

## New Deferred Authorization Message Reason Code for Token Transactions

**Global** | Acquirers, Issuers, Processors

Visa, Interlink Networks; V PAY; Europe Processing



**Overview:** The deferred authorization indicator on a deactivated token in Field 63.3 now has the appended value of 5206 for all token authorization requests submitted by transit agencies.

Effective with the April 2019 VisaNet Business Enhancements release, Visa implemented processing rules for when merchants send deferred authorization requests. At that time, the changes were mandatory for issuers and optional for acquirers and merchants.

In October 2019, these changes became mandatory for acquirers and optional for merchants; however, to allow more time for merchants to prepare their authorization systems, Visa postponed this mandate to April 2021.

Visa acknowledges that the transit industry is uniquely impacted due to its submission of delayed authorization requests. Any delay in token authorization submittal can result in a decline, as tokens may be deactivated prior to submission. This causes the token authorization request to fail as deactivated tokens cannot perform authorizations and the authorization request never reaches the issuer.

Effective 18 April 2020, in support of the transit industry, Visa appended the deferred authorization indicator on a deactivated token in Field 63.3 with the value of **5206** to all token authorization requests submitted by transit agencies.

Issuers must not decline these transactions outright for the following reasons:

- Deferred authorization requests may occur out of order from other authorization requests.
- The transit agency must send in the deferred authorization request within 24 hours of the transaction date for most merchant category codes (MCCs), and within four days (96 hours) of the transaction date for the following MCCs:
  - MCC 4111—Local and Suburban Commuter Passenger Transportation, Including Ferries
  - MCC 4112—Passenger Railways
  - MCC 4131—Bus Lines
- The deferred authorization indicator will be included in the authorization request to the issuer.
- Issuers must not decline deferred authorization requests based on the application transaction counter tracking.

- Issuers must be aware that payment tokens active at the time of the cardholder transaction may no longer be in an active state at the time of the deferred authorization request.

Please refer to the additional resources section for technical specifications.

#### For More Information

Merchants and third party agents should contact their acquirer.

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