

Trucking Factoring Costs: What You'll Pay and Whether It's Worth It

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The Real Cost of Getting Paid Faster in Trucking

Cash flow can make or break a trucking business. Waiting 30, 60, or even 90 days for a broker or shipper to pay an invoice doesn't just slow you down – it can stop you in your tracks. Fuel, payroll, maintenance... they don't wait.

That's where factoring comes in. The problem? Every carrier hears a different story about rates, fees, and "the best deal." This post will break it all down – the actual cost ranges, what affects those numbers, and how to decide if factoring is worth it for your business.

If you're running loads in the U.S. or Canada and want straight talk about factoring costs without sales fluff, you're in the right place.

What We'll Cover:

1. [What Is Trucking Factoring and How It Works](#)
2. [How Much Trucking Factoring Companies Charge](#)
3. [Factors That Affect Your Factoring Rate](#)
4. [Is Factoring Worth It for Trucking Companies?](#)
5. [Common Fees You Might Miss in the Fine Print](#)
6. [How to Choose the Right Factoring Partner](#)
7. [FAQ: Your Top Factoring Cost Questions Answered](#)

What Is Trucking Factoring and How It Works

Factoring is simple in theory: instead of waiting for a customer to pay, you sell your invoice to a factoring company. They pay you most of the invoice value upfront (often the same day) and collect from your customer later.



Example:

1. You haul a load worth \$2,000.
2. Instead of waiting 45 days for payment, your factoring company advances you \$1,940 today.
3. When the shipper pays in full, the factoring company keeps \$60 as their fee.

Types of factoring:

1. **Recourse factoring** – You're responsible if the customer doesn't pay.
2. **Non-recourse factoring** – The factoring company takes the loss if the customer doesn't pay (rates are higher).

How Much Trucking Factoring Companies Charge



Most trucking factoring rates range from **1.5% to 5% of the invoice value**.

Typical examples:

1. Small fleet with low monthly volume: 3–5% per invoice.
2. Larger carrier with steady volume: 1.5–3% per invoice.
3. High-risk or non-recourse arrangements: closer to 4–5%.

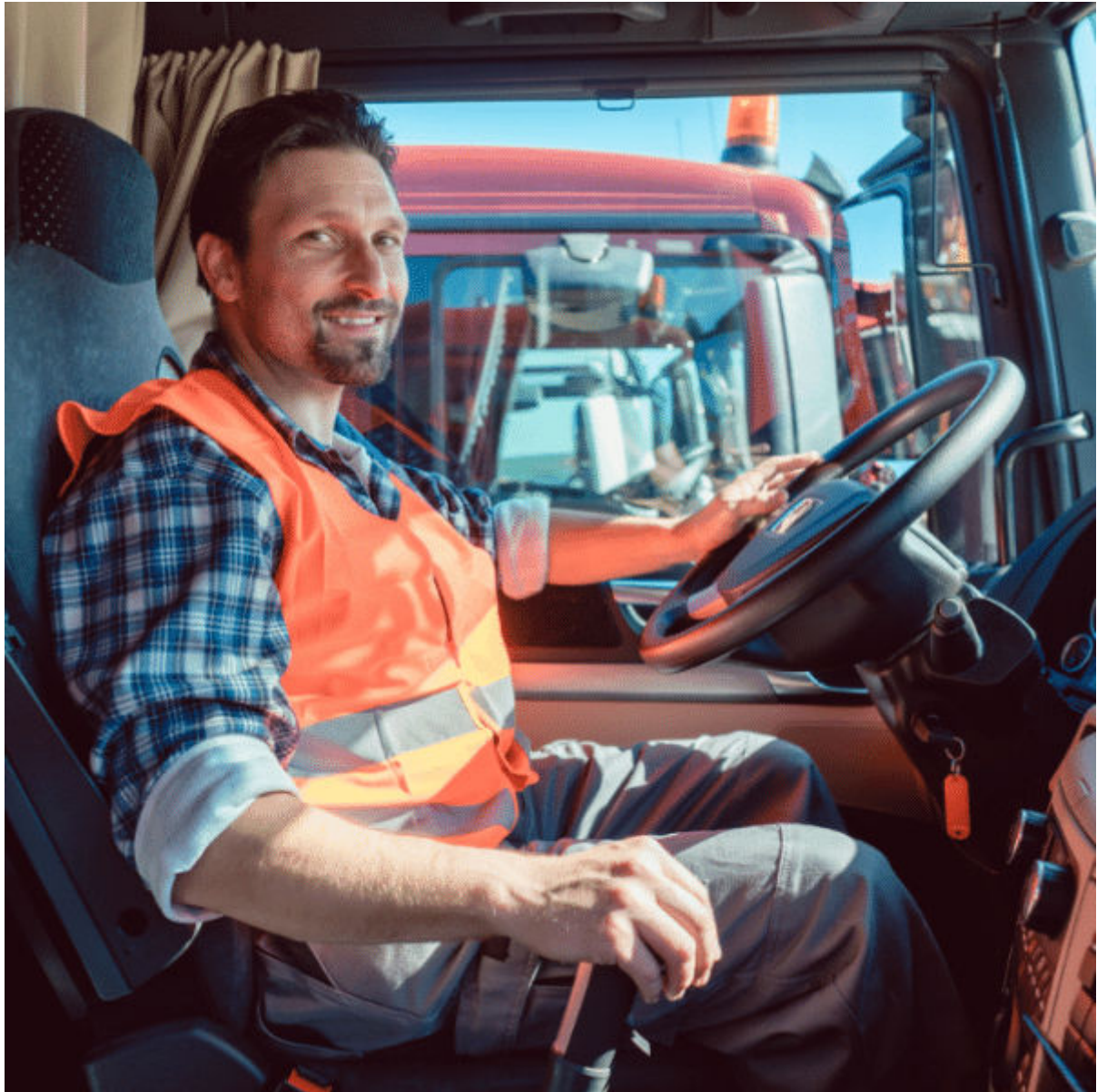
Some companies charge flat per-invoice fees instead of percentages, but these are less common.

Factors That Affect Your Factoring Rate

1. **Invoice Volume** – Higher volume usually means a better rate.
2. **Customer Creditworthiness** – If your shippers and brokers pay reliably, your rate drops.

3. **Factoring Type** – Non-recourse costs more.
4. **Contract Terms** – Longer terms may reduce rates but lock you in.
5. **Industry Risk** – Some freight segments carry higher risk.

Is Factoring Worth It for Trucking Companies?



Worth it when:

1. Cash flow gaps keep you from taking more loads.
2. You need predictable funding for fuel, repairs, or payroll.
3. You're growing and need working capital now.

Not worth it when:

1. Customers pay quickly.
2. You have reserves to cover payment delays.

Example: A \$5,000 invoice at 3% costs \$150. If that \$150 allows you to take another paying load this week, it's an investment.

Common Fees You Might Miss in the Fine Print

1. **Setup Fees** – One-time onboarding cost.
2. **ACH/Wire Fees** – Payment transfer costs.
3. **Minimum Volume Penalties** – Fees if you don't meet invoice volume requirements.
4. **Lock-In Periods** – Early termination penalties.
5. **Credit Check Fees** – For assessing your customers.

How to Choose the Right Factoring Partner

Look for:

1. Same-day funding without "rush" fees.
2. Transparent, written pricing.
3. Strong credit-check processes.
4. Responsive support.
5. Flexible contracts.

At , we've helped carriers across the U.S. and Canada keep wheels turning with straightforward terms, quick pay, and personal support.

Ready to Keep Your Cash Flow Moving?

If you're weighing factoring options, compare total costs – not just headline rates. The right partner should save you time, protect your customer relationships, and keep you focused on moving freight.

FAQ: Trucking Factoring Costs

1.5%–3% is competitive for reliable shippers and steady volume.

Keep Your Trucks Rolling Without the Wait

Factoring unlocks your pay faster so you can keep running. For many trucking companies, the small cost is outweighed by the ability to accept more loads, pay drivers on time, and grow without the cash crunch.

If you're ready to improve cash flow and take control of your payment schedule, consider partnering with a [factoring company](#) that understands the trucking industry inside and out. The right partner will help you move from chasing payments to focusing on what you do best – keeping your trucks on the road and your business growing.

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