ACH Payment Return Types

To view your **ACH Returns**, go to **Reports** and select *ACH Returns*.

ACH Returns are grouped according to their return code types for ease of understanding on Qualpay's Merchant Manager. Grouping by type provides a quicker way to understand what caused an ACH Return and how you can address it. These groupings apply to ACH Returns within Qualpay's platform only. Other platforms may provide different advice on individual ACH Return reason codes.

You can also see a complete list of the ACH Return Codes with their descriptions.

> *Please note that ACH Return Rates are calculated using subsets of the following groupings. Read about ACH Return Rates and Thresholds here.*

The groupings are as follows:

Insufficient Funds

What happened: The customer's bank account did not have the funds available to debit.

How to address returns in this group: Try a new transaction up to two times. It is best practice to contact your customer first and confirm that funds will be available before you try the transaction again.

Reason codes in this group:

- R01 / Insufficient funds
- R09 / Uncollected funds

Invalid Account

What happened: The most common cause of this type of ACH Return is mis-keying account information or selecting the wrong bank account type. Other reasons a payment might return with this code include frozen bank accounts and bank acquisitions where a new routing number was instituted for the account. Subsequent attempts to debit accounts that returned one of these codes will be blocked, and our Payment Gateway will fail those transactions with a reason code of 119.

How to address returns in this group:

- If account information was received over the phone and input by you or your employee, contact your customer for corrected information and try a new transaction.
- If account information was input by your customer, contact your customer and have them try a new transaction with the corrected information.

Reason codes in this group:

- R02 / Bank account closed
- R03 / No bank account/unable to locate the account
- R04 / Invalid bank account number
- R12 / Branch sold to another RDFI
- R13 / RDFI not qualified to participate
- R15 / Beneficiary or bank account holder deceased
- R16 / Bank account frozen
- R20 / Non-payment bank account
- R30 / RDFI is not a participant in the check truncation program
- R35 / Return of improper debit entry

Not Authorized

What happened:

- Authorization for the transaction was revoked
- The customer did not authorize the transaction in the first place
- Or the customer's bank account is restricted to certain transactions

Our Payment Gateway blocks subsequent attempts to debit accounts that returned one of these codes. The Payment Gateway will fail those transactions with a reason code of 119.

How to address returns in this group:

- You can run a new transaction once you acquire new written customer authorization. A template of the written authorization form is available for you to use. Have your customer fill out the written authorization form, and once you receive a copy, submit the filled form to our Support Team. After our Support Team receives a copy, they will inform you when the customer's account is unblocked, and you can try the transaction again.
- For returns with **Reason Code R29**, in addition to the procedure in the step above, please have your customer give company ID 1464094083 to their bank and ensure that debits from that company ID are not blocked. This should prevent additional returns for this reason code.
- See the entire process here.

Reason codes in this group:

- R05 / Improper debit to consumer account; not authorized by receiver
- R07 / Authorization revoked by customer
- R08 / Payment stopped
- R10 / Customer advises not authorized
- R14 / Representative payee deceased or unable to continue in that capacity
- R17 / File record edit criteria (new usage: questionable tran / "carding")
- R29 / Corporate customer advises not authorized
- R34 / Limited participation RDFI
- R51 / RCK Entry is ineligible

Transaction Error

What happened: Error in the transaction setup, often due to a miskey of the transaction amount or running a pre-authorized transaction on the wrong date.

How to address returns in this group: Confirm the transaction amount and date with your customer, then try a new transaction.

Reason codes in this group:

- R06 / Returned per ODFI request
- R11 / Customer advises not in accord with the terms of the auth
- R23 / Credit entry refused by the receiver
- R31 / Permissible return entry
- R32 / RDFI non-settlement

Internal Error

What happened: Generally, these return types are rare and indicate that something went wrong on the software side, not your (the merchant's) side.

How to address returns in this group: Our engineers monitor these returns and will correct and repost the transaction on your behalf if the entry is not a duplicate. If you see this type of return in your account and have additional questions, please contact our Support Team.

Reason codes in this group:

- R18 / Improper effective entry date
- R19 / Amount field error
- R21 / Invalid company ID number
- R22 / Invalid individual ID number
- R24 / Duplicate entry
- R25 / Addenda error
- R26 / Mandatory field error
- R27 / Trace number error
- R28 / Transit routing number check digit error
- R33 / Return of XCK entry