



## Providing the Proper Location of Your Merchant Business



### For More Information

For more information, contact your Visa representative today.

Visa has existing rules that require merchants to properly identify their name, type of business, and location. All of these elements are key to helping merchants be properly identified by cardholders for all transactions processed through the Visa system. Providing the proper information helps prevent unnecessary cardholder disputes and reduces additional risk to the Visa system.

**Effective 15 October 2016**, the rules for identifying your location are being clarified to help you more accurately identify your location to the cardholder.

### 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 location	The location where the transaction is completed
At a merchant outlet that is <b>not in</b> a fixed location (for example, a traveling salesman)	Either of the following: <ul style="list-style-type: none"> <li>The location where the transaction is completed</li> <li>The location of your principal place of business<sup>1</sup></li> </ul>
An in-transit transaction (for example, an in-flight purchase)	One of the following: <ul style="list-style-type: none"> <li>Where the journey originated</li> <li>The interim or final destination</li> <li>The location of your principal place of business<sup>1</sup></li> </ul>

<sup>1</sup> The 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, or the web, then your location must be the country of your principal place of business<sup>1</sup>. Additional locations may be assigned for the following:

If your merchant type is...	Your additional location may be...
Airline, <sup>2</sup> passenger railway, cruise line, 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, taxi, or ride service	The country where the cardholder rents the car or where the journey originates
Any other merchant	The country where you conduct business activities and operations directly related to providing the cardholder with goods or services purchased in <b>the specific transaction</b> . <sup>3</sup> In this case, all of the below must be true: <ul style="list-style-type: none"> <li>You have a permanent outlet where you conduct business activity and operations directly related to the purchase of goods or services transacted with the cardholder</li> <li>You assess sales tax or value-added tax on the transaction activity (in places where taxes apply)</li> <li>It is the legal jurisdiction that governs the contractual relationship between the merchant and the cardholder</li> </ul>
Corporate group as a single entity	Country assigned must be either the principal place of business <sup>1</sup> or qualify as an additional merchant location <sup>3</sup>



### Merchant location requirements for web pages

If you are an eCommerce merchant, your website must contain the merchant location 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.

## Payment facilitators and sponsored merchants

If you are a sponsored merchant contracting with a payment facilitator, then the payment facilitator and acquirer will determine the correct location for your transactions. Note that a sponsored merchant may use only a payment facilitator that is registered in the sponsored merchant's country.

A payment facilitator country will be determined by the location of its principal place of business<sup>1</sup>, or may be based on the location where all of the following occur:

- 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

## Next steps or questions

We recommend that you work with your acquirer and/or payment facilitator to ensure that the location you are providing to your customers is accurate.<sup>3,4</sup>

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

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

<sup>3</sup> Additional details specified in the August 2016 advance copy of the *Visa Core Rules and Visa Product and Service Rules*, and *Visa Merchant Data Standards Manual*, both available from your acquirer. If there are any differences between the published version of the Visa Rules and this document, the published version of the Visa Rules will prevail.

<sup>4</sup> Merchants in the Europe region can continue to use a cross-border acquirer that passports its license to one or more countries in Europe region, however they must accurately identify the location of the merchant outlet.