

May One Renege on a Transaction Paid for by Credit Card?

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Question: If one purchases something online using a credit card, what is the maximum amount of time that one may back out of the transaction? Even if it is still halachically permissible, is there a concept of *yashrus* (uprightness) that would dictate that one should not do so?

Answer: This is a multifaceted question that needs to be divided into a few parts.

In the case of purchasing items online using a credit card, it is entirely permitted to return the item. The reason is that everything purchased online has a return policy, which is halachically considered equivalent to a sale with a *tenai* (condition). Thus, one who returns the item is in halachic terms simply exercising his ability to use the *tenai* to cancel the sale. That is what makes online purchasing such as on Amazon so popular, and does not pose any halachic problem.

In a case where one purchases an item by phone from a Jewish store by credit card, it depends whether the vendor has a return policy. If an official return policy exists, then the conditions of the return policy apply.

If no return policy exists (or one purchases an item from someone who does not own a store) and the credit card payment has not been processed yet (more common when ordering by phone), the issue at play is one of voiding a verbal agreement, known in halacha as *mechusar amana*, one who lacks trustworthiness. This is discussed in the Gemara in the fourth *perek* of *Bava Metzia* and in the *Shulchan Aruch* (C.M. 204), where it is ruled that one who breaks a verbal agreement where nothing has changed in the situation demonstrates a lack of *yashrus* despite being permitted.

If something substantial has changed in the circumstances, such as where one ordered food for Shabbos thinking that many guests were coming, and then discovered that they were not (e.g., they were in isolation due to Covid-19), the Rema rules that there is no problem of *mechusar amana* and one may renege on the agreement.

If the credit card charge has already been processed and then the consumer tells the Jewish store owner that he wishes to cancel the sale, the situation is more problematic. Many *poskim* say that a transaction using a credit card has the status of a *kinyan kesef* (acquisition through money).

Retracting on such a *kinyan* is permitted according to the halacha, but it comes with a heavy price, as Chazal impose a status known as *mi shepara* on the person (a curse on someone for retracting on a agreement after having paid money), and the *Shulchan Aruch* strongly discourages doing so.

There are some *poskim* who hold that a credit card might even qualify as a *kinyan situmta* (method of acquisition commonly used by people that is not officially recorded by halacha, but is nonetheless recognized by halacha as valid), which would mean that it is forbidden to renege on the sale. But this is not accepted by most *poskim*, and is beyond the scope of this discussion, so in practice we treat a credit card transaction as a *kinyan kesef* alone.

The halachic status of a check is a similar question as to whether it is considered an exchange of money , but that is beyond the purview of the current discussion.

We can conclude by noting that if the person used a credit card for purchase in the store itself (as opposed to by phone or online), it may be forbidden to retract on the sale (where no return policy exists), since a complete *kinyan* may have been effectuated by picking up the item or walking out of the store.