

Level 2 & Level 3 Data



02/25/2024

Demystify payments for all businesses.

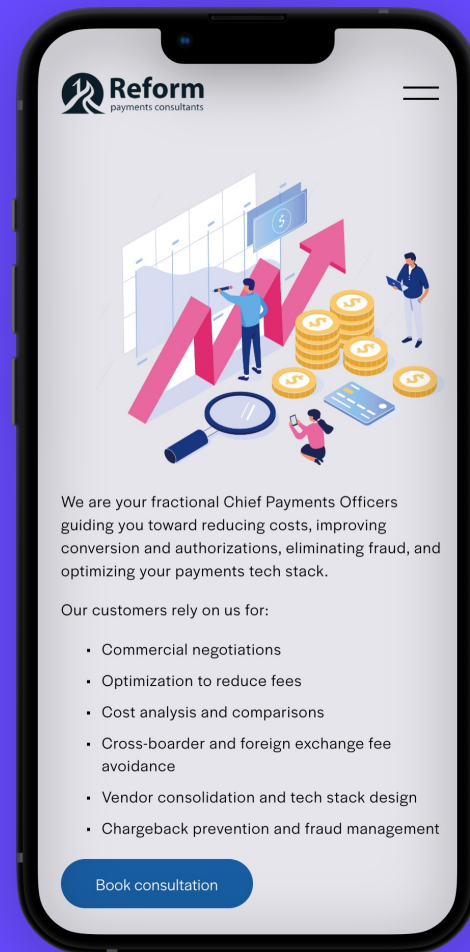


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Problem

Purchasing cards are expensive, payment service providers (PSPs) don't always have incentives to help you lower the cost, and PSPs can charge high fees for lowering card costs using level 2 and level 3 data.

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What is Level 2 & Level 3 Data?

You simply pass additional field data to the card networks to lower the cost of purchasing cards.

Level II Fields

- Date
- Company Name
- Purchase Amount
- Merchant Category Code
- Tax ID
- Tax Exempt Status
- Tax Amount
- Order Number

Level III Fields

- Date
- Company Name
- Purchase Amount
- Merchant Category Code
- Tax ID
- Tax Exempt Status
- Tax Amount
- Order Number
- Product Descriptions & Codes
- Product Quantities
- Ship-to and Ship-from Zip Code
- Freight Amount
- Unit of Measure
- Extended Item Amount
- Discount Amount
- Unit Discount Amount
- Credit Indicator

Sample fees by level and card type for a \$350 transaction

Visa Corporate Purchasing Card

Level of Data Passed	IC+ Rate	Fees	Savings
Level I	2.65% + \$0.10	\$9.38	-
Level II	2.05% + \$0.10	\$7.28	0.60%
Level III	1.85% + \$0.10	\$6.58	0.80%

Mastercard Business Level 3 Card

Level of Data Passed	IC+ Rate	Fees	Savings
Level I	2.86% + \$0.10	\$10.11	-
Level II	2.21% + \$0.10	\$7.84	0.65%
Level III	1.96% + \$0.10	\$6.96	0.90%

Mastercard Business Level 4 Card

Level of Data Passed	IC+ Rate	Fees	Savings
Level I	2.96% + \$0.10	\$10.46	-
Level II	2.31% + \$0.10	\$8.19	0.65%
Level III	2.06% + \$0.10	\$7.31	0.90%

What is Level 2 & Level 3 Data?

Understanding how this impacts your card types can be complicated.

Solution

There is a good deal of complexity in understanding which card types are impacted and how to analyze your savings which is where our team can help you.

Wells Fargo pricing for Visa[®] interchange programs

■ = New category or qualification ● = MCC change
▼ = Rate or fee decrease ▲ = Rate or fee increase

Interchange program: Commercial – Business (Card Not Present) Product 1

• **Not Eligible:** Travel and Entertainment – Airlines/Passenger Transport (MCC 3000-3299, 4511), Car Rentals/Auto Rental (MCC 3351-3500, 7512), Hotels/Lodging (MCC 3501-4010, 7011), Passenger Railways (MCC 4112), Cruise Lines (MCC 4411), Travel Agents (MCC 4722) Restaurants (MCC 5812, 5814), High Risk Direct Marketing (MCC 5962, 5966, 5967), and Truck and Utility Trailer Rentals (MCC 7513).

Card type	Rate	Per-item fee	Primary qualification criteria ¹	Next interchange program logic ²
Business Tier 1	2.65%	\$0.10	Applies to the card products listed in the Card type column unless otherwise indicated. 1 Must be CPS qualified ³ for CPS/Retail Key-Entered Product 1, CPS/Card Not Present Product 1, CPS/E-Commerce Basic Product 1, CPS/E-Commerce Preferred Product 1 or CPS/Account Funding Product 1. 2 Level II Data ⁴ requirements are not met including tax-exempt transactions. 3 Tier 1-5 applies to Business cards. The level will be determined by Visa cardholder spending limits. ⁵	1 Business Product 2 or Commercial Non-Qualified 2 N/A 3 N/A
Business Tier 2	2.80%	\$0.10		
Business Tier 3	2.85%	\$0.10		
Business Tier 4	2.95%	\$0.10		
Business Tier 5	3.00%	\$0.10		

Interchange program: Commercial – Business (Card Present) Product 2

• **Not Eligible:** Travel and Entertainment – Airlines/Passenger Transport (MCC 3000-3299, 4511), Car Rentals/Auto Rental (MCC 3351-3500, 7512), Hotels/Lodging (MCC 3501-4010, 7011), Passenger Railways (MCC 4112), Cruise Lines (MCC 4411), Travel Agents (MCC 4722) Restaurants (MCC 5812, 5814), High Risk Direct Marketing (MCC 5962, 5966, 5967), and Truck and Utility Trailer Rentals (MCC 7513).

Card type	Rate	Per-item fee	Primary qualification criteria ¹	Next interchange program logic ²
Business Tier 1	1.90%	\$0.10	Applies to the card products listed in the Card type column unless otherwise indicated. 1 Must be CPS qualified ³ for CPS/Retail Product 2, CPS/Supermarket, CPS/Small Ticket, CPS/Automated Fuel Dispenser, or CPS/Retail Service Station. 2 Level II Data ⁴ requirements are not met including tax-exempt transactions. 3 Tier 1-5 applies to Business cards. The level will be determined by Visa cardholder spending limits. ⁵	1 Business Product 1 or Commercial Non-Qualified 2 N/A 3 N/A
Business Tier 2	2.05%	\$0.10		
Business Tier 3	2.10%	\$0.10		
Business Tier 4	2.20%	\$0.10		
Business Tier 5	2.25%	\$0.10		

58 IC Plus Payment Network Qualification Matrix (AS)

[Link to public source from Wells Fargo.](#)



Solution

Corporate card cost optimization

Optimizing corporate cards can be complex. It involves development to ensure that all necessary fields are being passed, but more importantly involves ensuring that all parties in your payments tech stack are passing those fields through. It is also important to ensure that each vendor in the tech stack is not charging fees or is charging minimal fees for passing the additional fields.

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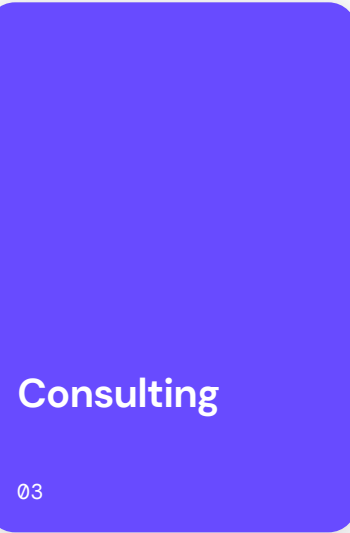
Problem

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Consulting

Book a free consultation today.

Our team can help you quickly understand your opportunity for fee reductions and handle commercial negotiations for you so you can get back to running your business.

[Link to our appointments page.](#)

[\(302\) 217-3188](tel:(302)217-3188)

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Reform
payments consultants

Empower your business

Our team welcomes you to our consultancy where we are dedicated to helping businesses like yours navigate the complexities of payment service providers. Learn more about our mission and how we can work together to achieve better outcomes.

info@reformpayments.com
[\(302\) 217-3188](tel:(302)217-3188)

After submitting a request to book a consultation a member of our team will reach out within one business day.

Name (required)

First Name	Last Name
<input type="text"/>	<input type="text"/>

Business Name (required)

Business Size

Select an option ▼

Phone

Reform Payments Consultants LLC

info@reformpayments.com

Thank you