

2021 Shipping Guidebook: Common Surcharges

Quick reference guide to the most
common shipping surcharges and
how to avoid them

quadrent



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Your Quick Reference Guide to Common Shipping Surcharges and Fees

Everyone experiences fees and surcharges – especially when shipping packages – often noticing them quickly when reviewing an invoice prior to payment. While these fees and surcharges may seem inconsequential, they have the ability to add up over time, especially for businesses that ship often. Every business, small and large, needs to review shipping invoices regularly. Invoices show the shipping rate and any additional carrier charges, as well as surcharges, such as additional handling fees, oversized/large package charges, address correction fees and more.

Read on to take a closer look at the most common shipping surcharges and what they mean for your shipping operations.

Rates and details in this eBook reflect 2021 shipping rates (USD).

For additional details regarding 2021 shipping rates, visit these resources:

FedEx®

[FedEx Shipping Rates](#)

[FedEx Shipping Rates – Surcharges and Fees](#)

UPS®

[UPS Rate Change Information](#)

[Revised Rates for Value-Added Services and Other Charges](#)

Quadient

[USPS® Rates: A Guide to the Current Mailing and Shipping Prices](#)

[Postal Rate Change FAQs](#)

Late Payment Details

[How to Avoid the UPS and FedEx Late Payment Fee](#)



Address Correction Fee

The Address Correction Fee is associated with an incorrect or incomplete address and parameters vary by carrier. The best way to avoid address correction fees is to invest in shipping software that regularly verifies and updates addresses.

UPS® Address Correction Fees (per package)

Correction fee	\$18.00
Maximum charge	
Per Ground Freight Pricing (GFP) Shipment	\$126.00

FedEx® Address Correction Fees (per correction)

U.S. Express Package Services, International Express Package Services, International Express Freight Services, U.S. Ground Services, International Ground Service	\$18.00
U.S. Express Freight Services	\$93.00
Maximum charge (per shipment)	
FedEx Express Multiweight®	\$126.00
FedEx Ground Multiweight®	\$54.00

Additional Handling Surcharge

The Additional Handling charge is an extra fee for shipments that require special handling while being transported and will depend on the item's packaging, weight and dimensions.

If you must send packages that exceed the weight and length limits, we recommend contacting your carrier. Your carrier representative may be able to negotiate a lower Additional Handling Fee or find another service or method of delivery.

This surcharge applies to any package that:

- Measures greater than 48 inches along its longest side
- Measures greater than 30 inches along its second-longest side
- Has an actual weight greater than 50 lbs. (FedEx®: U.S. Express Package Services, U.S. Ground Services)
- Has an actual weight greater than 70 lbs. (UPS®, FedEx: International Express Package Services, International Ground Service)
- Is in non-standard packaging

UPS - UPS also reserves the right to assess the charge for any package that, at UPS's sole discretion, requires special handling.

Applies to the following:

- Any article that is encased in an outside shipping container made of metal or wood
- Any cylindrical item, such as a barrel, drum, pail or tire, that is not fully encased in a corrugated cardboard shipping container
- Any package with the longest side exceeding 48 inches or its second-longest side exceeding 30 inches
- Any package with an actual weight of more than 70 pounds
- Additional Handling Charges will not be assessed when a Large Package Surcharge is applied

UPS Additional Handling Surcharge Fees	
Weight	\$25.50
Dimensions (Length, Width, Length + Girth)	\$16.00
Packaging	\$15.25
International - Additional Handling (All Types)	\$16.00

Additional Handling Surcharge (cont.)

FedEx® - Effective January 18, 2021, a surcharge will apply to any Express and Ground package that measures greater than 105 inches in length and girth [(the length and girth is length plus (two times the height) plus (two times the width))].

Applies to the following:

Dimension

- Measures greater than 48 inches along its longest side
- Measures greater than 30 inches along its second-longest side

Weight

- Has an actual weight greater than 50 lbs. (FedEx U.S. Express Package Services and U.S. Ground Services)
- Has an actual weight greater than 70 lbs. (FedEx International Express Package Services and International Ground Services)

Packaging

- Please consult the [FedEx Service Guide](#) for a full list of criteria.

FedEx Additional Handling Surcharge Fees

U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$16.00 per package (Dimension)
International Express Package Services	\$16.00 per shipment (Dimension)
U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$25.50 per package (Weight)
International Express Package Services	\$25.50 per shipment (Weight)
U.S. Express Package Services, U.S. Ground Services, International Ground Service	\$14.00 per package (Packaging)
International Express Package Services	\$14.00 per shipment (Packaging)
U.S. Express Freight Services	\$195.00 per freight handling unit
International Express Freight Services	\$195.00 per shipment
Non-Stackable U.S. Express Freight Services	\$245.00 per freight handling unit
Non-Stackable International Express Freight Services	\$245.00 per shipment

Residential Delivery Charge

A Residential Delivery is delivery to a non-commercial address, such as a home or a home-based business, in a residential area.

UPS® Residential Delivery Charge Fees

Ground	\$4.45
Air	\$5.00
Hundredweight (and GFP) per shipment	\$43.20
International - Standard Services	\$4.80
International - International Air and 3 Day Select	\$5.00
International - Worldwide Express Freight Services	\$160.00

FedEx® Residential Delivery Charge Fees

U.S. Express Package Services	\$4.95 per package
International Express Package Services (to Canada, and U.S. imported shipments from all origins)	\$4.95 per shipment
Maximum charge with FedEx Express Multiweight Pricing	\$44.55 per shipment
U.S. Ground Services, International Ground Service	\$4.80 per package
FedEx Home Delivery	\$4.35 per package
Maximum charge with FedEx Ground Multiweight Pricing	\$43.20 per shipment
U.S. Express Freight Services, International Express Freight Services (to Canada, and U.S. import-rated shipments from all origins)	\$160.00 per shipment



Delivery Area Surcharge

The Delivery Area Surcharge is applied to package when the destination is deemed as rural (and is often in addition to the Residential Delivery Charge). Carriers define what they consider as a rural location, as well as which zip codes are subject to delivery area surcharges. If you ship to one particular rural area often, you can explore regional carrier or service options.

UPS® Delivery Area Surcharge Fees	
Air Commercial	\$3.25
Air Commercial Extended	\$3.85
Ground Commercial	\$3.10
Ground Commercial Extended	\$3.70
Ground Residential	\$4.30
Ground Residential Extended	\$5.90
Air Residential	\$4.70
Air Residential Extended	\$5.90
Delivery Area Surcharge (Hundredweight) (per shipment)	
Air Commercial	\$16.25
Air Commercial Extended	\$19.25
Ground Commercial	\$15.50
Ground Commercial Extended	\$18.50
Air Residential	\$23.50
Air Residential Extended	\$29.50
Ground Residential	\$21.50
Ground Residential Extended	\$29.50
International	
Delivery Area Surcharge (Import services)	\$3.25
Delivery Area Surcharge Extended (Import services)	\$3.85

FedEx® Delivery Area Surcharge Fees (per package)	
U.S. Express Package Services (Residential)	\$4.70
U.S. Express Package Services, U.S. Ground Services (Extended Residential)	\$5.90
U.S. Express Package Services (Commercial)	\$3.25
U.S. Express Package Services (Extended Commercial)	\$3.85
FedEx Ground (Commercial)	\$3.10
FedEx Ground (Extended Commercial)	\$3.70
Express Hawaii Package Services (Residential, Commercial)	
Ground Alaska Package Services	\$31.50
Ground Intra-Hawaii Package Services	\$1.10
FedEx Home Delivery® (Residential)	\$4.30
Maximum charge with FedEx Express Multiweight Pricing (per shipment)	
Commercial	\$16.25
Extended Commercial	\$19.25
Residential	\$23.50
Extended Residential	\$29.50
Maximum charge with FedEx Ground Multiweight Pricing (per shipment)	
Commercial	\$15.50
Extended Commercial	\$18.50
FedEx Home Delivery residential	\$21.50
Extended Residential, FedEx Home Delivery Extended Residential	\$29.50

Oversize / Large Package Charge

An Oversize / Large Package Charge is based on the item's dimensions and weight.

If you are shipping large parcels, you should be aware of how the major carriers classify oversized packages and know what the size limitations are. If you are shipping an oversized item, we recommend contacting your carrier to see if there are different services available and if they can negotiate a lower fee. Consider looking at freight options if sending a multitude of large items.

UPS®

Applies to the following:

- For domestic shipments, a package is considered a "Large Package" when its length (longest side of the package) plus girth $[(2 \times \text{width}) + (2 \times \text{height})]$ combined exceeds 130 inches or its length exceeds 96 inches
- For international shipments, a package is considered a "Large Package" when its length (longest side of the package) plus girth $[(2 \times \text{width}) + (2 \times \text{height})]$ combined exceeds 130 inches
- With the exception of UPS Ground with Freight Pricing packages, Large Packages are subject to a minimum billable weight of 90 pounds (40 kgs)
- An Additional Handling charge will not be assessed when a Large Package Surcharge is applied

UPS¹ Large Package Surcharge Fees (per package)

Domestic - Commercial	\$105.00
Domestic - Residential	\$130.00
International	\$105.00

FedEx®

Applies to the following:

- Any package that exceeds 96 inches in length or 130 inches in length and girth
- The rating will be based on the greater of the package's actual rounded weight or dimensional weight, subject to a 90lb. minimum billable weight

FedEx Large Package Surcharge Fees (per package)

U.S. Express Package Services, International Express Package Services, FedEx Ground, International Ground Service	\$105.00
FedEx Home Delivery	\$130.00

¹ Effective April 11, 2021, Additional Handling and Large Package Surcharge rates for non-Hundredweight Service packages will differ by zone. Effective July 11, 2021, Additional Handling and Large Package Surcharge rates for Hundredweight Service packages will differ by zone. Please refer to the applicable UPS Rate and Service Guide on UPS.com for additional details.

Late Payment Fee

A way to combat a late payment fee is to use automated bill pay. Late payments incur a late payment fee and could even result in your packages being withheld until payment is complete. It is important to understand how payment choices affect your business and how to avoid unexpected fees.

UPS®

UPS will charge a late fee if they do not receive payment by the invoice due date. The late freight payment fee is 6% of the total past due balance from the invoice, unless otherwise stated. The shipper must pay the invoice within seven days after receiving the invoice that shows the assessed late fee. If the invoice is unpaid by the next invoicing period, UPS reserves the right to charge a late fee on all unpaid balances. Their 6% fee on the total unpaid amount includes the late fee, as well as other associated fees.

There are payment plans for ground shipping orders and UPS Air Services: Monthly Prepayment, Weekly Prepayment, Special Payment, Credit Extension, and Weekly Payment. UPS usually allows individual shippers to choose a payment method from this list for their shipping invoice: Credit card, Debit card, Check, Electronic funds transfer, Payment card, and Letter of credit. Cash is sometimes accepted. Various shippers use a billing account where a third-party is directly billed, or the UPS freight is shipped collect. In addition to paying when the invoice comes, UPS offers prepayment plans for estimated charges. It is important to note that the payment processor or bank may charge a processing fee.

FedEx®

As of January 2021, FedEx in the U.S. will institute a 6% late fee for these services: FedEx Ground and U.S. FedEx Express.

The FedEx credit term cycle begins on the invoice date and the shipper must pay the transportation charges within 15 days. If the shipper does not pay the transportation charges within that time period, FedEx can hold back freight or parcels in transit until payment is received. The shipper is also responsible for additional collection action payments. If your company receives credit from FedEx, but then misses a payment, the credit may not be extended in the future.

FedEx usually allows individual shippers to choose a payment method from this list for their shipping invoice: Credit card, Debit card, Electronic Funds transfer, Check, Amex Express checkout, and PayPal. Various shippers use a billing account where a third-party is directly billed.

Avoid Common Surcharges

When it comes to shipping, two things are certain – shipping expenses keep rising and the rules keep changing. That is why thousands of businesses worldwide trust Quadient to make the shipping management process, easy, efficient and economical.

Quadient's suite of best-in-class software and hardware solutions help businesses avoid common surcharges. Generate detailed mailing, shipping, and tracking reports to identify cost saving opportunities to help meet business challenges, now and in the future.

- **Validate, correct and standardize addresses in just a few clicks**

Built for easy integration and maintenance, Quadient's comprehensive address data quality solutions help you streamline mail preparation and correct existing records so you can take advantage of postal presort discounts.

- **Get parcels out the door quickly, for less**

Quadient provides several web-based and meter-based software tools to enhance your mailing and shipping operations. Take advantage of cost savings by accessing the most efficient postage costs, so you save on every letter or package you send. Access tools that leverage your current relationship with your primary carrier in order to improve tracking, visibility, and budget allocation while adhering to your time and transit requirements.

- **A single view across all your mailing and shipping operations**

Improve your customer interactions and business processes with a cloud-based solution that combines leading edge technologies. S.M.A.R.T. by Quadient, is the ultimate Shipping, Mailing, Accounting, Reporting and Tracking software – all from a single user interface.

Discover how Quadient helps businesses manage postage costs and improve shipping operations, visit mccsolutions.net.

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About Quadient®

Quadient is the driving force behind the world's most meaningful customer experiences. By focusing on Intelligent Communication Automation, Parcel Locker Solutions and Mail-related Solutions, Quadient helps hundreds of thousands of customers worldwide simplify the connection between people and what matters. For more information about Quadient, visit quadient.com.