



**TIM GRIFFIN**  
ATTORNEY GENERAL

Opinion No. 2025-115

January 16, 2026

The Honorable Matthew K. Brown  
State Representative  
3010 Pheasant Road  
Conway, Arkansas 72034

Dear Representative Brown:

I am writing in response to your request for my opinion on rounding transactions, given that the U.S. Mint no longer produces the penny.

You report that because “the U.S. Mint stopped production of the penny,” several “financial entities have suspended penny orders,” leaving retailers unable to provide exact change to cash-paying customers. Consequently, retailers have adopted different rounding practices, typically rounding up or down to the nearest nickel.

You also note that industry groups have sought guidance from the United States Department of Agriculture on whether rounding cash transactions may violate federal regulations concerning Supplemental Nutrition Assistance Program (SNAP) payments.

Against this background, you ask the following questions:

1. Under Arkansas and federal law, may a SNAP-authorized retailer lawfully round up or down to the nearest nickel when providing change to a SNAP recipient during a non-SNAP cash transaction while charging the exact amount for the SNAP-eligible portion of the transaction? For example, when a SNAP recipient purchases both SNAP-eligible and SNAP-ineligible items, the transaction must be processed as two separate transactions. Because the SNAP portion of the transaction is electronic, the exact amount of the transaction is charged. However, if a SNAP customer chooses to pay cash for the non-SNAP portion of the transaction, may the retailer lawfully round the cash transaction to the nearest nickel?

**Brief response:** Neither Arkansas nor federal law specifically prohibits a retailer from rounding the cash portion of a mixed SNAP transaction to the nearest nickel, as long as the SNAP-eligible portion is charged electronically at

BOB R. BROOKS JR. JUSTICE BUILDING  
101 WEST CAPITOL AVENUE  
LITTLE ROCK, ARKANSAS 72201

the exact amount. The key federal requirement is that businesses accepting SNAP payments cannot treat customers who use SNAP coupons differently from those who use cash. To comply with federal SNAP law, a business may consider rounding all non-cash transactions (including SNAP transactions) in the same manner as it rounds cash transactions. But a detailed analysis of federal law is outside the scope of an Attorney General opinion.

2. Under Arkansas law, is there a preferred method for providing change during a cash transaction with a SNAP recipient?

**Brief response:** No. Arkansas law does not prescribe any particular method for providing change to SNAP recipients during cash transactions.

3. In general, are there any other laws or regulations which prohibit a retailer from rounding cash transactions to the nearest nickel while charging credit, debit, or check transactions to the exact penny?

**Brief response:** Because Arkansas law does not expressly require cash and credit card transactions to be treated identically, penny rounding for cash transactions likely does not, by itself, violate other Arkansas laws. Retailers should still review the applicable sales tax law and surcharge restrictions, if any, on credit and debit transactions to ensure compliance.

## DISCUSSION

*Question 1: Under Arkansas and federal law, may a SNAP-authorized retailer lawfully round up or down to the nearest nickel when providing change to a SNAP recipient during a non-SNAP cash transaction while charging the exact amount for the SNAP-eligible portion of the transaction? For example, when a SNAP recipient purchases both SNAP-eligible and SNAP-ineligible items, the transaction must be processed as two separate transactions. Because the SNAP portion of the transaction is electronic, the exact amount of the transaction is charged. However, if a SNAP customer chooses to pay cash for the non-SNAP portion of the transaction, may the retailer lawfully round the cash transaction to the nearest nickel?*

*Question 2: Under Arkansas law, is there a preferred method for providing change during a cash transaction with a SNAP recipient?*

*Question 3: In general, are there any other laws or regulations which prohibit a retailer from rounding cash transactions to the nearest nickel while charging credit, debit, or check transactions to the exact penny?*

To answer all three questions together, this opinion examines the relevant laws governing rounding transactions at a point of sale. Although the U.S. Department of the Treasury no longer produces

pennies,<sup>1</sup> they remain legal tender.<sup>2</sup> Neither federal nor state law—constitutional, statutory, or regulatory—requires private businesses to accept cash payments. While local ordinances may impose such requirements,<sup>3</sup> a business in this State may generally create its own policies on whether to accept cash. If a business accepts cash, the next question is whether federal or state law governs rounding change for cash payments.

Under federal law, a business accepting SNAP payments cannot treat customers who use SNAP coupons differently from those who use cash: such payments “shall be accepted for eligible foods at the same prices and on the same terms and conditions applicable to cash purchases of the same foods at the same store.”<sup>4</sup> Further, “[n]o retail food store may single out [SNAP] coupon users for special treatment in any way.”<sup>5</sup> That means federal law prohibits retailers from giving SNAP coupon users discriminatory or preferential treatment.

While some states prohibit businesses from imposing credit card surcharges or charging cash-paying customers more than those who use non-cash payment, Arkansas does not. Additionally, Arkansas law does not prescribe a particular method for providing change during cash transactions with SNAP recipients. Because Arkansas law does not expressly require cash and credit card transactions to be treated identically, penny rounding for cash transactions likely does not, by itself, violate other Arkansas laws.

To comply with federal SNAP law, a business may consider rounding all non-cash transactions (including SNAP transactions) in the same manner as it rounds cash transactions. Ultimately, a detailed analysis of federal law is outside the scope of an Attorney General opinion.<sup>6</sup> But even if uniform rounding prevents retailers from giving SNAP coupon users discriminatory or preferential treatment under federal law, retailers should still review the applicable sales tax law and surcharge restrictions, if any, on credit and debit transactions to ensure compliance.<sup>7</sup>

---

<sup>1</sup> See *Penny FAQs: Why is Circulating Penny Production Being Suspended?*, U.S. MINT, <https://www.usmint.gov/news/media-kit/penny> (content last updated Jan. 7, 2026).

<sup>2</sup> See 31 U.S.C. § 5103.

<sup>3</sup> This opinion does not reach any conclusion regarding the legality of such ordinances.

<sup>4</sup> 7 C.F.R. § 278.2(b).

<sup>5</sup> *Id.*

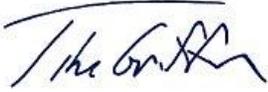
<sup>6</sup> *E.g.*, Ark. Att’y Gen. Ops. 2025-069, 2025-010, 2008-112, 2005-170, 2003-094, 98-254.

<sup>7</sup> Surcharges are generally governed by federal law and an agreement between credit card companies and merchants. Whether rounding a transaction down or up is even a “surcharge” is a question of fact outside of the scope of this opinion.

The Honorable Matthew K. Brown  
State Representative  
Opinion No. 2025-115  
Page 4

Assistant Attorney General William R. Olson prepared this opinion, which I hereby approve.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Griffin", with a horizontal line above it.

TIM GRIFFIN  
Attorney General