

Forum:[Hack Forums](#)

Thread: [Creating a crypto payment processor that charges 0% transaction fees, opinions?](#)

Mork1e - November 25, 2023, 5:12 pm

Like the title says im currently in the process of creating a Crypto payment processor (codenamed blocksocks) that charges 0% transaction fees (which is in contrast to a lot of crypto payment processors like coinpayments.net, who outright charge you 0.5% of all incoming transactions). Instead the pricing model would be a subscription based service, you pay monthly and get access to the payments api.

Essentially the gist is

- 0 transaction fees (personally, I always accepted payments on a person by person basis since most gateways charged you a % transaction fee)

instead, it will be 20 bucks per month and youll be able to programatically accept payments from anyone, without ever having to deal with hosting your own nodes or with the underlying libraries for that chain.

=> The important thing here is youll be able to create unlimited wallets for any coin you wish to accept, and identify different customers using the wallets you create.

- Bitcoin ordinals support (I personally havent seen any payment gateway that supports bitcoin ordinals natively yet as its quite new)

- A native NodeJS library that lets you do all of this in less lines of codes than you have fingers in your hands

```
Code const blocksocks = require("blocksocks")
```

```
let newCustomerId = 12345
```

```
//Create a blocksocks wallet that will listen for new txs for the coin "BTC"
blocksocks.createWallet("BTC", newCustomerId)
```

```
customers[newCustomerId] = { balance: 0 }
```

```
//Listen for new customers through a websocket-based library realtime (no need to poll for transactions)
```

```
blocksocks.on("payment", (Transaction, label) => {
  if(Object.keys(customers).includes(label){
    customers.balances += Transaction.amount
  }
})
```

If anyone is interested, feel free to post your thoughts below and hit me up with a dm so I can invite you to the discord server where ill be posting advancements till launch day :)

The price would be \$19.99 / m

StuffSneak - November 26, 2023, 10:45 am

There is already a service like this available I think Sellup.io At least it started out like that [Bullup](#)

Mork1e - November 26, 2023, 11:58 am

(Nov 26, 2023 11:45 AM) StuffSneak Wrote: [\[CITE\]](#) There is already a service like this available I think Sellup.io At least it started out like that [Bullup](#)

Sellup seems to be more like shoppy.gg, where you can create product pages and a storefront without code. Blocksocks would be more similar to something like coinpayments.net, it's more of an "API as a service" platform than anything, with the optional addon to create storefronts w/o code if needed.

However, the main service would be the api that lets you create unlimited deposit wallets for any crypto.

There are services, or payment gateways (most notably, the kraken deposit api) that do let you create multiple deposit wallets per crypto, but they are limited to a specific amount (in the case of kraken, it's 5). Coinpayments let's you create unlimited addresses for any crypto, but they are behind a 0.5% mandatory fee on all deposits.

==> The reason you would want to create unlimited addresses for a coin is so you can assign a permanent deposit address to each one of your customers, sort of like exchanges (or casinos like stake do) - where like for example your ETH deposit address for the platform stays with you for the lifetime of the account.

Blocksocks would be like a mixture of the coinpayments api, with optional frontend storefront gateways like shoppy.gg, if needed (best of both worlds).

StuffSneak - November 26, 2023, 12:01 pm

(Nov 26, 2023 12:58 PM) Mork1e Wrote: [\[CITE\]](#) Sellup seems to be more like shoppy.gg, where you can create product pages and a storefront without code. Blocksocks would be more similar to something like coinpayments.net, it's more of an "API as a service" platform than anything, with the optional addon to create storefronts w/o code if needed.

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What about Coinbase Commerce in that case? They also have api and afaik, their api which can be used for manual payment gateway.

Mork1e - November 26, 2023, 12:10 pm

(Nov 26, 2023 01:01 PM)StuffSneak Wrote: [\[CITE\]](#) What about Coinbase Commerce in that case? They also have api and afaik, their api which can be used for manual payment gateway. The coinbase commerce api works with invoices (you create an invoice with api , you get an address and send to customer, customer pays on that address and you get a response from coinbase)

This is great, but the problem here is that these addresses are temporary - they aren't tied to the customer. You wouldn't be able to create a platform for example with permanent deposit addresses (that are able to accept any amount of crypto, rather than what was specified in the invoice) at any time.

Basically, it allows anyone to implement the functionality high-end platforms like stake.com or binance have with permanent deposit addresses - without actually having to go implement these lowlevel apis yourself.

Essentially it'll do both crypto deposits (with permanent addresses) AND invoices

StuffSneak - November 26, 2023, 12:22 pm

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Yeah permanent addys are not available on commerce however invoicing is not bad. I have seen it used effectively on smspool.net You choose how many credits you want, when you click buy, it will generate the invoice & you pay. Once done, credits are added automatically.

To be honest, having permanent addy per customer might be useful in certain specific niches. Like in exchanges or sites like stake. for general purpose shops, invoicing is still fine.

Nothing against your idea, sounds cool really if done properly. I would certainly be interested in trying that out.

Even though you say general public wouldn't have to play with apis and stuff but how would we be able to integrate your services?

Mork1e - November 26, 2023, 1:14 pm

(Nov 26, 2023 01:22 PM)StuffSneak Wrote: [\[CITE\]](#) Yeah permanent addys are not available on commerce however invoicing is not bad. I have seen it used effectively on smspool.net You choose how many credits you want, when you click buy, it will generate the invoice & you pay. Once done, credits are added automatically.

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No totally - I actually love that your scrutinizing my idea, because it helps me refine it better. Thats why I posted it here for market validation instead of just asking like people ik irl or dev friends who will probably say its a great idea without finding any faults in it.

So from a UX prespective, sometimes its terrible UX having to go to the website to create an invoice. Lets say you used a vps service that accepts crypto (Lets call it VPSCrypto for the sake of giving it a name), for example. You are on about your day and one day you get an email from VPSCrypto saying "Your VPS has shutdown because of insufficient funds" or whatever. From a UX prespective, its much easier to go to binance and just deposit to a saved address with the label "VPSCrypto" than having to go to the website, having to generate an invoice, getting a specific amount you have to deposit, then going back to binance and having to type the exact number you want to deposit and play around with the UI to account for binances withdrawal fee. Its just bad UX.

In general - invoices are amazing for when you are selling something once, and deposits are amazing for recurring payments (like the vps example, or stake.com if youre a recurring gambler lmao).

Services with recurring payments are more niche than people selling stuff - but they are also potentially "bigger customers" in that. From a business prespective, the way I have it planned is that therell be a tiered subscription for these "bigger customers"

FREE for under 100 USD in deposits per month
\$19.99/m for 100 - 5k USD in deposits per month
\$70.99/m for 10k to 50k in deposits per month
\$499/m for 50k to 500k in deposits per month
Custom pricing for 500k+ per month

The "bigger customers" will mostly pay for the costs Blocksocks incures from a business prespective. Really i only need to convince a small handful of high-profile backend devs to include the blocksocks api for deposits when they are devving a deposit system for a client of theirs, then I have the niche businesses as customers for aslong as they like the service. With enough "niche businesses" using blocksocks' deposit api, some of them are bound to be successful, by purely chance - and the payed tiered system adjusts for that. Customers really only pay when they are successful, rather than a predatory royalty on startups with no income.

For "smaller customers" who are just doing invoicing or not looking to dev - essentially the general public - itll be almost exactly like shoppy.gg - with invoicing and storefronts - with 0% tx fees and free up to 100 USD per month. Smaller customers attract bigger customers (the people that would create these niche businesses using the deposit api rather than the invoicing api) through word of mouth. There could also be a smaller customer with a huge store that gets thousands of \$ in sales, and theyd be subject to the same payment tiered system.

Both Invoicing and Deposits will have an API

Important note is that the addresses you create on blocksocks are all stored as hot wallets (blocksocks would not handle moving stuff to cold storage), meaning that if you were creating an exchange it would not be wise to use blocksocks as a "crypto storage solution", more as a "hot wallet" solution - while the service would be incharge of moving stuff from their cold wallets to blocksocks. It would be a huge regulatory risk advertising as a crypto storage solution and being

accountable for funds from customers that are not even mine.

Lets say, for example, someone made an exchange and stored everything on blocksocks - and every time someone wanted to withdraw theyd just call the blocksocks api withdraw from blocksocks. If blocksocks were to get hacked, all the customers in that exchange would be at risk because the exchange never took anything off blocksocks (who had all the crypto), and had no cold storage solutions.

In general: Its up to the Blocksocks customer to withdraw from the platform eventually - and store in cold storage.

DashPHP - November 26, 2023, 1:54 pm

I told you [Mork1e](#) HF would be pretty good start. :)

Mork1e - November 26, 2023, 6:22 pm

(Nov 26, 2023 02:54 PM)DashPHP Wrote: [\[CITE\]](#) I told you [Mork1e](#) HF would be pretty good start. :)
Hahah yeah. Especially since I'm looking for devs to use the service :)

f100r - March 11, 2024, 8:10 am

i wish i could help but i can't, i learned c python golang, not node.js