

Dept. of Agriculture, Trade and Consumer Protection, Dept. of Revenue: Issue guidance on cash transaction rounding

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MADISON, Wis. – Since the United States Treasury minted its final penny on November 12, 2025, some businesses in Wisconsin and across the country have begun rounding change in cash transactions to five-cent intervals, with different businesses utilizing different methods of rounding – some rounding up, some rounding down, and some a mix of both. The Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) and Wisconsin Department of Revenue (DOR) have issued guidance to businesses that are considering implementing a rounding practice to simplify and standardize rounding practices in Wisconsin to provide greater predictability and protection for Wisconsin consumers.

Given pennies are no longer being minted, they may not always be available at cash registers to make exact change during cash transactions. This decision by the federal government has left many businesses in a difficult situation when processing cash transactions that would normally require penny change back to the consumer. Since there is no federal law currently in place mandating cash rounding or specific rounding practices, some businesses have implemented change rounding practices for when exact change cannot be provided. As a result, DATCP and DOR have issued guidance on cash rounding practices for Wisconsin businesses.

Cash rounding is applicable only to cash transactions where change is required after the total amount due (price plus tax) has been calculated and cannot be provided. While businesses can choose their rounding methodology, DATCP's guidance to businesses suggests rounding down to the nearest five cents to ensure the

customer is not negatively impacted by rounding practices.

Regardless of the methodology a business chooses to adopt for cash rounding, DATCP encourages businesses to post a clear and informative flyer conspicuously at entrances and any point of sale communicating any rounding policy.

Examples

DATCP suggests that businesses round down to minimize consumer harm and ensure fairness and consistency:

- \$0.01, \$0.02, \$0.03, or \$0.04 round down to \$0.00.
- \$0.06, \$0.07, \$0.08, or \$0.09 round down to \$0.05.

For Consumers

Consumers should refer to a business's posted methodology for cash rounding in advance of making a cash purchase. Alternatively, consumers may choose to use a non-cash payment method, such as a debit or credit card, to avoid rounding.

For Businesses

DATCP will use discretion enforcing state regulations related to the Unfair Sales Act; Price Accuracy; and Untrue, False, or Misleading Representations complaints to ensure that all consumers are treated fairly.

Wisconsin Department of Revenue Guidance

The Wisconsin Department of Revenue (DOR) has provided additional guidance to retailers about the calculation of Wisconsin sales and use taxes due on cash transactions impacted by penny shortages. Cash rounding does not impact sales tax collection and remittance amounts to the State. Learn more from DOR at <https://www.revenue.wi.gov/Pages/TaxPro/2026/SalesTaxPennyShortage.aspx>.