

Chargeback and Reason Codes

Disputes can happen when a cardholder calls her bank and claims she did not authorize the transaction, or that the transaction amount was incorrect. It may also happen if she does not receive the merchandise ordered, or if the merchandise was defective or damaged. You must know that just because you obtained an authorization and received the fund does not mean you are in the clear. Disputes can and do happen. Consumers have up to 120 days from the transaction date to dispute a Visa or MasterCard credit or signature debit transaction.

The process of disputing a transaction is called a Chargeback. The dispute is electronically sent to the processor via an inter-bank system called VisaNet. This request is, in turn, sent to the acquiring bank and the ISO/Acquirer. The disputed amount may be debited from your bank account until the matter is resolved permanently.

Each Chargeback type corresponds to a **Reason Code** that identifies the dispute type. The following are reason codes for what is referred to as retrieval request:

- Retrieval Request Reason Code 28: Transaction receipt copy bearing signature
- Retrieval Request Reason Code 30: Cardholder request due to dispute
- Retrieval Request Reason Code 33: Fraud analysis request

The following are additional reason codes for Visa and MasterCard:

Visa Chargeback Reason Codes:

- 30: Services Not Provided or Merchandise Not Received
- 41: Cancelled Recurring Transaction
- 53: Not as Described or Defective Merchandise
- 57: Fraudulent Multiple Transactions
- 60: Illegible Fulfillment
- 62: Counterfeit Transaction
- 71: Declined Authorization
- 72: No Authorization
- 73: Expired Card
- 74: Late Presentment
- 75: Transaction Not Recognized
- 76: Incorrect Currency or Transaction Code or Domestic
- Transaction Processing Violation
- 77: Non-Matching Account Number

- 80: Incorrect Transaction Amount or Account Number
- 81: Fraud—Card-Present Environment
- 82: Duplicate Processing
- 83: Fraud—Card-Absent Environment
- 85: Credit Not Processed
- 86: Paid by Other Means
- 96: Transaction Exceeds Limited Amount

MasterCard Chargeback Reason Codes:

- 4802: Requested/Required Information Illegible or Missing
- 4807: Warning Bulletin File
- 4808: Requested/Required Authorization Not Obtained
- 4812: Account Number Not On File
- 4831: Transaction Amount Differs
- 4834: Duplicate Processing
- 4837: No Cardholder Authorization
- 4840: Fraudulent Processing of Transactions
- 4841: Cancelled Recurring Transaction
- 4842: Late Presentment
- 4846: Correct Transaction Currency Code Not Provided
- 4847: Requested/Required Authorization Not Obtained and Fraudulent Transaction
- 4849: Questionable Merchant Activity
- 4850: Installment Billing Dispute
- 4853: Cardholder Dispute—Defective Merchandise/Not as Described
- 4854: Cardholder Dispute—Not Elsewhere Classified (U.S. region only)
- 4855: Goods or services not provided
- 4857: Card-Activated Telephone Transaction (fraud only)
- 4859: Change to Addendum, No-show, or ATM Dispute
- 4860: Credit Not Processed
- 4862: Counterfeit Transaction Magnetic Stripe POS Fraud
- 4863: Cardholder Does Not Recognize—Potential Fraud
- 4870: Chip Liability Shift
- 4871: Chip/PIN Liability Shift