The surcharge ban, *priced.*

From 1 October 2026 you cannot surcharge card payments. The cost does not disappear on that date. It moves onto your margin, or onto your menu, and you choose which. Here is the arithmetic, on a cafe our size.

What absorbing it costs

No new law and no fines. The Reserve Bank lifts its ban on "no-surcharge" rules, the card schemes then prohibit surcharging in their own, and your payment provider switches the function off. What lands on you is the merchant fee you used to pass on.

About $15,000 a year

on a cafe turning $1.25m ex-GST, at a 1.5% surcharge on 80% of takings. That is gross profit, not revenue: it comes off the money that pays your wages and rent.

What it does to a plate

Per serve it looks small, which is exactly why it goes unpriced. Eight items on our sample cafe's menu, costed from real supplier bills:

ITEM	PRICE EX-GST	GROSS PROFIT NOW	IF YOU ABSORB IT	PER YEAR
Flat White	$5.00	$4.06	$4.00	$1,416
Long Black	$5.00	$4.30	$4.24	$343
Oat Latte	$5.91	$4.63	$4.56	$538
Avocado Toast	$22.73	$16.09	$15.81	$936
Eggs Your Way	$13.64	$11.99	$11.83	$375
Big Breakfast	$29.09	$22.50	$22.15	$653
Salmon Bagel	$24.55	$18.70	$18.40	$337
Side Bacon	$5.45	$4.07	$4.00	$150

Eight items of a fifty-seven item menu, so the $4,749 they add to is a slice of the $15,000, not all of it. Sample cafe, invented for illustration, on a real 2026 Melbourne price list. Figures are ex-GST and before wages. Every number on this page is calculated by the same software that produces a TrueK report, from recipes costed against supplier invoices.

Six cents on a coffee is *not one decision.*

The obvious answer is to put everything up by what you lost. It is the wrong answer, and this is the table that shows why.

ITEM	NOW	PRICE THAT RESTORES IT	VOLUME YOU CAN LOSE FIRST
Big Breakfast	$29.09	$29.50	1.8%
Oat Latte	$5.91	$6.00	1.9%
Flat White	$5.00	$5.10	2.4%
Eggs Your Way	$13.64	$14.00	2.9%
Side Bacon	$5.45	$5.60	3.6%

Every item needs the same percentage back, but menu prices land on real increments rather than percentages, so what each one actually recovers changes once you round it. The last column is the part nobody works out: how far volume can fall at the new price before you are no better off than if you had absorbed it.

A side of bacon can lose **nearly twice** the volume a big breakfast can before the rise stops being worth it. Put everything up 1.5% and you cannot see that.

Do it for one of your own items, on paper

1. **Take one item, less GST.** A $5.50 coffee is $5.00.
2. **Take your cost** from your last invoices. Beans, milk, cup, lid: say $0.94. Your gross profit is $4.06 a cup.
3. **Take the surcharge off it.** Your rate times the share of sales on cards. At 1.5% on 80% that is 6 cents, so you keep $4.00.
4. **Multiply by a year of serves.** 6 cents on 454 cups a week is $1,416 a year, on one line of your menu. That is the flat white in the table overleaf.

Your best seller might be your worst earner

I'm Daniel. I work in corporate finance, and I built TrueK because of what this sample cafe taught me: the $25 avocado toast makes $16.09 a plate, the $15 eggs make $11.99, and per dollar taken the eggs keep 88 cents against the toast's 71. No sales report shows that. TrueK reads your sales and your bills and emails you the answer: yesterday in dollars at 5am, and on Monday every item ranked by what it earns. Five founding cafes, free while you're one of them, and I read every report before it sends.

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