TransImpact

UPS GRI

Breaking Down the 2027 UPS General Rate Increase

5.9% is the headline. The fees tell the rest of the story.

5.9%

Average GRI, effective December 21, 2026

TransImpact Annual GRI Analysis · Announced October 2026 · Effective December 21, 2026

2027 UPS GRI

Fourth straight year at 5.9%. This time, the fees do the lifting.

UPS's 2027 average General Rate Increase (GRI) is 5.9%, effective December 21, 2026, two weeks before FedEx's January 4 increase. It matches UPS's 2024, 2025 and 2026 GRIs and FedEx's 2027 GRI.

The average hides a split. Domestic Air and Ground rates rise **less** than 5.9%. Minimums and surcharges rise **more**: the accessorials in this report average 9%, and Large Package Commercial rises as much as 15.38%.

Your increase depends on your service mix, package weights, zones and surcharge exposure. This report shows where it lands.

5.9%
Average GRI, effective Dec 21, 2026

5.67%
Average Ground increase

9.1%
20 most common surcharges

WHAT'S INSIDE

01 · Pages 3–4
The Increase
At a glance and beyond the GRI

02 · Pages 5–12
Services
Inflation, Air, Ground, International

03 · Pages 13–17
Accessorials
AHS, LPS, Residential

04 · Pages 18–22
Takeaways
One budget, recommendations, roadmap

THE INCREASE

2027 average increases run from 4.44% to 13.96%

Some service rates rise less than 5.9%. Minimums and surcharges rise more. Where you land depends on your service, weight and surcharge mix.

5.9%
Average GRI, fourth straight year

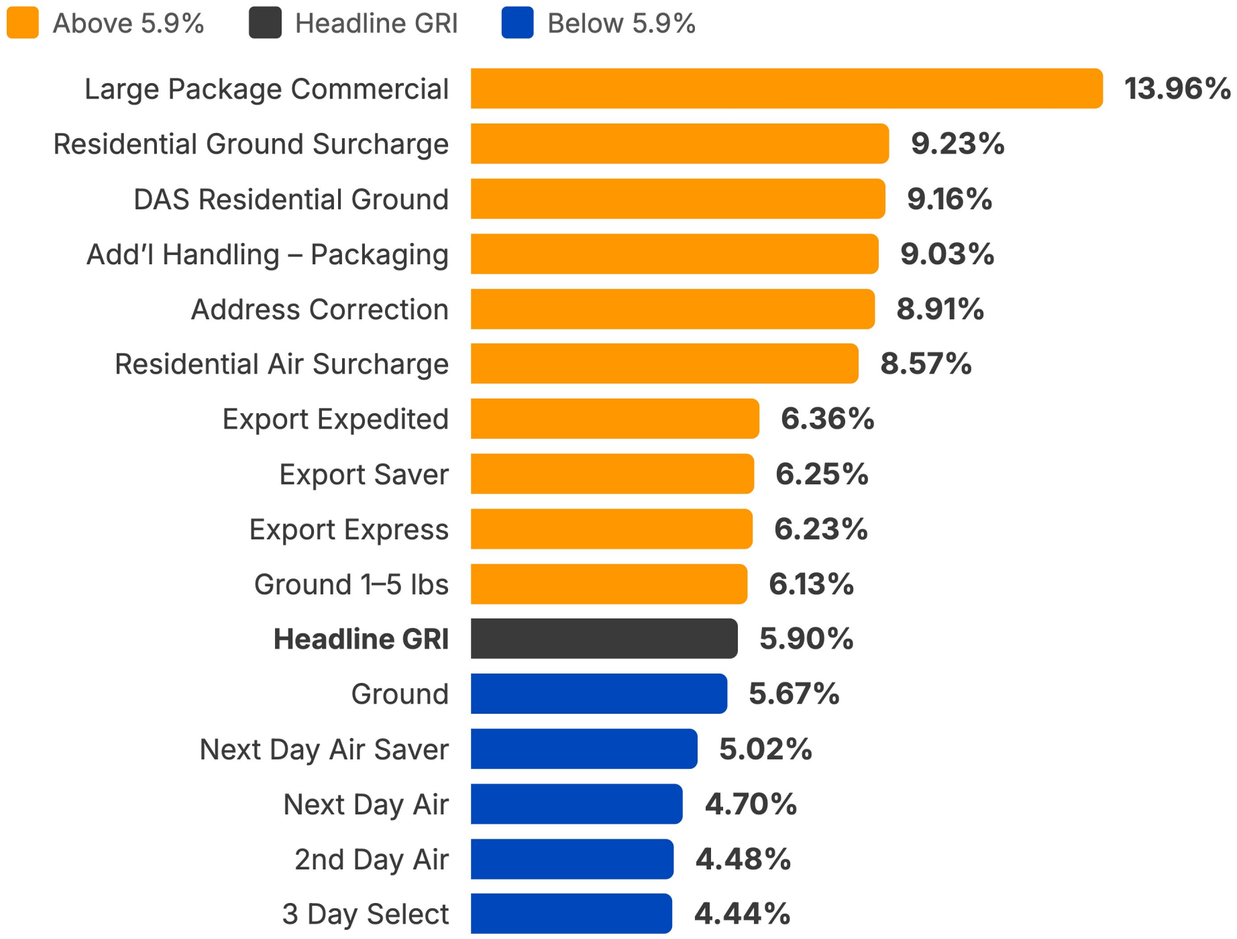
9.1%
Average increase, 20 most common surcharges

6.92%
3 Day Select minimum, vs. 4.44% for 3 Day Select, all weights

15.38%
LPS Commercial, Zone 7+, vs. 13.96% for LPS Commercial across all zones



AVERAGE 2027 INCREASES: SERVICES AND SURCHARGES

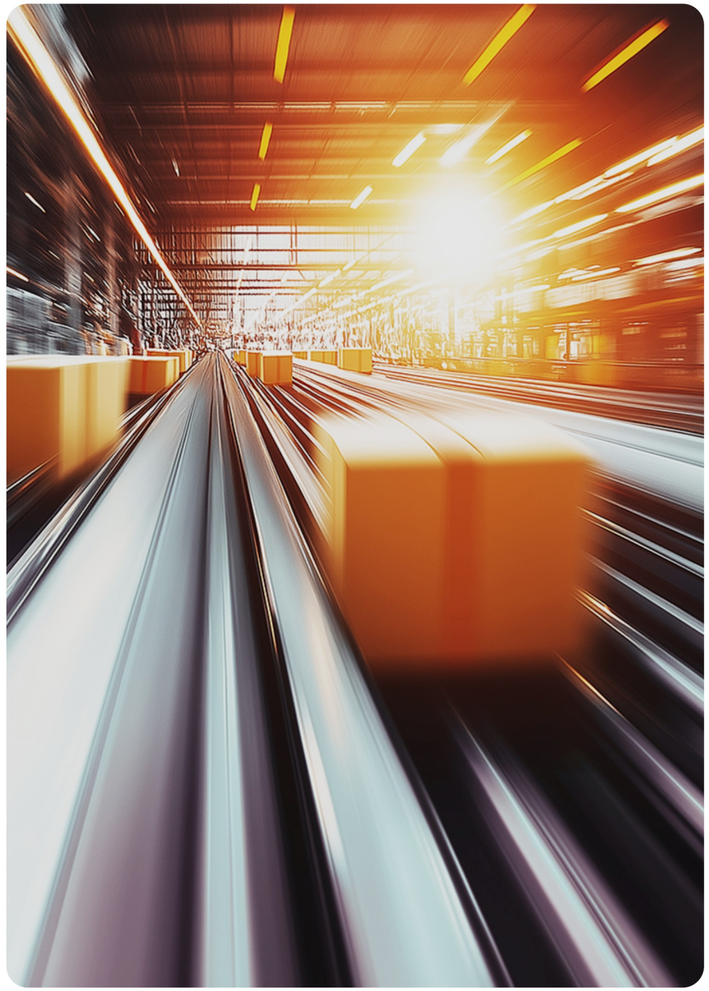


THE INCREASE

Beyond the 5.9%: what else changes

These changes sit outside the GRI average.

Nov 2, 2026	**New fuel surcharge tables**	+0.5% for domestic Ground and Air (Ground Saver too). UPS's 8th fuel table update of 2026.
Nov 16, 2026	**UPS Protected Delivery launches**	A new service at $10.70 per shipment.
Dec 21, 2026	**2027 GRI takes effect**	5.9% average on Ground, Air and International daily rates.
Dec 21, 2026	**Small Business Rates rise 4.5%, plus a new 5% fuel surcharge**	The 4.5% covers Ground, Air and International. The 5% domestic and international fuel surcharge applies to all Small Business Rates.
On/after Dec 21	**New origin surge fee on Ground and Ground Saver**	A per-package surcharge on domestic shipments from certain origin ZIP codes, for qualified customers. ZIP codes, amount, and duration not yet announced.
With the GRI	**Additional Handling minimum billable weight rises to 50 lbs**	Up from 40 lbs. Added in 2025, joined by the AHS cubic trigger in 2026, raised again for 2027.
With the GRI	**Area surcharge ZIP lists and zones change**	UPS's annual update. The same package to the same address can cost more.



SERVICES ILLUSTRATIONS

Correlating inflation to the GRI

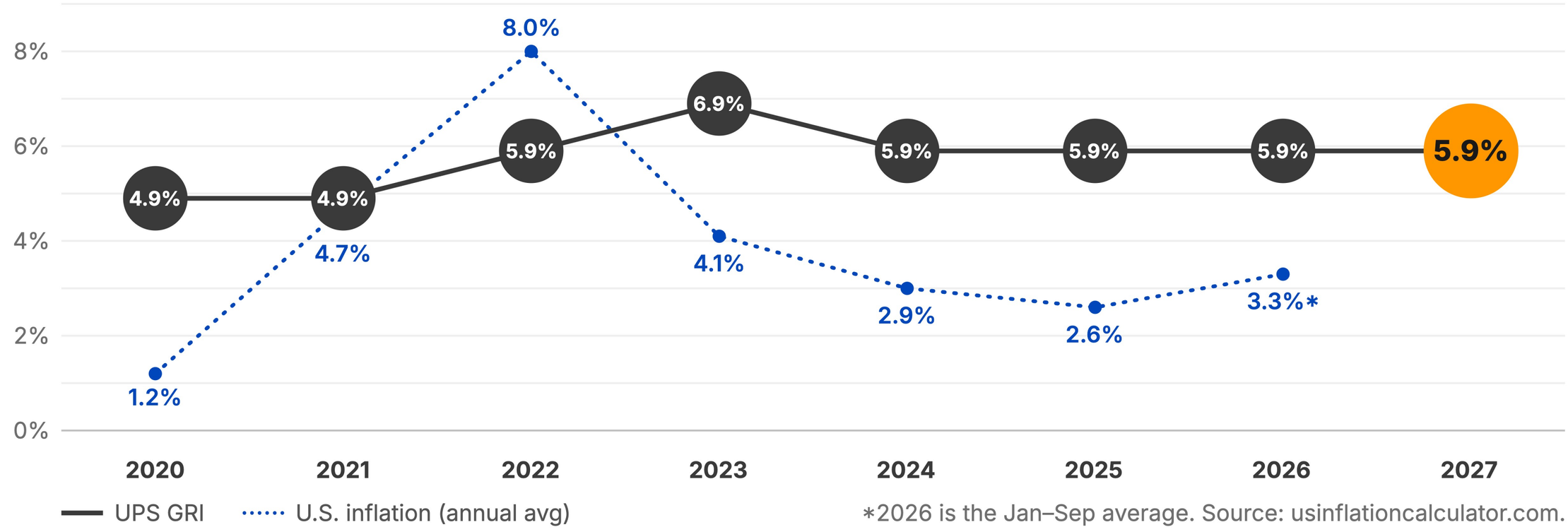
Based on market conditions, recent earnings announcements and UPS's rate actions in 2026, UPS announced a 5.9% GRI, **matching FedEx and exactly as we predicted.**

KEY TAKEAWAY

The GRI has outpaced inflation every year since 2023.

5.9% looks like a yield target, not a cost pass-through.

UPS GRI VS. U.S. INFLATION

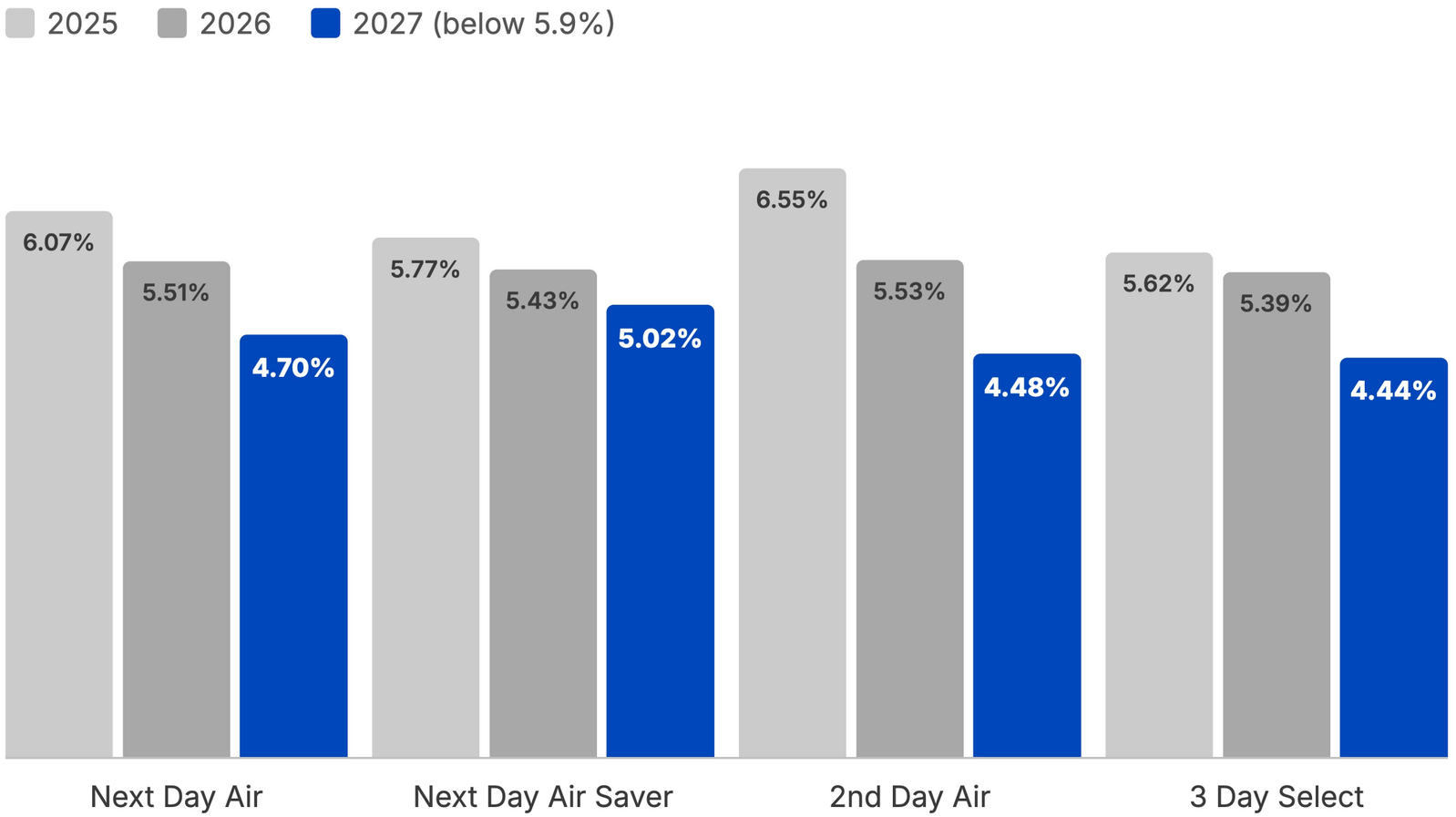


*2026 is the Jan–Sep average. Source: usinflationcalculator.com.

SERVICES ILLUSTRATIONS

Every Domestic Air service rises less than 5.9%

All four services have eased two years in a row. 2nd Day Air drops from 6.55% in 2025 to 4.48% in 2027. The catch: Air minimums rise 6.49% to 6.92%, and with a fixed-dollar minimum reduction, your net minimum rises even faster.



WHAT IT MEANS FOR A REAL SHIPPER

A distributor ships two groups of 2nd Day Air packages: heavier packages billed at full rates ($1,500,000 a year), and 20,000 light packages billed at the minimum, at a $20.00 net minimum. The groups don't overlap.

Full-rate group, +4.48% *$1,500,000 × 4.48%*	**$67,200**
Minimum group, +8.8% *($28.89 − $27.13) × 20,000* *Fixed reduction, so you pay the full $1.76 ($1.76 ÷ $20.00 = 8.8%)*	**$35,200**
Total added, before fuel *$67,200 + $35,200*	**$102,400**

SERVICES ILLUSTRATIONS

Air minimums rise faster than Air rates

DOMESTIC AIR MINIMUM CHARGES

UPS service	2025	2026	2027	Increase	2-yr total
Next Day Air	$42.42	$45.06	$47.99	6.50%	13.1%
Next Day Air Saver	$38.78	$41.31	$44.00	6.51%	13.5%
2nd Day Air	$25.43	$27.13	$28.89	6.49%	13.6%
3 Day Select	$16.03	$16.90	$18.07	6.92%	12.7%

Increase = 2026 to 2027. 2-yr total = 2025 to 2027.

Next Day Air rates rise 4.70%, but the Next Day Air minimum rises 6.50%. UPS minimum reductions are split between fixed-dollar and percentage amounts. A fixed-dollar reduction stays flat while minimums climb, so without a rate cap, the discount you negotiated shrinks every year.

Prioritize lower minimums in your next agreement, especially if you ship lightweight Air packages.

WHAT IT MEANS FOR A REAL SHIPPER

A medical supplier ships 20,000 Next Day Air packages a year at the minimum, with a fixed-dollar minimum reduction.

Next Day Air minimum	2026	2027
List minimum	$45.06	$47.99
Your reduction	−$20.06	−$20.06
Net minimum you pay	$25.00	$27.93

The reduction doesn't grow, so you pay the full $2.93: **+11.72%** on your net.

Added 2027 cost, no cap
$2.93 × 20,000
$58,600

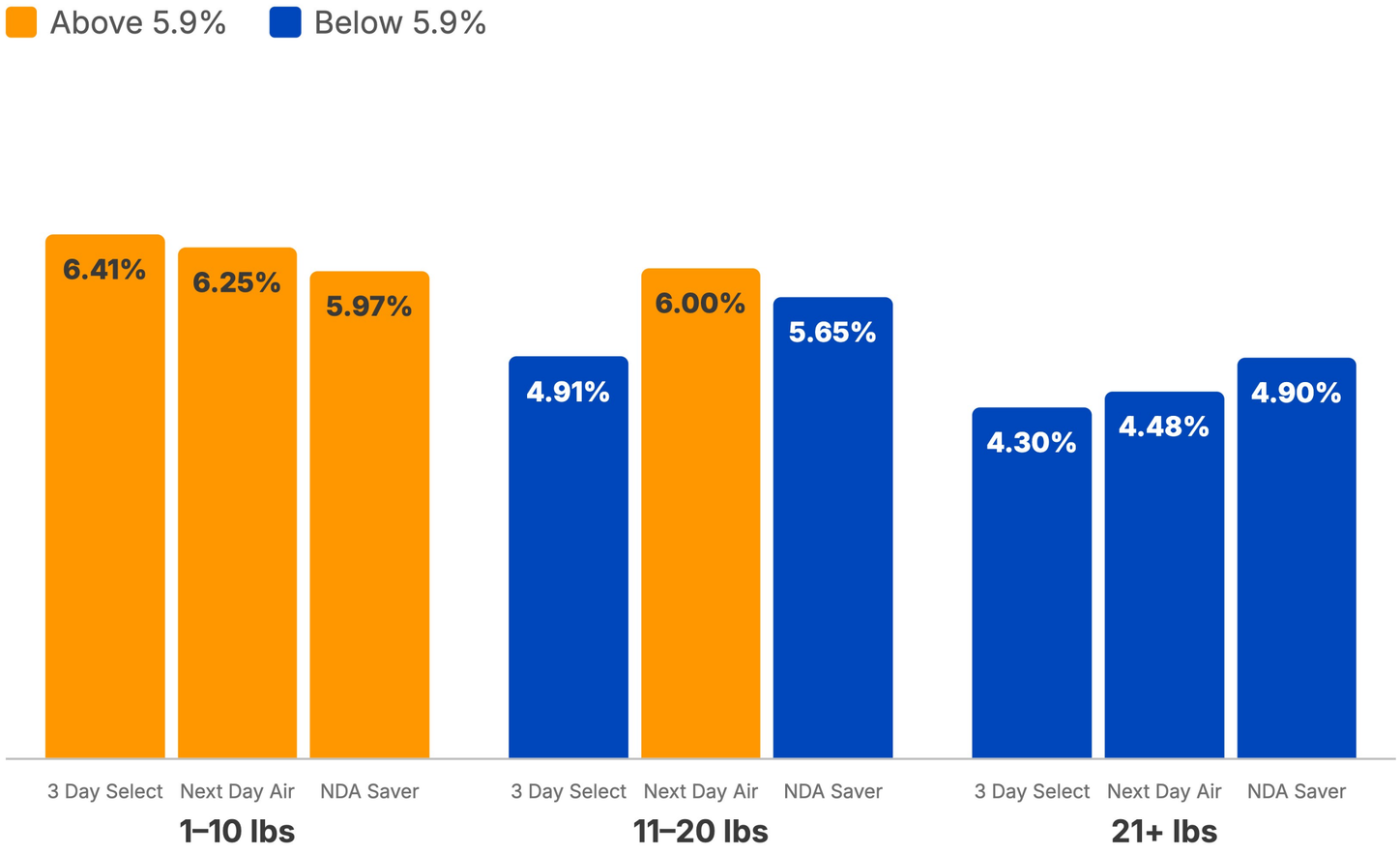
Added 2027 cost, 4% cap
$25.00 × 4% = $1.00 × 20,000
$20,000

Kept by the rate cap
$58,600 − $20,000
$38,600

SERVICES ILLUSTRATIONS

Light Air packages rise more than 5.9%

At 1–10 lbs, 3 Day Select, Next Day Air and Next Day Air Saver all rise more than 5.9%, led by 3 Day Select at 6.41%, even though every Air service averages less than 5.9%. At 21 lbs and up, all three rise less than 5%. **Our take:** UPS is making lightweight Air packages more expensive, and those are the same packages that hit the rising Air minimums.



WHAT IT MEANS FOR A REAL SHIPPER

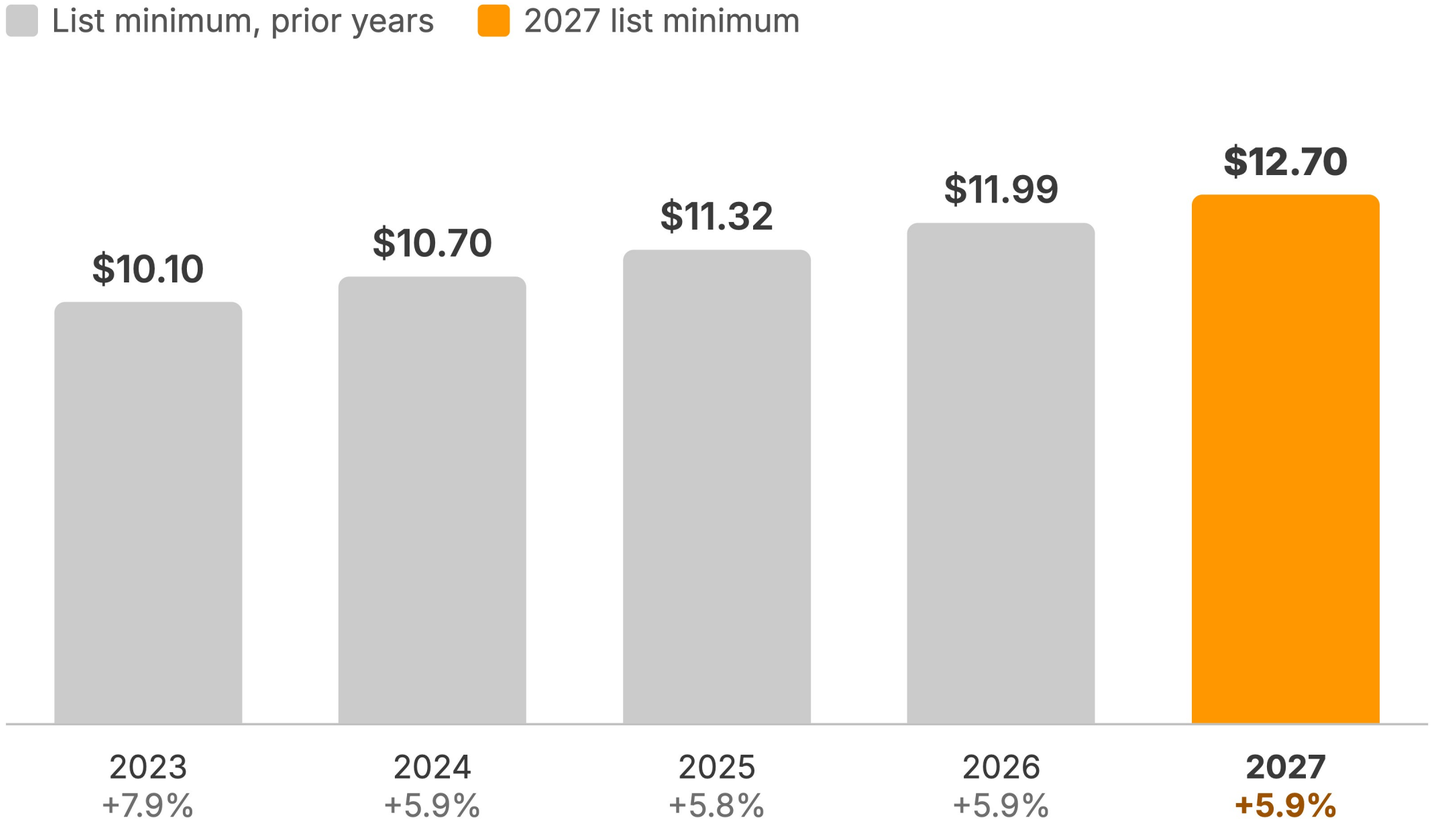
An e-commerce brand spends $1,000,000 a year on 1–10 lb Next Day Air packages and $500,000 on Next Day Air packages of 21 lbs and up.

1–10 lbs, +6.25% *$1,000,000 × 6.25%*	**$62,500**
21+ lbs, +4.48% *$500,000 × 4.48%*	**$22,400**
Total added, before fuel *$62,500 + $22,400*	**$84,900**

Note: This calculation doesn't account for minimum charges. Packages billed at the Air minimum rise more (see page 7).

SERVICES ILLUSTRATIONS

The Ground minimum reaches $12.70



Up 5.92% in 2027 and 25.7% since 2023. Without a rate cap, each increase erodes a fixed-dollar minimum reduction.

2023 increase is vs. the 2022 minimum of $9.36.

WHAT IT MEANS FOR A REAL SHIPPER

A parts distributor ships 70,000 Ground packages a year at the minimum.

Ground minimum	2026	2027
List minimum	$11.99	$12.70
Your reduction	−$2.99	−$2.99
Net minimum you pay	$9.00	$9.71

The reduction doesn't grow, so you pay the full $0.71: **+7.9%** on your net.

Added 2027 cost, no cap
$0.71 × 70,000
$49,700

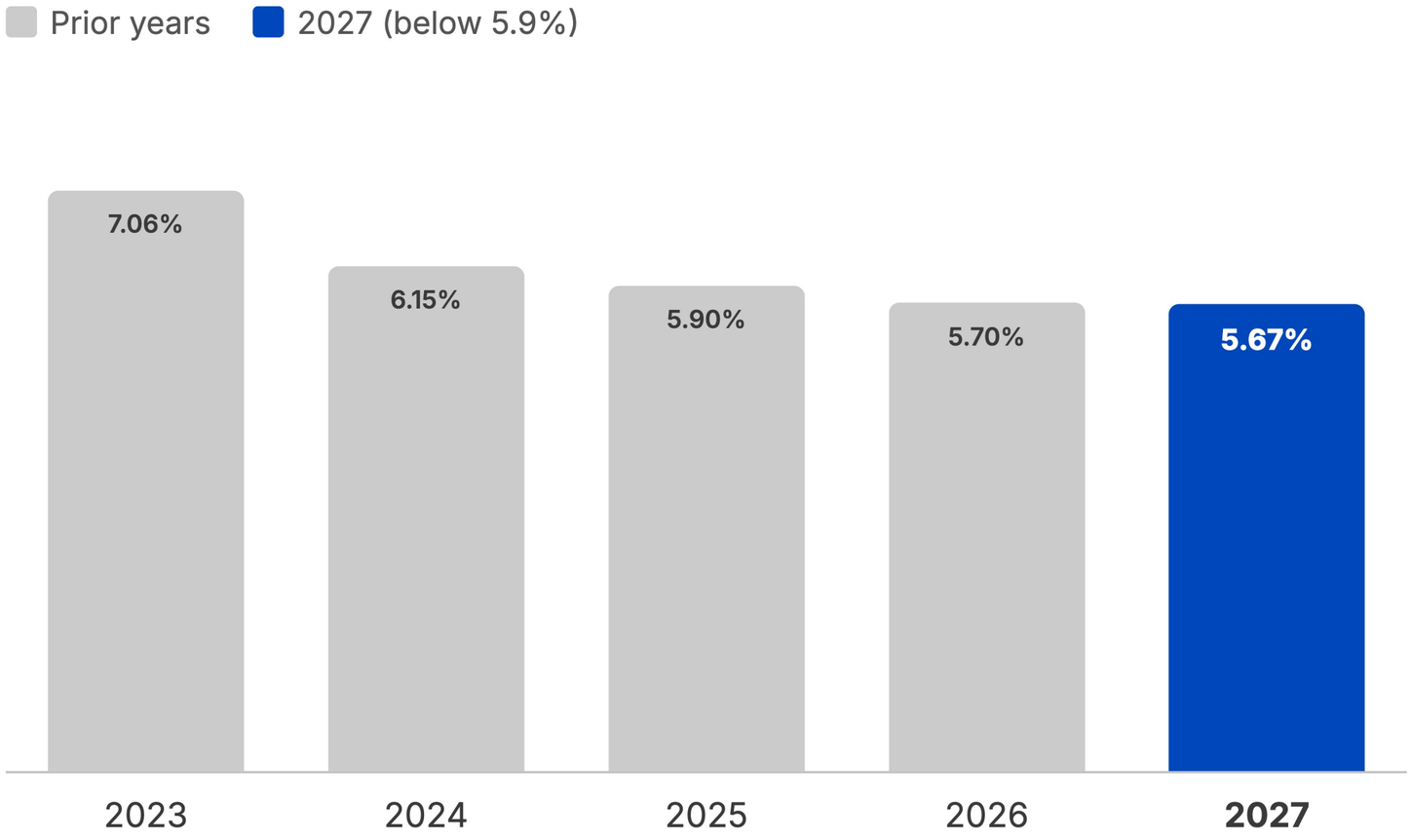
Added 2027 cost, 4% cap
$9.00 × 4% = $0.36 × 70,000
$25,200

Kept by the rate cap
$49,700 − $25,200
$24,500

SERVICES ILLUSTRATIONS

Ground increases ease for a fourth straight year

The 2027 average Ground increase is 5.67%, slightly lower than 5.70% in 2026 and below the 5.9% headline. Growing competition from Amazon, the USPS and other carriers continues to keep Ground increases in check.



WHAT IT MEANS FOR A REAL SHIPPER

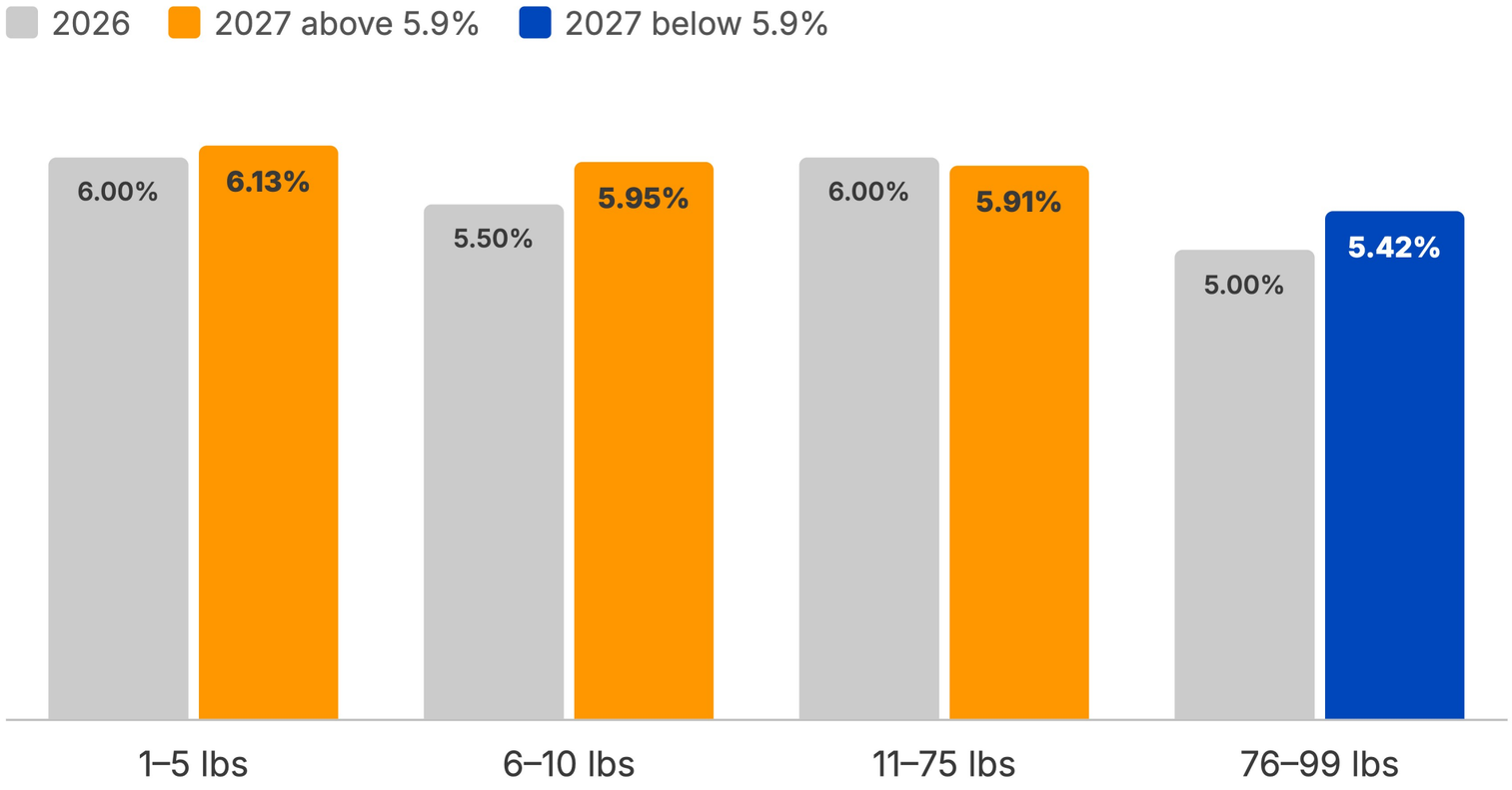
The AHS minimum billable weight rises from 40 to 50 lbs. A furniture shipper sends 4,000 AHS packages a year under 40 lbs by Ground, Zone 5, with a 60% Ground discount: $47.51 list at 40 lbs nets $19.00, and $56.15 at 50 lbs nets $22.46. Its AHS charges carry a separate 50% discount.

Billed weight 40 → 50 lbs *$22.46 − $19.00 net*	**+$3.46**
Vs. 5.67% for Ground *$3.46 ÷ $19.00*	**+18.2%**
Added cost, before fuel *$3.46 × 4,000*	**$13,840**

SERVICES ILLUSTRATIONS

Ground 1–5 lb packages rise the most

Light packages see the largest Ground increase, 6.13% for 1–5 lbs. Every weight break except 76–99 lbs (5.42%) rises more than 5.9%. The increase is nearly flat across all zones.



WHAT IT MEANS FOR A REAL SHIPPER

An apparel brand spends $2,000,000 a year on 1–5 lb Ground packages and $1,000,000 on 6–10 lb packages.

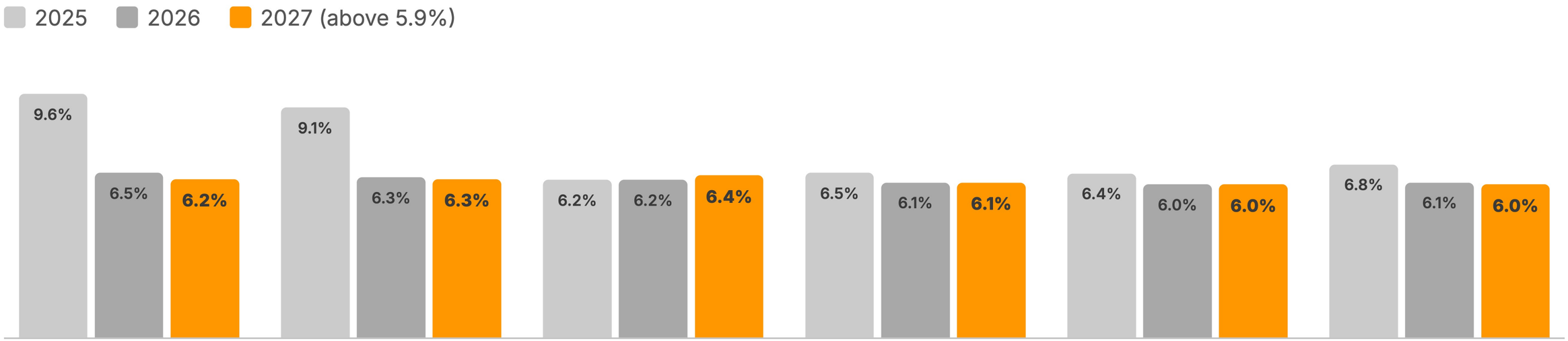
1–5 lbs, +6.13% *$2,000,000 × 6.13%*	**$122,600**
6–10 lbs, +5.95% *$1,000,000 × 5.95%*	**$59,500**
Total added, before fuel *$122,600 + $59,500*	**$182,100**

Note: This calculation doesn't account for minimum charges. Packages billed at the Ground minimum rise more (see page 9).

SERVICES ILLUSTRATIONS

International tops out at 7.14% by zone

Every International service rises more than 5.9%, from 5.98% (Import Saver) to 6.36% (Export Expedited). In each service's highest-increase zone, the increase is 6.90% or more.



Export Express	Export Saver	Export Expedited	Import Express	Import Saver	Import Expedited
Zone 912: China	Zone 411: India and South Asia	Zones 612–643: China, Japan, South Korea	Zone 958: Africa, Central Asia, Eastern Europe	Zone 456: Latin America	Zone 686: Latin America
6.99% zone increase	**7.02% zone increase**	**7.14% zone increase**	**7.00% zone increase**	**6.92% zone increase**	**6.90% zone increase**

WHAT IT MEANS FOR A REAL SHIPPER

An exporter spends $1,000,000 a year on Export Expedited to China, Japan and South Korea, and budgeted 5.9%.

Budgeted at 5.9%
$59,000
$1,000,000 × 5.9%

Actual at 7.14%
$71,400
$1,000,000 × 7.14%

Unbudgeted cost
$12,400
$71,400 − $59,000

ACCESSORIAL ILLUSTRATIONS

The 20 most common surcharges rise 9.1%

Each surcharge below rises more than 5.9%. Weighted equally, these 20 average 9.1%, up from 6.9% in 2026 (FedEx 2027: 6.8%). Our broader set of most-used accessorials, including signature and dangerous goods charges, averages 9.93%. Large Package – Commercial rises the most, 14.0%.

Accessorial	2025	2026	2027
Add'l Handling – Cubic	n/a	New	9.0%
Add'l Handling – Weight	28.0%	6.8%	8.7%
Add'l Handling – Length	29.2%	7.0%	9.0%
Add'l Handling – Width	29.2%	7.0%	9.0%
Add'l Handling – Packaging	27.2%	7.1%	9.0%
Large Package – Commercial	28.8%	8.3%	14.0%
Large Package – Residential	27.6%	7.1%	8.5%
Residential (Ground)	9.9%	6.6%	9.2%
Residential (Air)	5.7%	6.9%	8.6%
Delivery Area Comm. Ground	6.3%	7.1%	8.9%

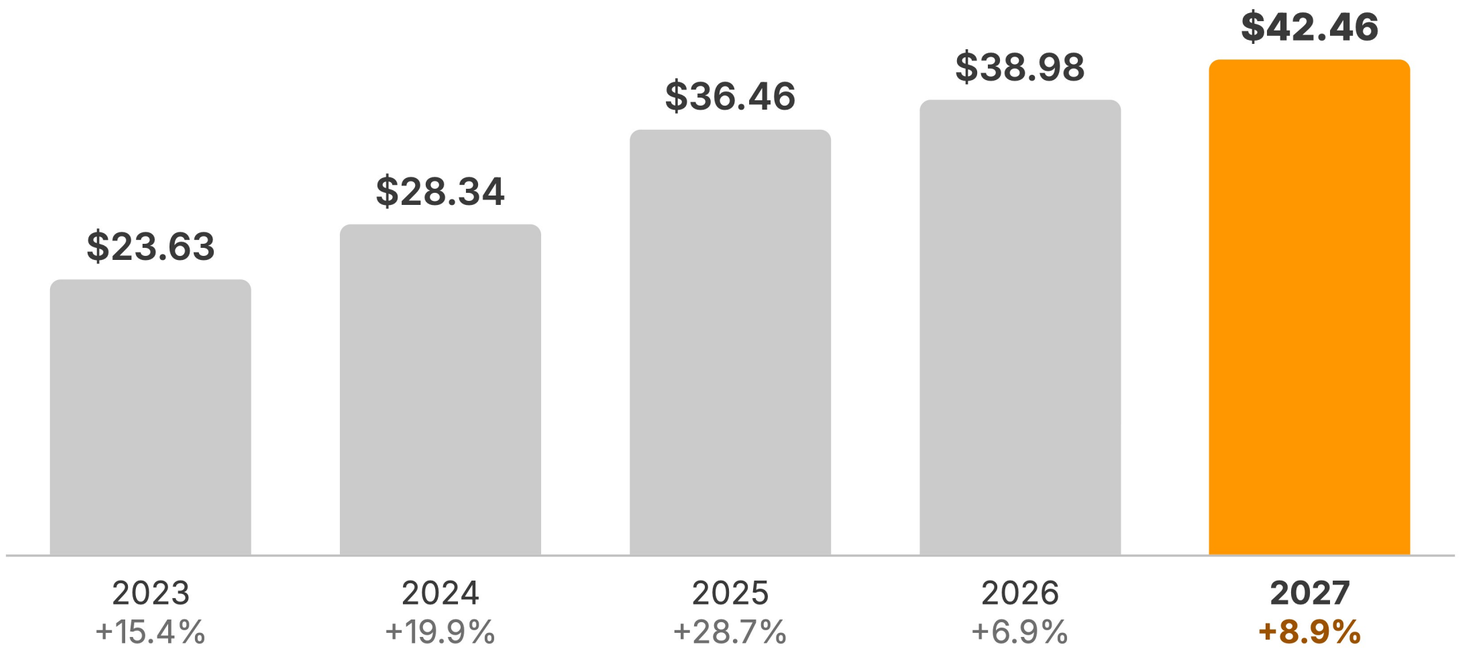
Accessorial	2025	2026	2027
Delivery Area Ext. Comm. Ground	9.2%	6.5%	8.8%
Delivery Area Comm. Air	6.3%	7.1%	8.9%
Delivery Area Ext. Comm. Air	9.2%	6.5%	8.8%
Delivery Area Resi. Ground	7.9%	6.5%	9.2%
Delivery Area Ext. Resi. Ground	7.8%	6.6%	9.0%
Delivery Area Resi. Air	5.1%	6.5%	9.2%
Delivery Area Ext. Resi. Air	7.8%	6.6%	9.0%
Address Correction	4.4%	7.5%	8.9%
Hazmat Ground	6.4%	6.9%	8.6%
Overmax	42.0%	5.6%	8.5%
Average increase	15.7%	6.9%	9.1%

ACCESSORIAL ILLUSTRATIONS

Additional Handling Surcharge up 79.7% since 2023

The average Additional Handling Surcharge (AHS) reaches $42.46 in 2027, up 8.9%. Cubic-volume and weight triggers added in January 2026 catch more packages, and the minimum billable weight rises to 50 lbs.

AVERAGE AHS CHARGE, COMMERCIAL AND RESIDENTIAL



2023 increase is vs. the 2022 average of $20.47.

NEW FOR 2027

40 → 50 lbs

AHS minimum billable weight: every AHS package is billed at a minimum of 50 lbs, plus the surcharge.

WHAT IT MEANS FOR A REAL SHIPPER

A furniture shipper pays 12,000 AHS charges a year; 4,000 of those packages weigh under 40 lbs. Its Ground rates carry a 60% discount (Zone 5 nets $19.00 at 40 lbs and $22.46 at 50 lbs); its AHS charges carry a 50% discount.

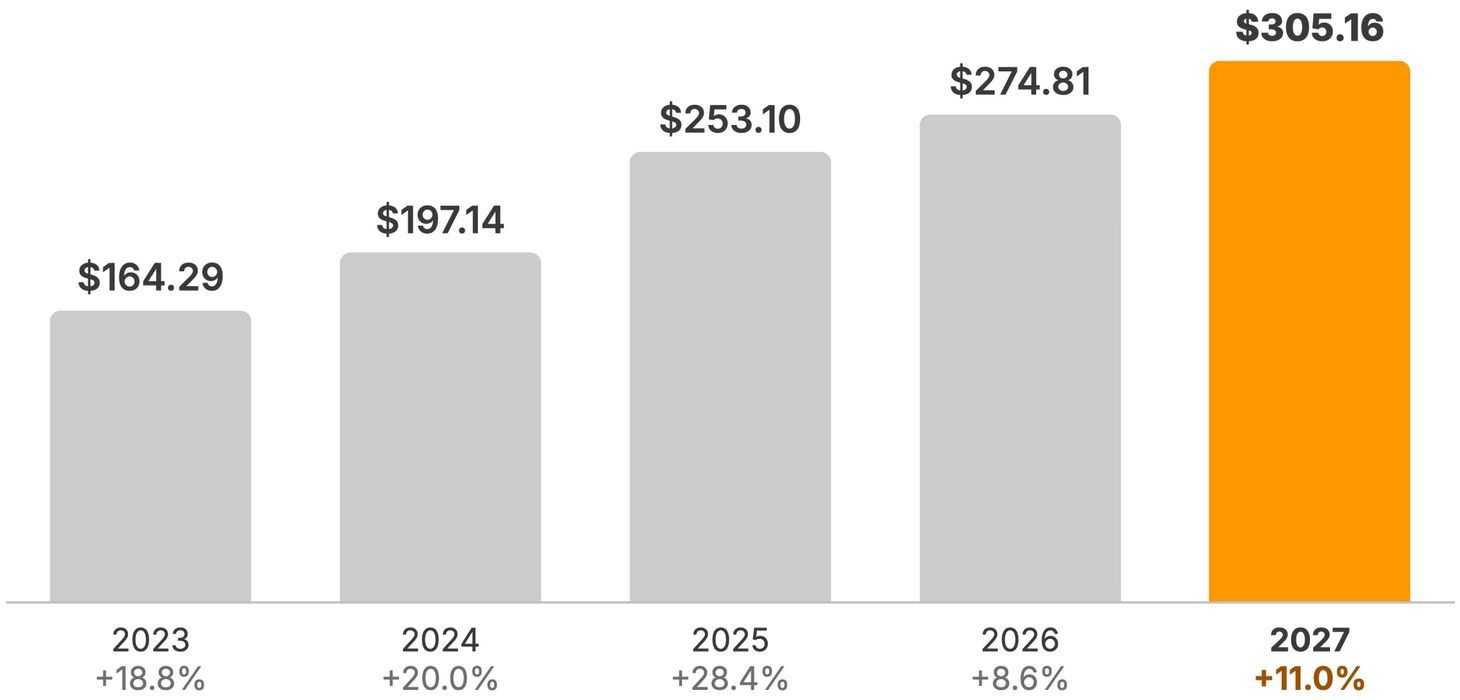
Higher AHS charge, 50% off *($42.46 − $38.98) × 50% × 12,000*	**$20,880**
50 lb minimum, Zone 5 Ground, 60% off *($22.46 − $19.00) × 4,000*	**$13,840**
Total added in 2027, before fuel *$20,880 + $13,840*	**$34,720**

ACCESSORIAL ILLUSTRATIONS

Large Package Surcharge up 85.7% since 2023

The average Large Package Surcharge (LPS) reaches $305.16 in 2027, up 11.0%. Commercial LPS rises fastest, up to 15.38% by zone (next page).

AVERAGE LPS CHARGE, COMMERCIAL AND RESIDENTIAL



2023 increase is vs. the 2022 average of $138.33.

SINCE 2023

+$140.87

Increased from $164.29 to $305.16 per LPS charge. Cubic-volume and weight triggers added in January 2026 also catch more packages.

WHAT IT MEANS FOR A REAL SHIPPER

A fixtures shipper pays 1,500 LPS charges a year, with no LPS reduction.

Average LPS charge *$305.16 − $274.81*	**+$30.35**
Added 2027 cost, before fuel *$30.35 × 1,500*	**$45,525**

ACCESSORIAL ILLUSTRATIONS

Commercial LPS is closing the gap

Every LPS trigger (cubic, dimensions, length, length plus girth or weight) costs the same. The price depends only on the zone and whether the delivery is commercial or residential.

	UPS Commercial LPS			UPS Residential LPS		
Zone	2026	2027	Increase	2026	2027	Increase
Zone 2	$219.50	$250.00	13.90%	$254.50	$276.25	8.55%
Zones 3–4	$239.50	$275.00	14.82%	$274.50	$298.00	8.56%
Zones 5–6	$273.00	$305.00	11.72%	$320.50	$347.75	8.50%
Zones 7+	$286.00	$330.00	15.38%	$331.00	$359.25	8.53%

Commercial rises fastest

11.72% to 15.38% by zone, vs. about 8.5% for residential.

The gap to residential shrinks

Zones 7+: commercial was $45.00 below residential in 2026. In 2027 it's $29.25.

WHAT IT MEANS FOR A REAL SHIPPER

A fixtures distributor ships 1,000 commercial LPS packages a year to Zone 2 and 1,000 to Zones 7+, with no LPS reduction.

Zone 2 *($250.00 − $219.50) × 1,000*	**$30,500**
Zones 7+ *($330.00 − $286.00) × 1,000*	**$44,000**
Total added in 2027, before fuel *$30,500 + $44,000*	**$74,500**

ACCESSORIAL ILLUSTRATIONS

The Residential surcharge rises 9.2% to $7.10

The most common accessorial rises 9.2% in 2027 and is up 35.2% since 2023, while the average Ground rate rises just 5.67%. It applies to every residential delivery except Ground Saver. **Our take:** for lighter, less time-sensitive residential packages, Ground Saver avoids the surcharge entirely and is a great option if its service levels work for your customers.



2023 increase is vs. the 2022 charge of $4.85.

WHAT IT MEANS FOR A REAL SHIPPER

An e-commerce brand makes 150,000 residential Ground deliveries a year, with no residential surcharge reduction.

Added 2027 cost *($7.10 − $6.50) × 150,000*	**$90,000**
Per package since 2023 *$7.10 − $5.25*	**+$1.85**
More per year than in 2023 *$1.85 × 150,000*	**$277,500**

PUTTING IT TOGETHER

Why 5.9% isn't your number

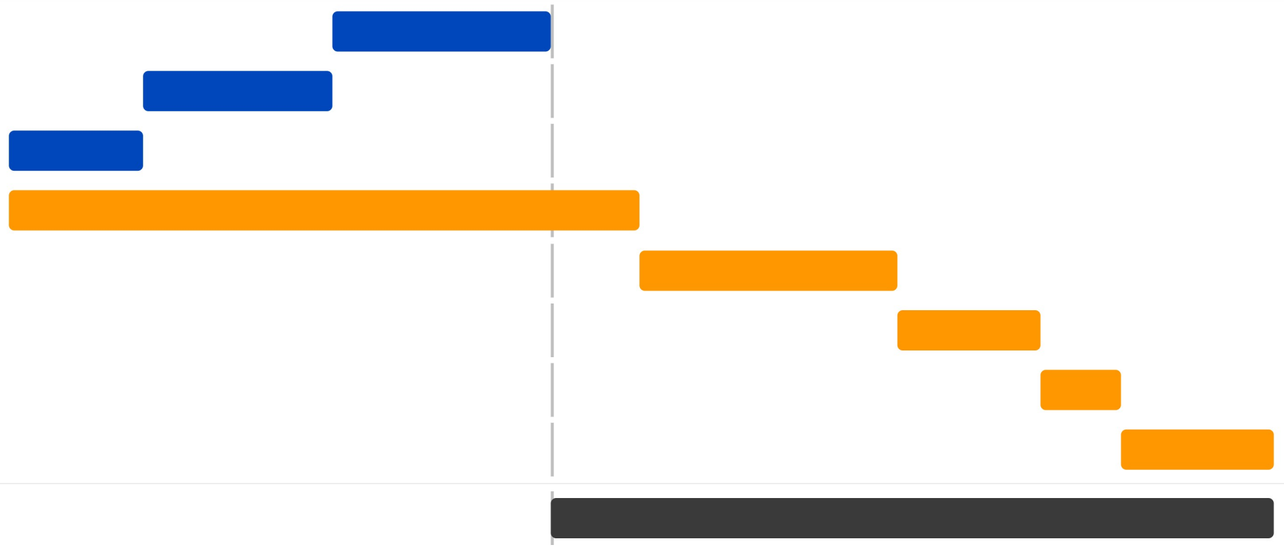
A mid-market shipper spends $5,000,000 a year with UPS. Its base rates save $17,160 against a 5.9% budget. **Residential alone (+$19,980) wipes that out**, and the other surcharges push it 7.8% over the budgeted increase.

BUDGETED AT 5.9%
$5,000,000 × 5.9%
$295,000

ACTUAL 2027 COST
6.359% of $5,000,000
$317,945

7.8% OVER BUDGET
$22,945 ÷ $295,000
+$22,945

SPEND COMPONENT	2027	VS. 5.9%
Ground base · $3.0M	5.67%	−$6,900
Next Day Air · $500K	4.70%	−$6,000
2nd Day Air · $300K	4.48%	−$4,260
Residential · $600K	9.23%	+$19,980
Delivery Area · $250K	9.16%	+$8,150
Additional Handling · $150K	8.93%	+$4,545
Large Package · $50K	11.04%	+$2,570
Other accessorials · $150K	9.14%	+$4,860
Total · $5.0M	6.359%	+$22,945



And that's before the Air and Ground minimums (pages 7 and 9), the new 50 lb AHS minimum (page 14) and fuel.

Illustrative profile with no accessorial reductions. Each bar = spend × (2027 increase − 5.9%), stacked into the total gap. Base-rate savings: $6,900 + $6,000 + $4,260 = $17,160. Delivery Area uses Delivery Area Resi. Ground; AHS and LPS use the average-charge increases on pages 14 and 15.

2026 Year in Review

TOP STORY HOT

More than two pricing changes a month

Fuel tables moved on Mar 2, Mar 9, Apr 13 (domestic and international), May 11, Jun 1, Aug 1, Aug 10 and Nov 2.

FUEL TABLE CHANGES
8
3 domestic increases, 4 international increases, 1 floor-only change.

SURGE, DEMAND & PEAK
9
Intl surge, emergency and peak surcharges.

FEE INCREASES
4
Including disbursement and paper invoice fees.

Q1 — Jan – Mar

JAN 18 SURGE
Surge fees updated
International demand surcharges reset for the new year.

JAN 26 RULES
New AHS & LPS triggers
Cubic volume added to AHS; cubic and weight to LPS.

MAR 2 & 9 FUEL
Fuel tables updated
International on Mar 2, domestic on Mar 9.

MAR 8 SURGE
Middle East surge fees
New surcharges to and from the Middle East.

Q2 — Apr – Jun

APR 13 FEE
PGA fee rises
Customs PGA fee $1.00 → $2.50.

APR 13 · MAY 11 · JUN 1 FUEL
Fuel tables updated
Table floors only on Apr 13, no increase. International up May 11 and Jun 1.

APR 19 & MAY 5 SURGE
Surge fees widen, then jump 39%
All export and import zones; $0.23/lb → $0.32/lb.

MAY 4 NEW
Ground Saver label fee
$5 per package for non-compliant labels. Announced; implementation unconfirmed.

MAY 11 FEE
Disbursement & paper fees
Disbursement min. $14 → $17; paper invoice $40.

MAY 31 SURGE
Emergency AHS, LPS & Over Max fees
Added on exports.

Q3 — Jul – Sep

AUG 1 & 10 FUEL
Fuel tables updated
International on Aug 1, domestic on Aug 10.

SEP 7 FEE
Disbursement updates
Fee and additional lines of entry updated.

SEP 18 SURGE
Intl emergency surge
International surge fees updated.

SEP 22 SURGE
Emergency demand fees on imports
AHS, LPS and Over Max demand fees on shipments to the U.S.

SEP 27 PEAK
Peak season surcharges
Demand surcharges plus emergency intl surge for peak.

Ahead — Oct – Jan 2027

OCT 25 SURGE
Intl surge updates
U.S. to all destinations, with country call-outs.

NOV 2 FUEL
Domestic fuel tables rise
+0.5% domestic Ground, Air and Ground Saver.

NOV 16 NEW
Protected Delivery
New service at $10.70 per shipment.

DEC 21 GRI
2027 GRI: 5.9%
Minimums and surcharges rise faster.

DEC 21 FUEL
Small Business Rates rise 4.5%
Plus a new 5% fuel surcharge on all services.

JAN 4, 2027 RULES
Shipping Documents end
$5.00 (ASD) or $10.00 (GSD) per package.

RECOMMENDATIONS

Six ways to manage the 2027 UPS increase

01

Model your real increase

Apply each 2027 increase to your own service, weight, zone and surcharge mix. Our sample shipper's real number is 6.359%.

02

Negotiate rate caps

In our examples, a 4% cap kept $38,600 on Next Day Air minimums and $24,500 on Ground minimums in one year.

03

Push for lower minimums

Air minimums rise 6.49% to 6.92% while Air rates rise less than 5.9%. Fixed-dollar reductions lose value every year.

04

Target your top surcharges

Accessorials average 9.1%, and rate caps usually exclude them. Negotiate reductions on the ones you pay most.

05

Rethink packaging and network

Size, weight and zone drive AHS, LPS and Delivery Area charges. Small packaging changes can keep packages under the triggers.

06

Track changes all year

UPS made more than two pricing changes a month in 2026, from fuel tables to surge fees and new surcharges. Stay ahead of each update as it's announced.

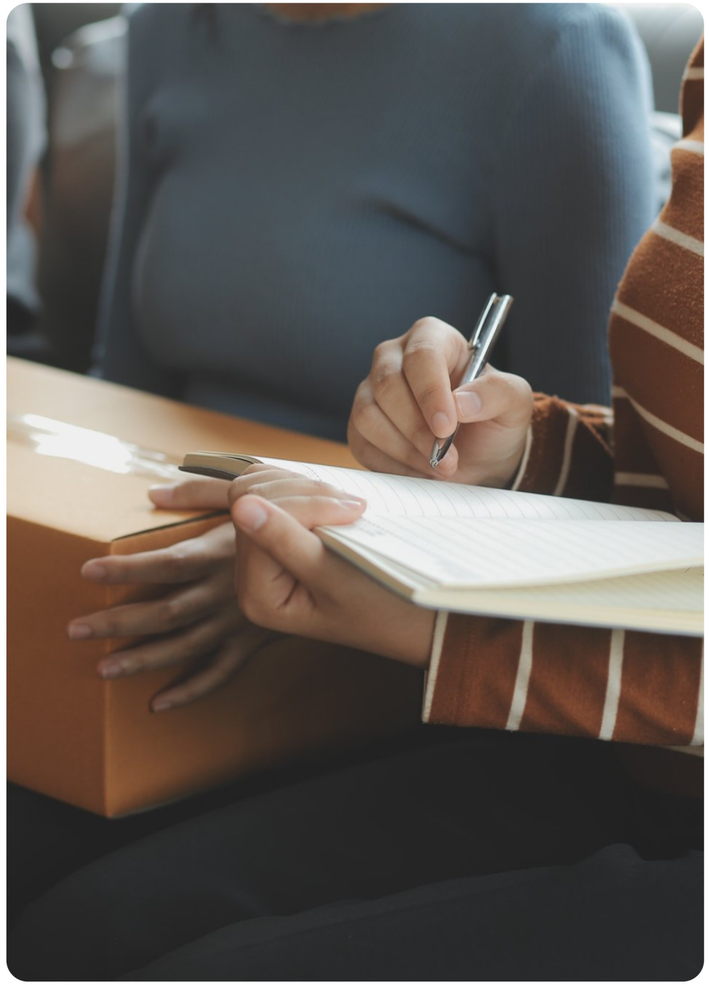
transimpact.com/carrier-updates →

YOUR 2027 ROADMAP

The route to December 21

About seven weeks until the GRI takes effect. Here's how to use them.

Now – Nov 13	**Get the data**	Pull 12 months of UPS invoice data and request your TransImpact GRI Report.
Nov 16 – 25	**Find your cost drivers**	Services, weight breaks, zones, minimum exposure and the surcharges you pay most.
Late Nov – early Dec	**Negotiate**	Know what you should be paying, then prioritize rate caps, minimum reductions and your highest-exposure surcharges.
Mid-December	**Lock it in**	Finalize amendments, update rate tables in your shipping systems and budget for your modeled increase, not 5.9%.
Dec 21, 2026	**GRI takes effect**	Audit the first invoices to confirm new rates, discounts and caps are applied correctly. On Small Business Rates, check for the 4.5% increase and the new 5% fuel surcharge.



TransImpact

NEED HELP?

Model your real 2027 UPS increase.

Your TransImpact GRI Report models the 2027 changes against your actual service, weight, zone, minimum and accessorial profile, so you budget for your real increase instead of the 5.9% headline.

CONTACT

sales-info@transimpact.com

252 424 8410

TransImpact.com

Request your no-cost, 72-hour analysis. Built on $5B+ in parcel spend under management, it shows exactly where to secure savings.

Smarter Supply Chains. Stronger Margins.