

Optional Refund Authorization Transactions Expanded to Mass Transit Merchants

Global | Acquirers, Issuers, Processors, Agents

Visa Network; V PAY



Overview: Effective immediately, Visa has updated the rules related to purchase return authorization messages. Credit authorization transactions are now optional for mass transit merchants globally.

Effective immediately, authorization requests are now optional for mass transit merchants to process credit refund transactions, as with the airline sector. This update has been made to support the unique characteristics of the mass transit frameworks in relation to managing refunds.

Mass transit merchants are defined as those assigned with Merchant Category Code (MCC) 4111—Local and Suburban Commuter Passenger Transportation, Including Ferries, MCC 4112—Passenger Railways or MCC 4131—Bus Lines that process a Mass Transit Transaction (MTT), Known Fare Transaction (KFT) or another method of fare collection using a Visa card.

Effective 18 April 2020, all other merchants globally will be required to send authorization requests for credit transactions to provide refunds and merchandise returns to cardholders. This will enable issuers to use the information to display pending transactions on cardholder-facing applications for a better cardholder experience of the refund or merchandise return process.

Client Impact

Effective 18 April 2020, issuers may initiate “No Authorization” disputes on credit transactions, as applicable, with the exception of airline and mass transit refund transactions. Credit transactions under the following MCCs will be included under Dispute Condition 11.3: No Authorization—Invalid:

- MCCs 3000–3301—Individual Airline MCCs
- MCCs 4111, 4112 and 4131
- MCC 4511—Airlines and Air Carriers (Not Elsewhere Classified)

For More Information

Merchants and third party agents should contact their acquirer.

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