



## ACH Operations Bulletin #1-2025

### Same-Day Processing of ACH Returns by RDFIs

June 3, 2025

#### Summary

A Nacha Request for Information in 2024 asked, “As an RDFI, do you currently return any entries using the same-day windows?” Only 59% of respondents said they use Same Day ACH processing windows to send any returns. Of those that do, 45% use same-day processing for less than half of their returns. The responses suggest that many RDFIs are foregoing the benefits of sending returns in a same-day window. *Nacha recommends faster returns as a best practice that benefits RDFIs, including the use of same-day processing windows for the return of forward entries that were not Same Day ACH Entries.*

#### Discussion

RDFIs that do not send returns in the same-day windows have cited several reasons for not doing so. Some have reported that their core processor or related vendor does not support same-day returns, although many of the RDFIs have said they wish it did. Other RDFIs hold misconceptions about the Rules regarding Same Day ACH or Return Entries, offering reasons such as wanting to avoid the Same Day Entry Fee, needing to wait until the Settlement Date of the original transaction to transmit a Return Entry, and not transmitting a Return Entry in a same-day window because the original transaction was not a Same Day ACH transaction. Each of these misconceptions presents an unnecessary obstacle to reaping the benefits of using same-day processing windows for returns.

Same-day windows can be used for the return of any original transaction, not just for the return of Same Day ACH payments. Same-day windows can be especially useful for transmitting returns for administrative reasons: Return Reason Codes R02 (Account Closed), R03 (No Account/Unable to Locate Account), and R04 (Invalid Account Number Structure).

Consider, as an example, an RDFI that receives a WEB debit for \$500 on Monday morning with settlement at 8:30 a.m. ET. Further, the account number in the debit is not a valid number for an account at the RDFI. The RDFI might review information about the debit on an exception report on Tuesday, then transmit the return to the ACH Operator at the close of Tuesday’s processing day. The return settles on Wednesday morning at 8:30 a.m. ET, re-crediting the \$500 to the RDFI.

Alternatively, the RDFI could fully automate the return of ACH entries with invalid account numbers and transmit the return to the ACH Operator at the earliest opportunity. In this case, the

RDFI has three opportunities on Monday to return the entry and get re-credited for \$500 before the close of Monday's Settlement Date. Assuming the RDFI transmits the return in the last same-day processing window and gets re-credited at 6:00 p.m. ET on Monday, the RDFI will have gained 38.5 hours of liquidity benefit compared to getting re-credited at 8:30 a.m. ET on Wednesday.

Even in instances in which the RDFI handles an exception manually (e.g., providing an opportunity for an account holder to add funding to avoid an NSF; or determining the correct account to which to post a credit), the RDFI can still make use of the same-day windows when returns are made in these situations.

In addition to the effect on liquidity when it holds a Return Entry longer than is necessary, an RDFI assumes an operational risk. By transmitting a return as soon as possible, an RDFI mitigates the operational risk of an outage or disruption that might result in a missed deadline. Waiting to transmit an Entry in a later window runs the risk of experiencing a processing interruption that may result in a late return.

Regarding the objection from some RDFIs that they don't transmit returns in a same-day processing window to avoid the Same Day Entry Fee, the fee does not apply to returns! Section 1.12 of the 2025 Nacha Operating Rules says, "An ODFI agrees to pay a Same Day Entry fee to the respective RDFI for each Same Day Entry originated by or through the ODFI." The rule does not extend to RDFIs transmitting returns. Further, the rules do not limit the same-day processing of returns to forward Same Day ACH entries, or entries that are under the \$1 million limit for Same Day ACH entries.

Some RDFIs have mentioned needing to wait until the Settlement Date of an original transaction before they can transmit a Return Entry. The Nacha Operating Rules do not require an RDFI to wait until the Settlement Date. However, other RDFIs have said that some ACH processing systems handle returns in a manner that causes additional reconciliation steps when an RDFI transmits a return prior to its Settlement Date. An RDFI operating such a system must weigh the additional reconciliation steps against the benefit to be gained from accelerating the return of entries.

Finally, Nacha recognizes that some RDFIs prepare and transmit returns only once a day, often early in the morning. Those RDFIs may go on to receive additional files in later distribution windows throughout the day, but before the final same-day processing deadline for the day. The practice of processing returns only once a day may have begun before the advent of same-day processing. RDFIs that follow a longstanding practice such as this may benefit from reconsidering and adjusting the work routine associated with creating Return Entries.

### **Nacha Encourages the Use of Same-Day Processing Windows for Returns**

Nacha strongly encourages faster returns using same-day processing windows for the reasons stated in this bulletin. Nacha also encourages any RDFI whose vendor or processor does not support the use of same-day processing windows for returns to ask its processor to enable the capability. RDFIs can experience a liquidity benefit and a reduction in operational risk from the

faster return of ACH debits, while ODFIs and their Originators can benefit from receiving any ACH return as soon as possible in order to take appropriate actions. Faster returns, therefore, bestow a network benefit.

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