

Food Stamp Electronic Benefits Transfer (EBT) Fact Sheet for New Retailers



How do people use food stamp benefits to buy food in my store?

Food stamp households get an **EBT card**, which operates like a debit card, to buy eligible food at stores authorized to take food stamp benefits.

The customer swipes the card in a **Point of Sale device (POS)** at the store and enters a four-digit **Personal Identification Number (PIN)**. The clerk enters the exact amount of the food purchase on the POS. This amount is deducted from the household's EBT food stamp account and credited within 2 banking days to the retailer's bank account.

All **transactions are electronically processed and recorded**. The US Department of Agriculture (USDA) has access to records of all transactions, including the date, time, and dollar amount, on all terminals.

How do I get POS equipment for my store?

First, you (the retailer) must be authorized by USDA, Food and Nutrition Service (FNS) to take food stamps. Once your location is authorized under your ownership, you may:

Use existing or commercially available credit/debit card POS equipment that allows stores to process both EBT and commercial debit/credit transactions on the same device. Talk to your current processor about programming your current equipment and to obtain cost information.

OR

Use a special POS device supplied by the State that only processes EBT transactions. There is no cost for this equipment, if you meet a minimum level of average monthly food stamp purchases. If you do not meet the minimum level, you can lease the equipment from the State's processor. You must sign an agreement to cover the use of the equipment and supply banking information to the company that handles the processing for this equipment before you can receive the device.

OR

Use a manually-completed voucher for each transaction, if you don't have electricity or a phone line to your store, or if you don't have enough food stamp business to qualify for a no cost POS device. Manual vouchers may also be used as an **alternative, emergency back-up** if the power or POS device is not working and you have access to a working phone line.

If I choose the State-supplied POS device, when will I get my equipment?

Usually **within two weeks** after you get your Food Stamp Permit from FNS and sign and return the completed agreement to the processor. The FNS office that approved your application or the processor will give you more information about this.

Who can I call if I have other questions?

For questions about the Food Stamp Program, call the USDA Food and Nutrition Service Field Office listed on your authorization materials. Or visit the FNS website at www.fns.usda.gov for more information and contact numbers. **For questions about using the POS and processing transactions**, call the Retailer Help line number provided by your processor.