ShopSite Knowledgebase

April 2010 email from Authorize.net regarding new MasterCard and Discover processing requirements

Product: ALL
Version: ALL
Platform: ALL
Does (or will) my ShopSite's integration with Authorize.net work with MasterCard and Discover's new processing requirements announced via an email from Authorize.net in April 2010? Does this affect my ShopSite? Is there anything that I need to do?
Solution ID: S5531
In April 2010 ShopSite merchants using the Authorize.net payment gateway received a notice from Authorize.net regarding new Discover and MasterCard requirements for certain types of transactions (involving debit, prepaid or gift cards). The notice said these new Discover and MasterCard requirements would go into effect on April 16 2010 and May 1 2010. Does ShopSite support these requirements, or what do I as a merchant need to do?
ANSWER: ShopSite, Inc., as a software company integrating with Authorize.net, also received this notification but only about a week prior to the notification going out to merchants. As noted in the email from Authorize.net, they have not yet implemented the requirements on their system so there is not anything that can be done yet to make ShopSite meet these new requirements. However, as also noted in Authorize.net's email, Authorize.net merchant's do not have to meet these requirements until June 30, 2011. During this time, Authorize.net will be working on their implementation of these requirements, and will then inform ShopSite, Inc. of their new parameters and requirement, which can then be evaluated and implemented in a new version of ShopSite sometime before the June 30, 2011 deadline.
Note that merchants wanting notification of major new releases or maintenance released of ShopSite should either subscribe to the ShopSite Tech Bulletin email list:
http://www.shopsite.com/subscribe.html
or monitor the ShopSite User Forum's "ShopSite Announcements" forum:
http://support.shopsite.com/forums
Major releases are also announced on our Facebook page:
http://www.facebook.com/pages/ShopSite/80992926808
and Twitter account:
http://www.twitter.com/shopsite
When the new version of ShopSite is released that supports the new Authorize.net parameters that support the new MasterCard and Discover requirements, you may request an upgrade of your ShopSite through your ShopSite reseller/hosting provider.
A portion of the email from Authorize.net to merchants is as follows:
==========
Subject: New MasterCard and Discover Processing Requirements
Dear Authorize.Net Merchant: MasterCard and Discover are modifying their rules concerning the processing of debit, prepaid and gift cards. This e-mail includes important information about the new requirements and the timelines regarding Authorize.Net's support of the requirements, so please read it thoroughly.

MasterCard's rule changes go into effect May 1, 2010, and Discover's rule changes go into effect April 16, 2010. However, Authorize.Net, MasterCard and Discover have worked together to extend these dates for all merchants using Authorize.Net solutions. Our merchants will now have until June 30, 2011, to implement support for the requirements within their systems.

What are the requirements?
MasterCard and Discover are requiring that all merchants support the following:

+	Balance response transactions â€ For prepaid and gift cards, once the card has been used, the remaining account balance will be transmitted along with the authorization response. The remaining balance must be printed on the customer receipt, displayed on the Web page or point-of-sale terminal, or both.
+	Partial authorization transactions â€ When a customer's transaction amount exceeds the balance available on their debit, prepaid or gift card, instead of declining the transaction, a partial authorization for the amount available to the customer will be returned. This will allow the customer to pay for the remaining amount with another form of payment. This is called a split-tender transaction.
+	Authorization reversals â€ An authorization reversal is a real-time transaction initiated when the customer decides that they do not want to proceed with the transaction, or if the merchant cannot complete the transaction for any reason. Authorization reversals free up the customer's available balance on their debit, prepaid or gift card.

What steps is Authorize.Net taking to support these requirements?
Authorize.Net will be updating our systems over the coming months to support the requirements, but will be dependent on each processor's readiness. For a table of when we anticipate we will support the requirements with each processor, please visit http://www.authorize.net/support/pafaqs/#when.

What do I need to do to support the requirements?
The steps that you will need to take to support the requirements depend on how you connect to the payment gateway. For example, if you connect using a shopping cart, point-of-sale device, or other solution, you will need to contact your solution provider to confirm that they will be supporting the requirements. If you connect using a direct integration, you should contact your Web developer for assistance. Please direct your Web developer to http://www.authorize.net/support/pafaqs/#do for information on the changes they will need to make.

Do I have to support the requirements?
MasterCard and Discover are requiring all merchants to support the requirements with the exception of merchants that exclusively process transactions via batch uploads, mail order/telephone order (MOTO), or recurring payment transactions. Your Merchant Service Provider (MSP) is ultimately responsible for determining if the requirements apply to your business, so please contact them for assistance in determining if your company is exempt.

Once again, these requirements will not be enforced for Authorize.Net merchants until June 30, 2011. However, we wanted to bring them to your attention now so that you have plenty of time to plan for their implementation.

For more information on the requirements, including how they affect our value-adding services, please visit our FAQ page at http://www.authorize.net/support/pafaqs/.

Thank you for your attention to these important changes and for being an Authorize.Net merchant.

Sincerely,

Authorize.Net

https://support.shopsite.com/KBase/questions/2524/