



EBT Fact Sheet

Food Stamps Make America Stronger

What is EBT?

Electronic Benefit Transfer (EBT) is the primary method used to issue food stamp benefits nationwide. Food stamp households use a debit card to shop for eligible food items at stores authorized by the U.S. Department of Agriculture (USDA). The customer swipes the EBT card through the Point-of-Sale (POS) card reader and enters a Personal Identification Number (PIN) to secure the transaction. The system deducts the exact amount of the purchase from the customer's EBT account and deposits it into the retailer's bank account. Many States also distribute cash benefits and reimbursement payments through EBT.

How do I get POS equipment for EBT?

You must apply for and be authorized to accept food stamp benefits and get a Food Stamp Program Authorization Permit number from your local USDA Food and Nutrition Service (FNS) field office. To begin this process, which can take up to 45 days, call 1-877-823-4369 toll-free to request an application.

Commercial POS equipment can process credit card, debit card and EBT transactions depending on the terms of the contract. The equipment is offered at different pricing levels from companies called Third Party Processors (TPPs) that contract with retailers to process electronic transactions. If you already have POS equipment, speak with your TPP regarding specific hardware and software changes that may be needed to process EBT transactions.

If you do not have POS equipment but want to accept EBT, credit card and debit card transactions, shop around among certified TPPs. Ask questions before signing any agreements or contracts such as "Are you a certified EBT provider?" "How much does the equipment and supplies cost?" and "What fees are charged for transactions?"

If you do not have POS equipment and do not need to process credit or debit cards, the State will supply you with POS equipment at no cost if your store meets the minimum food stamp purchase requirements. This equipment, installed by the State's EBT service provider, will only support EBT transactions (and in some States, food stamps and cash benefit transactions).

When will I get my equipment?

POS equipment will be provided within two weeks of authorization by USDA. You must complete an EBT Retailer Agreement to receive the equipment. Retailers who participate through a TPP or who will connect directly to the EBT system with their own POS should have access to the system within 30 days.

What happens if there is a power outage, or if I don't qualify for the POS equipment?

You will be able to process food stamp purchases using manual vouchers, after obtaining an approval code for each transaction. A supply of vouchers will be provided by your TPP or State's EBT service provider. Instructions on processing vouchers will be provided by your State's EBT service provider.

Can I still accept coupons if I have EBT?

Although EBT transactions are now the norm, retailers must continue to accept food stamp coupons until all States are using EBT statewide. If you need a supply of \$1 coupons for making change, you can order them by sending a written request and check or money order for the face value to: Benefit Redemption Division; EBT Branch, Room 403; Food and Nutrition Service/USDA; 3101 Park Center Drive; Alexandria, VA 22302. If you have any questions about how to redeem paper food stamp coupons, contact your local FNS field office.

What if my bank refuses to accept the food stamp coupons?

The law does not require that banks accept food stamp coupons. If your bank will not accept them, you can contact your local FNS field office to arrange for reimbursement.

Can clients use EBT cards in States other than where they were issued?

The majority of State EBT cards can be used nationwide at authorized retailer locations that have POS equipment, however there are some exceptions. For instance, Wyoming and Ohio operate EBT smartcard off-line systems. These systems operate very differently from the others and, therefore, the off-line EBT cards can only be used at stores within their borders. Other States' EBT cards can be used at many authorized stores within these two States.

How do recipients know how much is in their EBT account when they shop?

Recipients are advised to keep their last shopping receipt, which shows their food stamp balance. Recipients also can call a toll-free number to get their balance at any time or run a balance inquiry transaction on the POS device.

Should a store give cash refunds for food stamp purchases?

No. A store must credit the EBT card for the amount of the food stamp refund.

Is there a way to do a transaction if the EBT card is defective?

Yes, if the recipient has the defective card with them, you may manually enter the EBT card number into the POS device. If the POS device is malfunctioning, you can use a manual voucher.

Does EBT eliminate fraud?

No. However, EBT makes trafficking (exchanging food stamp benefits for cash) more detectable and provides better information to identify fraud. USDA has access to information on every EBT terminal and every transaction.

Who do I contact for more information about food stamps?

Contact the local FNS field office for more information on EBT in your State. You may also visit the FNS website at www.fns.usda.gov/fsp for general EBT information.

How do I obtain information on other USDA EBT projects?

The Special Supplemental Nutrition Program for Women, Infants and Children (WIC Program) is currently testing an EBT smartcard application in various States. Visit the FNS website at www.fns.usda.gov/wic to find out more about the WIC EBT project or for a list of State program directors.