

What is Provisional Credit and how does it work?

Provisional Credit is a temporary credit that a buyer may receive from PayPal while they have an ongoing dispute for reasons other than unauthorized account access. Because a disputed transaction may leave a buyer without access to the disputed amount for an extended amount of time, PayPal may offer Provisional Credit as a good will gesture. If Provisional Credit is offered, it will be applied to the buyer's original payment source within 5 days of the buyer filing their case in the Resolution Center. Provisional Credit does not indicate that the dispute will be resolved in the buyer's favor.

PayPal reserves the right to decide which cases may warrant the use of Provisional Credit and ultimately will decide whether a Provisional Credit will be removed or made permanent. The credit may be removed from the buyer's account in the following scenarios:

- If the buyer cancels the case at any point during the dispute process.
- If the buyer switches the reason for the dispute. (Example: Switches from "Item not received" to "Significantly not as described")
- If PayPal receives a chargeback or ACH return for the disputed transaction.
- If PayPal decides the case in favor of the seller.

If the provisional credit is removed and the buyer does not have the amount of the provisional credit in their payment card or bank account at that time, PayPal will deduct the credit from their PayPal balance.