ACH: Payment Types

Overview

Authorized users can create certain types of ACH payments depending on their task objective. The following payment types are available based on Financial Institution configuration and user privileges:

Payment to Individual (PPD Credit)	An ACH transaction that debits the user's business's settlement account and credits the payment amounts to consumer's account. The typical use is to send payroll through direct deposit.
Payment to Business (CCD Credit)	An ACH transaction that debits the user's business's settlement account and credits the payment amounts to another one of their accounts at <Bank Name> or to another business's account. The typical use is to consolidate funds or make vendor payments.
Payment to Business (CTX Credit)	An ACH transaction that debits the user's business's settlement account and credits the amounts to another business's account. CTX supports multiple addenda records to carry additional payment-related information. The typical use is to make vendor payments.
Collect from Individual (PPD Debit)	An ACH transaction that allows the user to debit a consumer's account for one-time or recurring payments. The user must obtain **written** authorization from the consumer to debit their accounts. Typical use is to collect rent, mortgage, insurance, loan, or cable payments.
Collect from Individual (RCK Debit)	An ACH transaction that allows the user to re-present NSF checks electronically as debit items when a consumer has written a paper check to the user's company that has been returned for insufficient/uncollected funds.

Collect from Individual (TEL Debit)	An ACH transaction that allows the user to debit a consumer's account for one-time payments. ACH rules do not allow recurring Telephone Authorization collections. The user must obtain **verbal** authorization by telephone from the consumer to debit any accounts.
Collect from Individual (WEB Debit)	An ACH transaction that allows the user to debit a consumer's account for one-time or recurring payments. The user must obtain authorization to debit accounts from the consumer who has submitted the authorization on a web page accessed through the Internet.
Collect from Business (CCD Debit)	An ACH transaction that allows the user to debit another one of the user's business accounts at <Bank Name> or another business's account for one-time or recurring payments. Typical use is to consolidate funds or to collect vendor payments.
Collect from Business (CTX Debit)	An ACH transaction that debits another business's account and credits the user's business's settlement account. CTX supports multiple addenda records to carry additional payment-related information. The typical use is to collect vendor payments.
NACHA Import	A workflow that allows the user to select and import third-party ACH files that may contain mixed batches with credits, debits, and prenotes in one file.

Selecting a Payment Type

When creating a new payment or collection, the first step is to select the payment type. The choices made in Step 1 of the payment creation workflow determine the SEC code that can be referenced in the NACHA file. Users can only see the choices for payment type based on their privileges.

Selections	SEC Code
Payments to Individuals	PPD Credit
Payment to Business	CCD/CCD+ Credit
Payment to Business - CTX	CTX Credit
Collection from Individuals - Written authorization	PPD Debit
Collection from Business	CCD/CCD+ Debit
Collection from Business - CTX	CTX Debit