossed-up total so that after Stripe deducts its fee and BCTM collects its platform fee, the contractor receives exactly Q (subtotal + tax).

Step 1 — Gross-up to find customer total T:

	$T = Q \times (1 + p) + f \div (1 - r)$
Expanded:	$T = (Q \times 1.01 + 0.30) \div 0.971$

Step 2 — Fee breakdown from T:

Once T is known, each party's share is calculated as:

Party	Formula	Description
BCTM platform fee (P)	$P = Q \times p$	1% of base invoice amount
Stripe card fee (S)	$S = T \times r + f$	2.9% of grossed total + \$0.30
Contractor nets	$T - S - P = Q$	Exactly the original invoice amount

5. ACH / Bank Transfer Formula

ACH fees are added directly on top of the invoice amount — they are not grossed up. ACH is only available for USD invoices.

	$T = Q + (Q \times p) + \min(Q \times 0.008, \$5.00)$
Where:	ACH fee = 0.8% of Q, capped at \$5.00

The ACH fee cap of \$5.00 means large invoices benefit significantly from bank transfer versus card payment. For a \$10,000 invoice, ACH adds \$5.00 vs. \$291.30 by card.

6. Cash & Check Payments

Cash and check are offline payment methods. No Stripe transaction occurs, so no processing fees apply. The customer pays exactly Q (subtotal + tax). BCTM does not collect a platform fee on cash or check payments.

Method	Formula	BCTM fee	Stripe fee
Cash	$T = Q$	\$0.00	\$0.00
Check	$T = Q$	\$0.00	\$0.00

7. Worked Example — Card Payment

Assume an invoice with a subtotal + tax of $Q = \$100.00$, US card, fees passed to customer.

Calculation:

Step	Formula	Result
Base amount	$Q = \text{subtotal} + \text{tax}$	\$100.00
Platform fee	$P = Q \times 0.01$	\$1.00
Customer total (gross-up)	$T = (100 \times 1.01 + 0.30) \div 0.971$	\$104.33
Stripe fee (from T)	$S = 104.33 \times 0.029 + 0.30$	\$3.33
Contractor nets	$T - S - P = 104.33 - 3.33 - 1.00$	\$100.00

What the customer sees on their invoice:

Service amount	\$100.00
BCTM platform fee (1%)	+\$1.00
Card processing fee	+\$3.33
Total	\$104.33

8. Worked Example — ACH Payment

Assume the same $Q = \$100.00$ invoice, paid by bank transfer (ACH).

Step	Formula	Result
Base amount	$Q = \text{subtotal} + \text{tax}$	\$100.00
Platform fee	$P = Q \times 0.01$	\$1.00
ACH fee	$\min(100 \times 0.008, 5.00)$	\$0.80
Customer total	$T = Q + P + \text{ACH fee}$	\$101.80
Contractor nets	$T - \text{ACH fee} - P$	\$100.00

9. International Cards & Per-Country Rates

Stripe charges different card rates depending on the contractor's country of registration. BCTM applies the correct per-country rate at invoice creation. The gross-up formula is the same — only r and f change.

Country	Card Rate (r)	Fixed Fee (f)	Example T on \$100
United States	2.9%	\$0.30	\$104.33
Canada	2.9%	\$0.30 CAD	CAD \$104.33
United Kingdom	1.5%	£0.20	£102.22
European Union	1.5%	€0.25	€102.29
Australia	1.75%	\$0.30 AUD	AUD \$102.84
Other countries	Varies	Varies	Calculated at invoice time

International card surcharges (cross-border fees) may also apply if the customer's card is issued in a different country than the contractor's Stripe account. These are set by Stripe and disclosed at stripe.com/pricing.

10. Refund Policy

Per Stripe's policy, card processing fees and BCTM platform fees are non-refundable once a payment has been processed. On a full refund:

Party	Amount Returned
Customer receives	Q — the original invoice subtotal + tax
BCTM retains	P — the 1% platform fee
Stripe retains	S — the card processing fee

The refund breakdown is displayed to the contractor before confirming any refund. The customer can verify their refund amount using the original invoice total minus processing fees.

11. Fee Absorption Option

Contractors may choose to absorb all fees themselves. When this setting is enabled:

- The customer is charged exactly Q (subtotal + tax)
- The contractor nets Q minus the BCTM platform fee and Stripe card fee
- No gross-up is applied — $T = Q$

This option may be required in certain regions where fee surcharging is not permitted by law. BCTM will notify contractors if fee passthrough is restricted for their country.

12. Contact & Questions

If you have questions about how fees are calculated on a specific invoice, or believe a fee was applied incorrectly, contact BCTM support:

Email: help@bluecollartrademanager.com

Platform: www.bluecollartrademanager.com

This disclosure is provided for transparency and does not constitute a legal contract. Fee rates are subject to change with notice. Stripe's current pricing is available at stripe.com/pricing. BCTM is not affiliated with Stripe, Inc.