

Customer Advisory

Making Payments over the Town's Web-Site

Anyone making a payment over the town's web-site must do so through their checking account. Oxford does not accept credit card payments. When electing this method of payment, the individual should understand the following:

A payment by check is an order to pay a sum certain in money. It is a bill of exchange: an unconditional order in writing addressed by one person to another, signed by the person giving it, requiring the bank to which it is addressed to pay on demand to the bearer the sum designated on the instrument (Uniform Commercial Code/Uniform Negotiable Instruments Law).

Payments made over the web-site are payments by check, but transacted by electronic means. Check processing is controlled by the Federal Reserve System. Electronic payments for Oxford's purposes are processed through the Automated Clearing House (ACH) system.

The ACH is a secure, private network that connects banks to one another by way of the Federal Reserve Board or other ACH operators. This network enables electronic payments, such as automatic payroll deposits and **debit card purchases**, to be handled and processed; i.e., for the town to convert checks into cash from payments presented by customers.

ACH payments are batch processed so a transaction can take a day or two to be completed. Therefore, the customer should understand that, just because the payment data has been entered on the town's site, it does not mean the payment has also been accepted by Oxford. The payment must first clear the Federal Reserve system in order to be considered paid.

Additionally, ACH payments can be repudiated. That is to say, the validity of the check can be **rejected** for various reasons, not the least of which can be for **insufficient funds**. Furthermore, an electronic payment must have the correct banking identification data entered so it can clear through the system. Your check has two numbers on the bottom of each check: first, your checking account number and second, the bank's identification number also known as the "routing number." Both numbers must be perfectly recorded in order for the payment not to be repudiated. Should the identification numbers not be appropriately recorded, the bank will reject the payment attempt. This rejection is recognized as a "bad check." There is a bad check processing fee associated with this returned item. For bad check fee amounts, please read how to pay a bill under the collector/treasurer section of the Town of Oxford web-site.