Declined Transactions

Why Did The Authorization/Sale Attempt Decline?

An authorization or sale transaction may get declined for many reasons. Decline responses come from the bank that issued the card to the cardholder (Issuer). Some common reasons that an issuer may decline an authorization or sale include, but are not limited to:

- The card is expired.
- The card has been deactivated or reissued with a new account number.
- The card is over its limit.
- The issuer sees suspicious activity on the account.
- A hotel, rental car company, gas station, or other business placed a hold on the card reducing the available balance.
- The authorization/sale transaction amount is over the account's transaction limit.
- The transaction is large and has been flagged by the issuer as possible fraud.
- The transaction is being run by a business, not in the cardholder's city, state, or country.
- The card number, expiration date, or security code was entered incorrectly.
- The cardholder's account is no longer in good standing with the issuer.
- The card has been listed as lost or stolen.
- The card can only be used at businesses in specific types of industries.

While there are many reasons that an issuer may decline an authorization/sale transaction, those details are only sometimes reflected in the decline code that they send back. The bank may send a general decline instead of a more descriptive decline code. Each issuing bank will have its own policies and procedures for returning a specific decline code for certain conditions specific to that cardholder's account. If the cardholder would like specifics on why their transaction was declined, they should call their issuing bank via the customer support number on the back of their card.

Visa and MasterCard have implemented grouped categories of decline codes to clarify declined transactions. Visa Retry Strategies and MasterCard Merchant Advice Codes were also created to guide you on when a declined authorization/sale should be reattempted. Additional attempts to run a card after a decline was received can result in additional fees based on the decline code sent by the issuer.

What Should I Do If A Refund Is Declined?

If you attempt to run a refund transaction and it is declined, the issuing bank for the cardholder's account stops the refund. The most common reason is that the card number used for the original purchase is no longer available or valid (for example, the original card has been replaced due to expiration, is reported lost or stolen, or is a prepaid card that has since been discarded).

When the issuer declines a refund transaction, you may process the refund onto a different (alternate) card. It is recommended to refund the same card type when possible (i.e., if the sale was run on a Visa, the refund should also be run on a Visa, etc.). If the cardholder does not have another card to process the refund, the refund can be issued to the cardholder via another method, such as in-store credit, cash, or check.

The table below contains recommended actions when an issuer declines a purchase return authorization request.

Response Code	Description	Suggested Action
14	Invalid Account Number	Tell the cardholder that the issuer is declining the refund because the account number is unrecognized. Ask for an alternative card to perform the refund, or if this is not available, perform the refund using another method.
15	Invalid BIN	Verify that the correct account number was entered on the Point of Sale solution or sent in the refund request.
46	Closed Account	Tell the cardholder that the account is closed. Ask the cardholder if a replacement card is available. If unavailable, ask for an alternative card or another method to perform the refund.
All other decline codes	Declined	Ask for an alternative card or perform the refund using another method if this is not available.

Note: If you are processing through a 3rd party product, the declined responses/results you receive may vary from the list above.