

PAYMENT CARD NETWORK SURVEY



Survey Period:
Calendar Year 2023

General Instructions

About this Survey

Section 235.8 of the Federal Reserve Board's Regulation II requires payment card networks to file reports with the Board. This survey serves as this report. This survey solicits information from calendar year 2023 regarding (1) volumes and values of debit card transactions (including general-use prepaid card transactions) processed by the network; (2) interchange fees paid by acquirers and received by issuers; (3) network fees paid by acquirers and issuers; and (4) incentives paid to acquirers, merchants, and issuers. For purposes of this survey, **three-party systems** are not included. If your organization has multiple payment card networks, complete a separate survey for each network. If a payment card network processes both single-message and dual-message transactions, it should provide responses for each type of transaction on that network.

Your Participation

To achieve the most reliable results, it is important that you respond completely and accurately. Please leave no survey item blank.

There are **three possible ways** to answer a survey question:

Enter a Value: The actual numeric value of the data element.

Enter a Zero: When the calculated value equals zero. **Please do not enter a non-numeric value**, e.g. "NA" or "NR," when the value equals zero.

Enter "NR" (Not Reported): If your institution engages in the activity of the type being measured but you are unable to report a figure that reflects that activity. **Please do not enter "NA."**

If for any reason you cannot provide complete data or you have questions, please contact (866) 359-6619 or e-mail debit.card.surveys@frb.gov for assistance.

Please complete the survey by May 1, 2024.

Response Confidentiality and Burden

The Board will use the information collected in this survey to calculate and publish a list of the average interchange fees, average transaction values, and proportion of transactions for exempt and non-exempt issuers for each network (see 12 CFR 235.5 for a description of exempt issuers), noting whether the network is a single-message or dual-message network. The Board will not publish other network-specific information, such as transaction volumes and values or the number of merchant establishments participating on the network; the Board regards this individual organization information as confidential (5 U.S.C. § 552(b)(4)). However, the Board may use this information to publish aggregate or summary information that does not reveal any confidential information about each individual organization. If it should be determined subsequently that any additional individual organization information collected on this form must be released, the respondents will be notified.

Public reporting burden for this collection of information is estimated to be 75 hours per response, including the time to gather data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, D.C. 20551, or via e-mail to regs.comments@frb.gov; and to the Office of Management and Budget, Paperwork Reduction Project (7100-0344), Washington, D.C. 20503. The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Section I: Respondent Information

1. Name of network covered in this response

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2. Contact person(s) by subsection of the survey for which responsible

Name		Email	
Subsection		Phone	

Name		Email	
Subsection		Phone	

Name		Email	
Subsection		Phone	

Name		Email	
Subsection		Phone	

3. Does your payment card network process both **single-message transactions** and **dual-message transactions**? Yes No

If yes, complete a survey for each type of transaction. Additional log-in information will be required. Please email debit.card.surveys@frb.gov for assistance.

4. What type of transactions are reported in this response? Single-message Dual-message

Specific Instructions for Questions 1 to 4:

Include: All debit card transactions, including general-use prepaid card transactions, related to debit cards linked to U.S.-domiciled accounts involving a merchant located in the United States during the calendar year (CY) 2023.

Both consumer and business card transactions

Do Not Include: Credit card transactions

Transactions initiated at an ATM

Credit-push transactions (other than, where appropriate, returns), sometimes referred to as original credit transactions (OCTs)

For debit card transactions where multiple payment card networks are involved in the processing of the transactions:

- Report values associated with debit card transactions for which your network establishes the interchange fee received by issuers, even if your network outsources some or all processing functions for these transactions to one or more payment card networks
- Do not report values associated with debit card transactions for which another network establishes the interchange fee received by issuers, even if your network performs some or all processing functions for these transactions on behalf of the other payment card network.

Section II: Debit Card Transactions

(including general-use prepaid card transactions)

Please enter totals only for the transactions specified in the Specific Instructions on the previous page.

1. CY 2023 debit card transactions	Volume	Value (\$)
1a. Settled purchase transactions (excluding pre-authorizations, denials, adjustments, returns, and cash back amounts)		

Card-present vs. card-not-present transactions	Volume	Value (\$)
1b. Allocate "1a. Settled purchase transactions" between the following categories: <i>1b.1 + 1b.2 = 1a</i>	1a:	1a:
1b.1 Card-present transactions		
1b.2 Card-not-present transactions		

CY 2023 chargebacks and returns	Volume	Value (\$)
1c. Total chargebacks <i>Report all chargebacks sent in CY 2023 regardless of the date the original purchase transaction took place.</i>		
1d. Total returns <i>Report all returns sent in CY 2023 regardless of the date the original purchase transaction took place.</i>		

Small issuer exemption:

Transactions using cards of exempt vs. non-exempt issuers

Volume

Value (\$)

1e. Allocate “**1a. Settled purchase transactions**” between the following categories:
 $1e.1 + 1e.2 = 1a$

1e.1 Settled purchase transactions made with a debit card issued by **exempt issuers**

1e.2 Settled purchase transactions made with a debit card issued by **non-exempt issuers** (include all transactions by non-exempt issuers, even though some transactions might be exempt)

Volume	Value (\$)
1a:	1a:

General-use prepaid card transactions vs. all other debit card transactions

Volume

Value (\$)

1f. Allocate “**1a. Settled purchase transactions**” between the following categories:
 $1f.1 + 1f.2 = 1a$

1f.1 **General-use prepaid card transactions**

1f.2 **All other debit card transactions**

Volume	Value (\$)
1a:	1a:

General-use prepaid card exemption:

Exempt vs. non-exempt general-use prepaid card transactions

Volume

Value (\$)

1g. Allocate “**1f.1 General-use prepaid card transactions**” between the following categories:
1g.1 + 1g.2 = 1f.1

1f.1:	1f.1:
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1g.1 General-use prepaid card transactions exempt from the interchange fee standard (include all general-use prepaid card transactions by exempt issuers and exempt transactions by non-exempt issuers)
1g.1.1 + 1g.1.2 = 1g.1

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1g.1.1 General-use prepaid card transactions by **exempt issuers**

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1g.1.2 General-use prepaid card exempt transactions by **non-exempt issuers**

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1g.2 General-use prepaid card transactions not exempt from the interchange fee standard (only include non-exempt transactions by non-exempt issuers)

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2. CY 2023 interchange fees

Dollars (\$)

2a. Interchange fees paid by acquirers and received by issuers (gross interchange fees)

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2a.1 Interchange fees reimbursed to acquirers as a result of **chargebacks**
Report all chargebacks sent in CY 2023 regardless of the date the original purchase transaction took place.

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2a.2 Interchange fees reimbursed to acquirers as a result of **returns**
Report all returns sent in CY 2023 regardless of the date the original purchase transaction took place.

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Card-present vs. card-not-present interchange fees

2b. Allocate “**2a. Interchange fees paid by acquirers and received by issuers**” between the following categories:

$$2b.1 + 2b.2 = 2a$$

2b.1 Interchange fees on **card-present** transactions

2b.2 Interchange fees on **card-not-present** transactions

Dollars (\$)

2a:

Small issuer exemption:

Interchange fees on transactions using cards of exempt vs. non-exempt issuers

2c. Allocate “**2a. Interchange fees paid by acquirers and received by issuers**” between the following categories:

$$2c.1 + 2c.2 = 2a$$

2c.1 Interchange fees paid to **exempt issuers**

2c.2 Interchange fees paid to **non-exempt issuers** (include all interchange fees paid to non-exempt issuers, even though some interchange fees might come from exempt transactions)

Dollars (\$)

2a:

General-use prepaid card transactions vs. all other debit card transactions

Dollars (\$)

2d. Allocate “**2a. Interchange fees paid by acquirers and received by issuers**” between the following categories:
 $2d.1 + 2d.2 = 2a$

2a:

2d.1 Interchange fees on **general-use prepaid card** transactions

2d.2 Interchange fees on **all other debit card transactions**

General-use prepaid card exemption:

Interchange fees on exempt vs. non-exempt card transactions

Dollars (\$)

2e. Allocate “**2d.1 Interchange fees on general-use prepaid card transactions**” between the following categories:
 $2e.1 + 2e.2 = 2d.1$

2d.1:

2e.1 Interchange fees on **exempt general-use prepaid card transactions** (include interchange fees paid to exempt issuers for all general-use prepaid card transactions and paid to non-exempt issuers for exempt general-use prepaid card transactions)
 $2e.1.1 + 2e.1.2 = 2e.1$

2e.1.1 Interchange fees paid to **exempt issuers** for all general-use prepaid card transactions

2e.1.2 Interchange fees paid to **non-exempt issuers** for exempt general-use prepaid card transactions

2e.2 Interchange fees on **non-exempt general-use prepaid card transactions** (only include interchange fees paid to non-exempt issuers for non-exempt transactions)

3. CY 2023 network fees

Dollars (\$)

3a. Network fees received from acquirers and issuers

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Network fees received from acquirers vs. issuers

Dollars (\$)

3b. Allocate “**3a. Network fees received from acquirers and issuers**” between the following categories:
 $3b.1 + 3b.2 = 3a$

3a:

3b.1 Network fees received from **acquirers**

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3b.2 Network fees received from **issuers**

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Small issuer exemption:

Network fees received from exempt vs. non-exempt issuers

Dollars (\$)

3c. Allocate “**3b.2. Network fees received from issuers**” between the following categories:
 $3c.1 + 3c.2 = 3b.2$

3b.2:

3c.1 Network fees received from **exempt issuers**

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3c.2 Network fees received from **non-exempt issuers** (include network fees paid by non-exempt issuers, even though some transactions might be exempt)

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1. CY 2023 payments and incentives paid by network to acquirers, merchants, and issuers

Dollars (\$)

4a. Payments and incentives paid by network to acquirers, merchants, and issuers

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4b. Allocate “4a. Payments and incentives paid by network to acquirers, merchants, and issuers” between the following categories:

4a:

$4b.1 + 4b.2 = 4a$

4b.1 Payments and incentives paid to **acquirers** and merchants

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4b.2 Payments and incentives paid to **issuers**

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Small issuer exemption:

Payments and incentives paid to exempt vs. non-exempt issuers

Dollars (\$)

4c. Allocate “4b.2 Payments and incentives paid to issuers” between the following categories:

4b.2:

$4c.1 + 4c.2 = 4b.2$

4c.1 Payments and incentives paid to **exempt issuers**

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4c.2 Payments and incentives paid to **non-exempt issuers** (include payments and incentives paid to non-exempt issuers, even though some transactions might be exempt)

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Glossary of Terms

Acquirer: A person that contracts directly or indirectly with a merchant to provide settlement for the merchant's electronic debit transactions over a payment card network. An acquirer does not include a person that acts only as a processor for the services it provides to the merchant.

Card-not-present transaction: Settled purchase transaction where the purchaser does not physically present the card to the merchant, such as an Internet, telephone, or mail order transaction.

Card-present transaction: Settled purchase transaction where the purchaser physically presents the card to the merchant.

Chargeback: Transaction initiated by the issuer that reverses a purchase transactions, in whole or in part (due, for example, to customer disputes, fraud, processing errors, authorization issues, or non-fulfillment of copy requests), and transfers value from the acquirer to the issuer.

Debit card: Any card or other payment code or device, issued or approved for use through a payment card network to debit an account, regardless of the means of authorization, and regardless of whether the issuer holds the account. A debit card includes any general-use prepaid card. It does not include (1) any card or other payment code or device that is redeemable upon presentation at only a single merchant, or an affiliated group of merchants for goods or services, or (2) a check draft or similar paper instrument, or an electronic representation thereof.

Debit card transaction: Use of a debit card (including a general-use prepaid card) by a person as a form of payment in the United States to initiate a debit to an account. It does not include transactions initiated at an ATM, including cash withdrawals and balance transfers initiated at an ATM. For more details, see General Instructions, "Specific Instructions for Questions 1-4" and Frequently Asked Questions Q8.

Dual-message transaction: Transaction type by which authorization information is carried in one message and clearing information is carried in a separate message as originated from the acquirer. Traditionally, these transactions have been authenticated with a signature.

Exempt general-use prepaid card transaction: Transaction made using a general-use prepaid card that is exempt from the interchange fee standard in Regulation II, specifically (1) a transaction made using a general-use prepaid card that has been provided to a person pursuant to a federal, state, or local government-administered payment program through which the cardholder may use the debit card only to transfer or debit funds, monetary value, or other assets that have been provided pursuant to such program; (2) a transaction made using a general-use prepaid card that is (i) not issued or approved for use to access or debit any account held by or for the benefit of the cardholder (other than a subaccount or other method of recording or tracking funds purchased or loaded on the card on a prepaid basis), (ii) reloadable and not marketed or labeled as a gift card or gift certificate, and (iii) the only means of access to the underlying funds, except when all remaining funds are provided to the cardholder in a single transaction.

Exempt issuer: An issuer is exempt from the interchange fee standards for CY 2023 if that issuer has total worldwide banking and nonbanking assets, including assets of affiliates, other than trust assets under management, that are less than \$10 billion, as of December 31, 2022.

Non-exempt card transaction: Transaction made using a card issued by a non-exempt issuer, excluding any transaction made with a general-use prepaid card if the card is exempt from the interchange fee standard in Regulation II. A card transaction's non-exempt status does not depend on the amount of the interchange fee charged on the transaction

General-use prepaid card: A card or other payment code or device that is (1) issued on a prepaid basis in a specified amount, whether or not that amount may be increased or reloaded, in exchange for payment and (2) redeemable upon presentation at multiple unaffiliated merchants for goods or services.

Interchange fees paid by acquirers and received by issuers: Any fee established, charged, or received by a payment card network and paid by a merchant or an acquirer for the purpose of compensating an issuer for its involvement in the debit card transaction.

Issuer: Any person that authorizes the use of a debit card to perform an electronic debit transaction.

Network fees received from acquirers and issuers: Total switch fees and other fees charged by card networks, including both fixed fees and per-transaction fees. Exclude fees for optional services related to transaction processing that may be provided by a card network or an affiliate of a card network. If fees are shared with other card programs or activities, allocate the fees based on the number of transactions. For example, if your institution collects a single fee for debit and credit card operations, allocate those fees to debit card operations based on the proportion of debit card transactions to total debit and credit card transactions.

Payments and incentives paid by network to acquirers, merchants, and issuers: Payments made by the payment card network to acquirers, merchants, and issuers with respect to debit card transactions or debit-card-related activity. Acquirer, merchant, and issuer incentives may be based on reaching specified volume levels, marketing activities that promote the network's brand, converting the issuer's debit card base to a different signature network, or other activities. Exclude payments that a network pays an issuer for traditional banking services the issuer provides the network (e.g., transaction account services to the network).

Return: Transaction initiated by the acquirer that reverses a purchase transaction in whole or in part (due, for example, to the return of goods by the cardholder), and transfers value from the acquirer to the issuer.

Settled purchase transaction: A debit card transaction that has been settled. Exclude transactions that are pre-authorizations, denials, adjustments, returns. Exclude cash back value but not transactions.

Single-message transaction: Transaction type by which authorization and clearing information is carried in one message as originated from the acquirer. Typically, these transactions are authenticated with a PIN.

Three-party systems: Systems where debit transactions are processed by an entity that acts as system operator and issuer, and may also act as the acquirer. This entity that receives information from the merchant or acquirer also holds the cardholder's funds. Therefore, rather than directing the transaction information to a separate issuer, this entity authorizes and settles the transaction itself. As these entities do not connect (or "network") multiple issuers and do not route information to conduct the transaction, they are not "payment card networks" with respect to these transactions.

United States: The states, territories, and possessions of the U.S., the District of Columbia, the Commonwealth of Puerto Rico, or any political subdivision of any of the foregoing.

Frequently Asked Questions

- 1. Q: I forgot my log-in credentials and cannot access the survey. What should I do?**
A: Contact us at debit.card.surveys@frb.gov referencing the PCN survey and we will be glad to assist you.
- 2. Q: Who needs to fill out the Payment Card Network (PCN) survey?**
A: Any payment card network in the United States.
- 3. Q: What is the deadline to fill out the survey?**
A: You are required to fill out the survey by May 1, 2024.
- 4. Q: Can I request an exception or an extension?**
A: No, the rule (12 CFR § 235.8) unfortunately does not provide for exceptions or extensions.
- 5. Q: When filling out the survey, what time period should I consider to answer the questions correctly?**
A: The survey covers calendar year 2023, from 1/1/2023 to 12/31/2023.
- 6. Q: My network processes both single-message and dual-message transactions. Should I provide responses for each type?**
A: Yes, you are required to provide responses for each type of transaction processed on your network.
- 7. Q: What counts as a debit card?**
A: Any card or other payment code or device, issued or approved for use through a payment card network to debit an account, regardless of the means of authorization, and regardless of whether the issuer holds the account. A debit card includes any general-use prepaid card. It does not include (1) any card or other payment code or device that is redeemable upon presentation at only a single merchant, or an affiliated group of merchants for goods or services, or (2) a check draft or similar paper instrument, or an electronic representation thereof.
- 8. Q: What counts as a debit card transaction?**
A: A debit card transaction is the use of a debit card (including a general-use prepaid card) by a person as a form of payment in the United States to initiate a debit to an account. Such transactions include those conducted with both business and consumer debit cards. Debit card transactions include charitable contributions, payments made to satisfy an obligation (e.g., tax liability), or payments made for other purposes, such as to fund another account (sometimes referred to as account funding transactions (AFTs)). Debit card transactions do not include credit card transactions, transactions initiated at an ATM, or credit-push transactions, sometimes referred to as original credit transactions (OCTs).

If your question could not be answered through these FAQs, please contact us at debit.card.surveys@frb.gov or at (866) 359 – 6619 referencing the PCN survey and we will be glad to assist you.