Updates to Rules for Declined Transaction Resubmission and Use of Authorization Response Codes

Canada, Europe, LAC, U.S. | *Acquirers, Issuers, Processors*
Visa, Interlink, Plus Networks; V PAY; Europe Processing

Overview: Effective 17 April 2021, Visa will update its rules for declined transaction resubmission and the use of authorization response codes. Additionally, response code descriptions will be aligned with descriptions in the V.I.P. System technical specifications and some response codes will move to different response code categories.

In April 2020, Visa introduced new rules that grouped authorization response codes into four categories and required issuers to send descriptive response codes across all categories to identify the reason for the decline. In turn, acquirers and their merchants should manage authorization reattempts based on the response code categories defined in the rules.

Effective 17 April 2021, Visa will update its rules for declined transaction resubmission and the use of authorization response codes. Response code descriptions will be aligned with descriptions in the V.I.P. System technical specifications and some response codes will move to different categories. Additionally, the new rules will consolidate the issuer and acquirer requirements into one table.

> **Mark Your Calendar:**
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> - Deadline for issuers and acquirers to update their systems to ensure compliance with revised response code usage **(17 April 2021)**

Response Code Definitions

The following response code definitions will be aligned with descriptions in the V.I.P. System technical specification manuals:

- Response Code 62—Restricted card (card invalid in region or country)

- Response Code 78—Blocked, first used (transaction from new cardholder, and card not properly unblocked) (Brazil only)[1]

- Response Code 93—Transaction cannot be completed—violation of law

Response Code Category Changes

When a Category 1 (Issuer will never approve) decline code is used, the merchant is not permitted to reattempt the transaction, which can result in a lost sale or use of a competitor payment method that is not favorable for the issuer. Several response code values that may indicate temporary decline conditions were originally included in Category 1 and no appropriate response codes were available for these conditions in other categories.

The following response codes will be moved from Category 1 to Category 2 (Issuer cannot approve at this time) to allow merchants to reattempt up to 15 times in 30 days:

- Response Code 03—Invalid merchant

- Response Code 62—Restricted card (card invalid in region or country)

- Response Code 78—Blocked, first used (transaction from new cardholder, and card not properly unblocked) (Brazil only)[1]

- Response Code 93—Transaction cannot be completed—violation of law

Response Code 14—Invalid account number (no such number) will be included in both Category 1 and Category 3 (Data Quality). Merchants must not reattempt any transaction using the same account number following a decline for Response Code 14. Response Code 14 will be footnoted to indicate that it will continue to be included in transaction counts for data quality monitoring.

Client Impact

Issuers and acquirers in Canada, Europe, LAC and the U.S. must be aware of the changes to response code definitions and categories as shown in Table 0-2 in the advance copy of the rule changes. Issuers and acquirers must update their systems by **17 April 2021** to ensure compliance with response code usage and allowable reattempts.

The *Best Practices Guide for Better Usage of Response Codes*, available on the Risk Best Practices page at Visa Online, has been rewritten to reflect the rule changes and provide clients with additional guidance to assist in rules compliance.

[1] Currently only available in Brazil. This response code will be available globally in April 2021.

For More Information

Merchants and third party agents should contact their acquirer.