PAYPAL FOR NONPROFIT

Frequently Asked Questions

Find answers to specific questions you may have about using PayPal to assist with your nonprofit or other online fundraising. For an overview of the benefits and process to set up PayPal for fundraising, visit www.paypal.com/nonprofit.

PayPal Products Overview

1. Why should my nonprofit organization use PayPal?

There are many excellent reasons: Your nonprofit can tap into the PayPal account holder base to acquire new donors. It can also give regular donors a safer, more secure way to donate electronically anywhere PayPal is available. When your nonprofit uses PayPal, donors don’t have to share their financial information and your organization can spend less time and money processing paper checks.

2. How can my nonprofit organization begin accepting PayPal donations?

It’s fast and simple. First, sign up for a PayPal Business account. Select Nonprofit Organization as the business type and Nonprofit as the category. You will need to provide your organization's bank account information to link to your PayPal account. This allows you to transfer funds from your PayPal account to your bank account.

Once you’ve created a PayPal account, you can easily add a Donate button to your organization’s website. You can begin accepting donations right away.

3. How much does PayPal cost? Does PayPal offer discounted pricing to nonprofit organizations?

Yes, PayPal offers discounted transaction fees for registered 501(c)(3) organizations on most PayPal products. To qualify, your organization must provide documentation of its 501(c)(3) status to receive the discounted transaction rates.

The following discounted rates apply for PayPal Payments Standard (including the Donate Button), Express Checkout, and PayPal Payments Pro products:

• If you have $100,000 or less in monthly volume, you pay 2.2% + $.30 per domestic transaction.*
• If you have more than $100,000 in monthly volume, please call 866-365-6319.

Again, discounted pricing will not apply to your account until you have received an email from PayPal verifying your non-profit status.

Once we confirm your organization's 501(c)(3) status, the discounted rate will be applied at that time.

At a later date, we may ask you to provide the following for your organization:

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- Evidence of tax-exempt status
- Bank statement or voided check in your organization’s name
- PayPal email account
- Contact information

If your organization does not have 501(c)(3) status, it will pay our standard low transaction rates. See www.paypal.com/fees for more information.

* Discounted rates do not apply to PayPal Here transactions nor to American Express transactions made using PayPal Payments Pro and Virtual Terminal.

4. Which PayPal product is right for my nonprofit organization?
Most nonprofits start with PayPal Payments Standard or Express Checkout for their online transactions. These solutions let donors complete their transactions on the PayPal website. Although the payment process starts and ends on your organization’s website, your organization does not receive any individual financial information, including credit card numbers. Therefore, your organization is not responsible for securing sensitive data or meeting PCI compliance standards during the payment process. Organizations that want transactions to occur on their websites can choose PayPal Payments Pro.

For events, PayPal Here can be helpful to easily accept credit cards or checks via a mobile device.

If your organization generates more than $100,000 in annual income and is interested in additional PayPal solutions, call 1-866-365-6319.

5. Where can I get more information about the Donate Button or other HTML payment buttons for my website?
You can find more details on how to integrate the various buttons, as well as more advanced solutions, at our online PayPal Developer integration resource center in the PayPal Payments Standard section. Visit www.x.com, choose Products, then choose PayPal Payments Standard in the list.

Using PayPal

1. How will my organization receive donations made with PayPal?
   Donation funds appear in your organization’s PayPal account. On the Transaction Details page, you can view the donor’s contact information, transaction amount, and transaction date.

2. Can my organization accept donations from donors who don’t have PayPal accounts?
   Yes, donors without PayPal accounts can still pay or donate by credit card or debit card on the PayPal site. If you’re using PayPal Here on a smartphone, you can also scan checks.

3. How can my organization access funds in its PayPal account?
   Funds appear in your PayPal account within minutes after the transaction is completed. Simply transfer the funds at no charge to your nonprofit organization’s checking account.

4. Does my organization have access to any reports on its PayPal transactions?
   Yes, PayPal offers online reports in a variety of formats that allow your organization to analyze its revenue sources, automate time-consuming bookkeeping tasks, and accurately settle and reconcile transactions. Your organization can also view a real-time transaction log on its PayPal account. The log displays transaction date, payer name, mailing address, email address, and transaction amount (gross and net).

5. What is Payment Card Industry (PCI) compliance?
   To be PCI compliant, organizations must follow set standards for securing payment information throughout a transaction, as mandated by the PCI Council. The Payment Card Industry Data Security Standard (PCI DSS) is a complex set of requirements designed to ensure that all organizations that process, store, or transmit credit card information maintain a secure environment.
6. Do PCI standards apply to my nonprofit organization?
   Yes, your organization is responsible for ensuring that PCI standards are met for all electronic donations, regardless of dollar amount or number of transactions. However, if your organization uses PayPal Payments Standard or PayPal Express Checkout, the PCI burden is offloaded to PayPal because all financial transactions take place on PayPal’s secure servers. For PayPal transactions, your organization won’t have access to or be responsible for sensitive transactional data.

7. Can I fundraise on eBay using PayPal?
   Yes. Supporters can use PayPal to make an online gift to your organization from eBay GivingWorks. Visit www.ebaygivingworks.com for more information.

8. Can I collect PayPal payments in social media platforms?
   Yes, there are multiple ways.
   • You can cut and paste the URL for your Donate button as text in any social media site. When users click on the URL, they will be directed to a safe PayPal page where they can make their payment.
   • Or you can use applications built by our partners specializing in the various social media sites. See a list of preferred fundraising partners on www.paypal.com/nonprofit.

9. How do I sign up for PayPal Here to collect donations on smartphones?
   If you already have a PayPal account, simply download the PayPal Here free app to your iPhone or Android device from your app store or visit the PayPal Here page at www.paypal.com/here. After you have downloaded the app, log in with your PayPal account email and password. Then, follow the various prompts to set up the PayPal Here app.
   
   If you don’t already have a PayPal account, visit www.paypal.com and use the Sign Up button at the top left, or sign up within the mobile app after you have downloaded it to your smartphone.

   For more information, visit the PayPal Here page at www.paypal.com/here.

10. What are the fees for PayPal Here?
    The PayPal Here card reader is shipped to you free of charge, and there is no monthly fee. You just pay a per-transaction fee as follows:

    | Transaction type   | US          | Canada       | Australia    | Hong Kong | Japan |
    |--------------------|-------------|--------------|--------------|-----------|-------|
    | CC swipe & PayPal  | 2.70%       | 2.70%        | 2.40% + $0.30| 3.90% + HK$2.35| 5.00% |
    | CC key-in          | 3.50% + $0.15| 3.50% + $0.15| 2.90% + $0.30| 4.20% + HK$2.35| n/a   |
    | CC scan            | 3.50% + $0.15| 3.50% + $0.15| 2.90% + $0.30| 4.20% + HK$2.35| n/a   |

11. Can donors make recurring payments?
    Yes, the Donate Button already has recurring payments as an option for donors when they choose their own amount.
    If you want to specify a set amount, you can use a “subscribe” button from the selection of buttons in the PayPal Payments Standard solution. For more info go to: https://www.paypal.com/us/cgi-bin/webscr?cmd=_subscr-intro-outside

12. Does PayPal offer tax receipts?
    At this time, PayPal is not required to provide tax documents. However, you always get receipts of all PayPal transactions. Give us a call at 877-419-7996 or visit www.paypal.com/payflowpartner to learn more about the Payflow Gateway, including published rates, buy rates, and revenue share models.