

Cash Payment Law

By: Kristen Miller, Senior Legislative Attorney
September 17, 2025 | 2025-R-0071

Issue

Must Connecticut retail businesses accept cash payments?

This report updates information in OLR Report [2020-R-0037](#).

Summary

In general, yes. Connecticut law prohibits, with certain exceptions, any person who sells or offers for sale goods or services at retail in the state from (1) refusing to accept cash as payment for the goods or services; (2) posting signs saying that cash is not accepted; and (3) charging a higher price for using cash ([CGS § 21a-434](#), as amended by [PA 25-111](#), § 33).

The prohibition applies to in-person transactions. The law explicitly exempts transactions made by phone, mail, or the Internet. It also does not apply to, among other things, transactions at parking lots or garages, at certain membership-based retailers, for goods or services sold exclusively to employees, for rentals usually requiring collateral, or for health care providers' services or professional services.

The law allows retail sellers to comply with the cash acceptance requirement by providing customers with a device that converts cash into a prepaid card.

Exceptions

The act's prohibitions apply to retailers selling goods or services in person, except for transactions:

1. for parking at parking lots or garages;

2. at membership-based wholesale clubs;
3. at membership-based retail stores that require payment through an affiliated mobile device application;
4. for consumer goods, services, or accommodations rentals that typically require posting collateral or security;
5. for consumer goods or services provided exclusively to employees and others, who are not consumers, authorized to be on the employer's premises;
6. at locations where no individual is employed to help a person with the purchase of goods or services; and
7. for services offered by health care providers or that are professional services.

By law, "professional services" are any type of service to the public that requires members of a profession providing the service to be licensed or have or other legal authorization. The law specifies the applicable professions, which include, among others, architects, engineers, accountants, surveyors, attorneys, psychologists, therapists or counselors, social workers, dentists, naturopaths, chiropractors, doctors, physical or occupational therapists, optometrists, nurses, veterinarians, pharmacists, real estate brokers, and insurance producers (see [CGS § 33-182a](#)).

Cash Conversion Devices

Retail goods or services providers can satisfy the cash acceptance requirements by providing customers with a device to turn cash into a prepaid card under certain conditions. Specifically, the retail provider and the device vendor must not directly or indirectly require:

1. a fee for the initial receipt of the prepaid card or to use it (including fees to check the card balance, deposit additional funds, or any recurring fees);
2. a minimum deposit above \$1;
3. an expiration date for the funds on the prepaid card;
4. a limit on the number of card transactions; or
5. a consumer to give their personally identifiable information (e.g., Social Security number, phone number, email address) to get or use the card.

The law also requires the device to print a receipt with the amount deposited onto the card, when requested.

Under the law, if the cash conversion device malfunctions, the retailer must (1) accept cash until the device is restored and (2) post a conspicuous sign near or on the device stating this temporary cash acceptance requirement.

KM:ms