

A declined payment causes complications for everyone involved. The customer suddenly wonders what went wrong with their card or account, while the business is unsure whether the transaction can be completed. No type of payment is immune to declines. They can happen when the customer brings their basket full of items to the shop till, when they click "check out" on the business's website, or when something goes wrong with the customer's recurring-payment setup.

Card declines can occur for various reasons and might lead to a sale being lost. Avoiding them requires understanding how credit card transactions are authorised and what can cause a decline. Payment processors provide decline codes that indicate their reason for rejecting a transaction. Businesses should learn to recognise and understand these codes in order to respond successfully to a declined transaction – and potentially salvage the sale.

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## What is card authorisation?

**Card authorisation** is the approval process that checks to see if a cardholder has sufficient funds to cover the purchase they are attempting to make. It happens behind the scenes when a card transaction is processed.

For an in-person transaction, a customer swipes, taps or inserts their card into a card reader; for an online purchase, they enter their payment information when prompted. The information for that transaction is sent from the business's terminal to its **acquirer** (also called the "acquiring bank"), the financial institution that represents the business.

The acquirer directs the transaction to the correct **card network** and ensures the funds are deposited in the correct account. The acquirer submits a request to the card **issuer** (also called the "issuing bank"), the financial institution that issued the payment card to the cardholder.

The issuer examines the cardholder's account and determines whether there are enough funds or available credit to complete the transaction. If there are, the issuer takes that money from the cardholder's account and sends it to the acquirer, which deposits it in the business's account.

## What is a decline code?

A decline code is typically a two-digit, alphanumeric error code that indicates why a card transaction has been declined. While the code can originate from a number of sources, it often comes from the issuing bank, payment processor or credit networks.

Businesses won't always see that particular code. If they are using a payment processor like Stripe, they may see other unique decline codes that indicate why the transaction failed and that provide clues to solving the issue and completing the transaction.

## Types of card declines

There are many different types of card declines. The most common reason that a card is declined is insufficient funds or credit, accounting for **44% of declines** in an Ethoca study. Businesses can't do much in these cases as the issue originates from the cardholder. Offering "buy now, pay later" options, which Stripe supports, can help minimise declines caused by insufficient funds. Beyond that, the cardholder may need to move money from another account to the account with insufficient funds in order to complete the transaction.

Another common reason for card declines is incorrect data. This issue is more common with online transactions, where cardholders are required to enter their card number as well as the card's **CVV** and expiry date. **One in five** card declines occur when a customer makes a mistake and inputs incorrect information. This is easily resolved if the cardholder re-enters their information correctly.

Card payments can also be declined when fraudulent activity is suspected due to large purchases or a large volume of transactions being completed in a short period of time. The cardholder can resolve this issue by communicating with their issuing bank and confirming their identity, and the bank will then authorise the charges.

Sometimes cards are declined because the card has not yet been activated – this can be resolved by the cardholder completing the specified activation process. Similarly, a card that

has expired will be declined, and the cardholder will have to use another payment option. Damage to a card's chip or strip can also lead to a decline if the terminal is unable to read the card. Other options, in this case, are manual entry of card data or [contactless payment](#), if available.

A card will also be declined if the terminal is not compatible with the card network associated with the card. For example, if the card uses the American Express card network and the terminal does not communicate with American Express, then the transaction cannot be processed. Solutions like Stripe work with most major card networks, both in the US and globally, which helps to avoid declines related to an unsupported card network.

## List of card decline codes

Below is a list of the card decline codes that may appear if a processor determines that a transaction cannot be processed. Each code denotes a different reason for why a payment has been declined.

**01:** Refer to issuer

**02:** Refer to issuer (special condition)

**03:** Invalid merchant

**04:** Pick up card (no fraud)

**05:** Do not honour

**06:** Error

**07:** Pick up card (fraud)

**10:** Partial approval

**12:** Invalid transaction

**13:** Invalid amount

**14:** Invalid account number

**15:** No such issuer

**19:** Re-enter transaction

**21:** No action taken

**25:** Unable to locate record in file

**28:** File temporarily unavailable for update or injury

**41:** Lost card, pick up

**43:** Stolen card, pick up

**51:** Insufficient funds

**52:** No current account

**53:** No savings account

**54:** Expired card

**55:** Incorrect PIN

**57:** Transaction not permitted – card

**58:** Transaction not permitted – terminal

**59:** Suspected fraud

**61:** Exceeds approval amount limit

**62:** Invalid / restricted service code

**63:** Security violation

**64:** Transaction does not fulfil AML requirement

**65:** Exceeds withdrawal limit

**70:** PIN data required

**75:** Allowable number of PIN entry attempts exceeded

**76:** Unsolicited reversal

**78:** Blocked, first use

**79:** Already reversed

**82:** Negative CAM, dCVV, iCVV or CVV results

**85:** No reason to decline

**86:** Cannot verify PIN

**91:** Issuer or switch unavailable

**92:** Unable to route transaction

**93:** Transaction can't be completed – legal violation

**96:** System error

**97:** Invalid CVV

**1A:** Additional customer authentication required

**R0:** Recurring charge stopped at customer request

**R1:** Recurring charge stopped at customer request

Stripe uses its own decline codes which cover many of the same potential reasons as the traditional decline codes but spell out the problem more clearly. The **Stripe decline codes** are as follows:



Decline code	Description	Next steps
<code>authentication_required</code>	The card was declined because the transaction requires authentication.	The customer should try again and authenticate their card when prompted during the transaction. If the card issuer returns this decline code on an authenticated transaction, the customer needs to contact their card issuer for more information.
<code>approve_with_id</code>	The payment can't be authorised.	Attempt the payment again. If you still can't process it, the customer needs to contact their card issuer.
<code>call_issuer</code>	The card was declined for an unknown reason.	The customer needs to contact their card issuer for more information.
<code>card_not_supported</code>	The card does not support this type of purchase.	The customer needs to contact their card issuer to make sure that their card can be used to make this type of purchase.
<code>card_velocity_exceeded</code>	The customer has exceeded the balance or credit limit available on their card.	The customer needs to contact their card issuer for more information.
<code>currency_not_supported</code>	The card does not support the specified currency.	The customer needs to check with the issuer whether the card can be used for the type of currency specified.
<code>do_not_honor</code>	The card was declined for an unknown reason.	The customer needs to contact their card issuer for more information.
<code>do_not_try_again</code>	The card was declined for an unknown reason.	The customer needs to contact their card issuer for more information.
<code>duplicate_transaction</code>	A transaction with an identical amount and credit card information was submitted very recently.	Check to see if a recent payment already exists.
<code>expired_card</code>	The card has expired.	The customer needs to use another card.
<code>fraudulent</code>	The payment was declined because Stripe suspects that it's fraudulent.	Don't report more detailed information to your customer. Instead, present as you would the <code>generic_decline</code> described below.
<code>generic_decline</code>	The card was declined for an unknown reason.	The customer needs to contact their card issuer for more information.
<code>incorrect_cvc</code>	The CVC number is incorrect.	The customer needs to try again using the correct CVC.
<code>incorrect_number</code>	The card number is incorrect.	The customer needs to try again using the correct card number.
<code>incorrect_pin</code>	The PIN entered is incorrect. This decline code only applies to payments made with a card reader.	The customer needs to try again using the correct PIN.
<code>incorrect_zip</code>	The postcode is incorrect.	The customer needs to try again using the correct billing postcode.
<code>insufficient_funds</code>	The card has insufficient funds to complete the purchase.	The customer needs to use an alternative payment method.
<code>invalid_account</code>	The card, or account the card is connected to, is invalid.	The customer needs to contact their card issuer to check that the card is working correctly.
<code>invalid_amount</code>	The payment amount is invalid, or exceeds the amount that's allowed.	If the amount appears to be correct, the customer needs to check with their card issuer that they can make purchases of that amount.
<code>invalid_cvc</code>	The CVC number is incorrect.	The customer needs to try again using the correct CVC.
<code>invalid_expiry_month</code>	The expiry month is invalid.	The customer needs to try again using the correct expiry date.
<code>invalid_expiry_year</code>	The expiry year is invalid.	The customer needs to try again using the correct expiry date.
<code>invalid_number</code>	The card number is incorrect.	The customer needs to try again using the correct card number.
<code>invalid_pin</code>	The PIN entered is incorrect. This decline code only applies to payments made with a card reader.	The customer needs to try again using the correct PIN.
<code>issuer_not_available</code>	The card issuer couldn't be reached, so the payment couldn't be authorised.	Attempt the payment again. If you still can't process it, the customer needs to contact their card issuer.
<code>lost_card</code>	The payment was declined because the card is reported lost.	The specific reason for the decline shouldn't be reported to the customer. Instead, it needs to be presented as a generic decline.
<code>merchant_blacklist</code>	The payment was declined because it matches a value on the Stripe user's block list.	Don't report more detailed information to your customer. Instead, present as you would the <code>generic_decline</code> described above.
<code>new_account_information_</code>	The card, or account the card is	The customer needs to contact their card issuer for



<a href="#">available</a>	connected to, is invalid.	more information.
<a href="#">no_action_taken</a>	The card was declined for an unknown reason.	The customer needs to contact their card issuer for more information.
<a href="#">not_permitted</a>	The payment isn't permitted.	The customer needs to contact their card issuer for more information.
<a href="#">offline_pin_required</a>	The card was declined because it requires a PIN.	The customer needs to try again by inserting their card and entering a PIN.
<a href="#">online_or_offline_pin_</a>	The card was declined because it	If the card reader supports Online PIN, prompt the

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<a href="#">restricted_card</a>	The customer can't use this card to make this payment (it's possible the card was reported lost or stolen).	their card issuer. The customer needs to contact their card issuer for more information.
<a href="#">revocation_of_all_authorized</a>	The card was declined for an unknown reason.	The customer needs to contact their card issuer for more information.
<a href="#">revocation of</a>	The card was declined for an	The customer needs to contact their card issuer for

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Create an account and start accepting payments – no contracts or banking details required. Or, contact us to design a custom package for