



Providing the Proper Location of Your Merchant Business



For More Information

For more information, contact your Visa representative today.

Visa's rules require merchants to submit complete data, including name, type of business, and merchant location. Providing the proper information is important for:

- Cardholder recognition, and reducing unnecessary cardholder disputes
- Accurate risk assessment and authorization decisions, reducing additional risk to all participants in the Visa system
- Accurate assessment of fees and interchange

The rules for identifying your location have been clarified to help you more accurately identify your location.

Card-present transactions

Generally, the merchant location is the physical location where the transaction takes place; however, there are rules in place for when a merchant is not in a fixed location.

If your transaction is...	Your location must be...
At a merchant outlet in a fixed	The location where the transaction is completed
At a merchant outlet that is not in a fixed location (for example, a traveling salesman)	Either of the following: <ul style="list-style-type: none"> • The location where the transaction is completed • The location of your principal place of business¹
An in-transit transaction (for example, an in-flight purchase)	One of the following: <ul style="list-style-type: none"> • Where the journey originated • The interim or final destination • The location of your principal place of

¹The fixed location where your executive officers direct, control, and coordinate your activities—generally, your company's headquarters.

Card-absent transactions

If you provide merchandise or services via mail, phone, in-app or the web, then your location must be the country of your principal place of business¹. Additional locations may be assigned for the following:

If your merchant type is...	Your additional location may be...
Airline, ² passenger railway, ² cruise line, ² or other travel merchant	The country from which the first leg of the purchased travel originates
Lodging merchant	The country where the cardholder's stay occurs
Car rental, ² taxi, or ride service	The country where the cardholder rents the car or where the journey
Any other merchant*	<ol style="list-style-type: none"> The merchant has a permanent location where the merchant conducts business activities and where its employees or agents accountable for the sale or distribution of the goods or services purchased in the specific transaction work. Note that the following do not, in themselves, satisfy the above criteria: <ul style="list-style-type: none"> A post office box, mail-forwarding address, the address of the merchant's law firm, agent or vendor, or an email address. The location of a payments or customer-service function, servers or URL, or the presence of a director or investor. The merchant assesses sales taxes on the transaction activity. The location is the legal jurisdiction, for the transaction, that governs the contractual relationship between the merchant and the cardholder as the purchaser of the goods or services.

* A merchant with multiple merchant locations must only assign the merchant location that is appropriate to each transaction. For example, an eCommerce merchant has a principle place of business in United Arab Emirates, and an additional merchant outlet in Singapore. The only transactions that may use Singapore as the merchant location are those that qualify for Singapore under the Visa rules (the employees in Singapore are accountable for the sale of those transactions, pay Goods and Services Tax on those transactions and the contract for sale is Singapore law). All other transactions must use the principal place of business.

Consistent use of data

It is important that information such as merchant name and merchant outlet location must be consistent across all transactions, including authorisation requests, clearing, returns and chargeback representations.

Payment facilitators and sponsored merchants

If you are a sponsored merchant contracting with a payment facilitator, then the rules set out above will determine your location. The location of the payment facilitator is determined by the requirements set out below. Note that a sponsored merchant may use only a payment facilitator that is located in the sponsored merchant's country.

A payment facilitator must use the country of its principal place of business. Additional payment facilitator locations may be assigned only if all of the following occur in each country.

- Cardholder correspondence and judicial processes are sent by/delivered to the payment facilitator
- The payment facilitator assesses sales taxes on its provision of card acceptance services provided to sponsored merchants
- The payment facilitator maintains a bank account into which proceeds of services provided to sponsored merchants are paid
- The payment facilitator is subject to local laws and regulations

¹ The fixed location where your executive officers direct, control, and coordinate your activities — generally, your company's headquarters.

² For travel or lodging conducted at or through a travel agency, the location must be the country where the travel agent is located.

Staged Digital Wallet Operator

A staged digital wallet operator (SDWO) must use the country of its principle place of business. Additional SDWO locations may be assigned only if all the following occur in each country.

- The SDWO has a permanent location at which it manages the activities associated with the staged digital wallet.
- The SDWO pays taxes related to revenue earned from the provision of the wallet services to cardholders and acceptance services to retailers signed by the SDWO, if the country levies such taxes.
- The SDWO maintains a bank account into which revenue earned from the provision of the SDWO's services to cardholders and retailers is paid.
- The SDWO is subject to local laws and regulations.

Merchants, sponsored merchants and digital wallet operators in the Europe Region

The activity needed to establish an additional location may be spread across more than one country in the European Economic Area (EEA). When this occurs, the additional location used to process the transaction may be any of the EEA countries in which the business activity occurs. According to this clarification, all required activity (listed in the previous sections) must occur in the EEA.

Merchant location requirements for web pages

If you are an eCommerce merchant, your website must prominently display the merchant country that will be used to process the transaction on either the checkout screen used to present the final transaction amount or within the sequence of web pages that the cardholder accesses during the checkout process. It must not be a link to a separate page. In the Europe Region, this may be a link to another website only if the link forms part of the "click to accept" acknowledgement and refers to the cancellation policy. It is important that the cardholder knows whether the transaction will be domestic or international before the cardholder commits to the purchase. Not adequately disclosing this information can lead to cardholder dissatisfaction and complaints.

Next steps or questions

We recommend that you work with your acquirer and/or payment facilitator to ensure that the location you are using is accurate and complies with the Visa rules.

Additional details are specified in the April 2017 copy of the *Visa Core Rules and Visa Product and Service Rules*, and *Visa Merchant Data Standards Manual/Visa Europe Merchant Data Standards*, available from your acquirer. If there are any differences between the published version of the *Visa Core Rules and Visa Product and Service Rules* and this document, the published version of the *Visa Core Rules and Visa Product and Service Rules* will prevail.