

Card Services

Debit Solutions



April 3, 2019

FYI 19122

Visa Spring 2019 Release

- 311: Informational; No Action Required
- 611: Need to Know; Action May Be Required
- 911: Urgent; Action May Be Required

Debit Card & ATM Programs
Credit Gateway Programs

Summary

This communication summarizes changes associated with Visa's 2019 Spring Mandate release.

The networks that route your credit, debit, and ATM card transactions regularly publish mandates with which all participating institutions must comply. While your institution is ultimately responsible for its own compliance with network regulations, Fiserv—as your business partner—works to meet many network rules and requirement changes on your behalf.

We are preparing to support many changes included in Visa's 2019 Spring Release. Many of these updates may require action, as discussed in the following pages.

Network Requirements	Action Type	
Update: Visa Credit Authorization	Action May Be Required	If you have any questions, please contact Client Services.
OCT Sales Tax Updates	Informational	
Single Currency ISA Rate Change	Action May Be Required	
Monthly CM60M Report Update	Informational	
New Deferred Authorizations Message Reason Code	Informational	
Changes to International Acquirer Charges for Cash Transactions	Action May Be Required	
Changes to Acquirer International Service Assessment Charge Amounts	Action May Be Required	
Reason Code Update for Denied Advices	Informational	

Update: Visa Credit Authorization

Action Type:	Informational
Platforms:	Legacy and enhanced EPOC
Impacts:	Visa issuers

As previously announced in BP 18683a (September 27, 2018), 18683b (October 29, 2018) and 18683c (December 20, 2018), the network has provided an extension for implementing the new Visa Credit Voucher/Merchandise Return Authorization. Effective with the October 2019 release, issuers will be required to implement this functionality to remain compliant with Visa.

Network issuers will be required to support a new *informational* message sent as part of credit voucher and merchandise return processing. Financial institutions (FI) must display informational messages on cardholder online banking statements in real-time, which will provide cardholders with information on pending return transactions.

Please Note: This new information-only message is already used by Visa and will employ an existing message type. These changes do not impact financial information, money movement, or settlement.

The following technical details were originally announced in BP 18683a and are included here for your reference.

Technical Specifications

Once the update takes effect, Visa issuers will begin receiving an informational message prior to receipt of the existing clearing transaction message.

- The total transaction amount associated with the informational message will match that of the clearing transaction message.
- Visa requires that funds should not be made available upon receipt of the 1120/20 transaction informational message, but made available upon posting of completion.
- Interchange reimbursement fees (IRF) are not calculated on these informational transactions. IRF will continue to be calculated based on the clearing record.

Requirements

The following actions are required for card-issuing financial institutions:

- Credit voucher and merchandise returns will be supported by the new informational authorization and the 0220 clearing transaction data, which will match the authorization.
- Fiserv support for this enhancement includes changing incoming 0100 transaction messages with processing code 20, into 0120 transaction messages with processing code 45. Please note that we will pass this message through to issuers as an 1120 transaction, with a processing code equal to 20, in *Field 3*.
- Visa issuers are required to update cardholder online banking statements in real-time with data from informational messages. Displaying the informational message listing the pending status of a return on cardholders' online statements for 5 days, or until an issuer receives the associated clearing record from the merchant.
- If the clearing record hasn't been received from the merchant after 5 days, an institution may update cardholder statements and the pending status of the return transaction in a manner similar to a standard purchase transaction.

EPOC ISO 8583 Online Interface Specifications

The new informational message will be sent as message type 1120—Authorization Advice, with a Processing Code of 20—Return. Note that the Processing Code field is in DE03 of the EPOC ISO online message.

OCT Sales Tax Updates

Action Type:	Informational
Platforms:	Legacy and enhanced EPOC
Impacts:	Visa issuers and Interlink issuers and acquirers

As announced in the October 2018 release, sales tax rebates may be sent as original credit transactions (OCT). Effective in October 2019, Visa is mandating that acquirers and their merchants submit OCTs for the sales tax rebates.

Issuers must be aware of the following:

- Issuers will receive sales tax rebates as OCTs.
- Issuers must support the message reason code that will be sent in the transaction.
- Issuers that are blocked for receiving OCTs or cannot receive OCTs due to jurisdiction or geographic blocks will continue to receive sales tax rebates as merchandise return transactions.

Existing OCT interchange rates will apply to the sales tax rebate transactions.

Single Currency ISA Rate Change

Action Type:	Action May Be Required
Platforms:	Legacy and enhanced EPOC
Impacts:	Visa, Interlink and Plus issuers and acquirers

As announced in FYI 18825, International Service Assessment (ISA) issuer pricing is being modified for single currency international transactions. Effective April 14, 2019, Visa will revise the ISA single currency rates from 0.8% to 1.0%. The rate for multi-currency will remain unchanged at 1.0%.

Monthly CM60M Report Update

Action Type:	Informational
Platforms:	Legacy and enhanced EPOC
Impacts:	Visa, Plus and Interlink issuers and acquirers

Visa no longer requires quarterly reporting on the Account Funding Transaction (AFT) transaction code 10. To comply with Visa quarterly operating certificate updated requirements, AFT counts and amounts are being removed from the CM6oM report.

New Deferred Authorizations Message Reason Code

Action Type:	Informational
Platforms:	Legacy and enhanced EPOC
Impacts:	Visa and Interlink issuers and acquirers

A new deferred authorizations message reason code (5206) is being added effective April 14, 2019. Visa has made this change optional with the April release and mandatory effective, October, 2019. Deferred authorizations may be identified by the value of 5206 in the Message Reason Code column in Transaction Journal.

Changes to International Acquirer Charges for Cash Transactions

Action Type:	Action May Be Required
Platforms:	Legacy and enhanced EPOC
Impacts:	Plus acquirers

Value "C" (Single Currency Cash AISA) and value "S" (Multi-Currency Cash AISA) will no longer be valid. New values (G and H) are being added for Base Cash Acquirer International Service Assessment (AISA) and Enhanced Cash AISA. The AISA cash disbursement rate is the following:

Visa Field 63.21	Description	New Rate
G	Base Cash AISA	0.4%
H	Enhanced Cash AISA	1.45%

Changes to Acquirer International Service Assessment Charge Amounts

Action Type:	Action May Be Required
Platforms:	Legacy and enhanced EPOC
Impacts:	Interlink acquirers

The Acquirer International Service Assessment rates are changing to the following:

Visa Field 63.21	Description	Old Rate	New Rate
B	Base Acquirer ISA: the merchant's currency is 0840; transaction currency is 0840	0.80%	1.0%
E	Enhanced Acquirer ISA: the merchant's currency is 0840; transaction currency is not 0840	1.2%	1.4%

Reason Code Update for Denied Advices

Action Type:	Informational
Platforms:	Legacy and enhanced EPOC
Impacts:	Visa, Plus and Interlink issuers and acquirers

Denied advice (0120) reason codes are being modified as follows:

- Reason code **590v** will only be assigned for advices declined for an invalid CAVV.
- Reason code **590w** will be assigned for advices declined due to real-time decisioning processing when fraud is suspected.
- Reason code **590z** will be assigned for all other 0120 denied advice messages.

These revised codes can be viewed in Transaction Journal.