

Why Can't I Just Send Money With My Visa Card?

Published: March 19, 2025 at 7:54 PM Author: Richard Djarbeng 11 min read

Part 1 of 2 in the series [Sending Money Across Borders](#)

1. Why Can't I Just Send Money With My Visa Card?

[Why Can I Pay for Netflix Instantly, But Not Send \\$5 To My Brother Abroad? Enter](#)

2. [Revolut](#)

Banks often promote Visa and Mastercard as efficient tools for swift, seamless transactions. However, one critical feature is notably absent: the ability to transfer funds directly between cardholders. This post explores the limitations of Visa and Mastercard for direct peer-to-peer (P2P) transfers between cardholders, contrasting their efficiency in merchant payments with the added costs, delays, and intermediaries required for bank account transfers.

Unlike their standard role in point-of-sale purchases or online payments, these cards don't support direct bank account transfers without involving a bank or third-party service. This situation creates additional steps for money transfers, each additional step adds fees and increases the complexity. Moreover, such transfers can take hours or even days to process, delaying even the simplest exchanges between users. This post examines the disconnect between the capabilities of these cards and their real-world functionality examining emerging solutions that try to bridge the gap.



How Banks Present Visa and Mastercard

Visa and Mastercard are widely promoted by financial institutions for their speed and ease of use. For example, Visa's website highlights "fast, secure payments" accepted globally, while Mastercard emphasizes "convenient transactions" in its branding. Banks echo this, often advertising debit and credit cards as versatile tools for managing money. As mentioned, these claims primarily apply to payments—purchasing goods or services—not to transferring funds directly to another bank account.



In this post I hope to discuss the current situation regarding money transfer across card holders for US dollar accounts. I choose to use one currency as a simplifying assumption to avoid making this post longer or more complex than it needs to be by avoiding a discussion on Foreign exchange services; that topic could be another post on its own.

Limitations of Direct Transfers

Visa and Mastercard operate as payment networks, facilitating transactions between cardholders and merchants across multiple banks and countries. According to Visa's operational guidelines, their system processes over 200 billion transactions annually, almost entirely for payments, not interbank transfers. Direct transfers to bank accounts typically rely on systems like SWIFT (Society for Worldwide Interbank Financial Telecommunication) or ACH (Automated Clearing House), which these cards are not designed to access independently. As a result, cardholders cannot initiate a transfer to a bank account or card holder without additional steps.

Bank Involvement in Transfers

Most banks do not allow Visa or Mastercard to fund wire transfers directly. For most wire transfers, fees apply: domestic wire transfers average \$25, while international ones range from \$40 to \$50, per Bankrate's 2024 data. Additionally, if a card is used, banks may classify the transaction as a cash advance, incurring fees of 3%-5% (e.g., \$15-\$25 on a \$500 transfer) and higher interest rates, often above 20% APR.



Market Gap and Emerging Solutions

The inability to easily transfer money from one person to another across banks has been recognized by several companies, leading to innovative solutions.

- In the US, Venmo processed over \$244 billion in transactions in 2023 ([Business of Apps](#)), while Zelle handled [2.3 billion transactions worth \\$629 billion](#). Venmo also supports transactions by connecting Visa cards directly.

- [Plaid](#) facilitates seamless transfers by linking bank accounts to over 7,000 apps, as noted in their [2024 overview](#), however it may not support your bank of interest. From their page Plaid seems to provide transfer services for apps like [Revolut](#) and [Wise](#).
- In Africa, mobile money platforms from telecom giants like MTN Mobile Money and M-Pesa have revolutionized peer-to-peer transfers, with M-Pesa alone boasting 51 million active users in Kenya moving \$315 billion annually, per [Safaricom's 2023 Annual Report](#).

These solutions leverage direct bank connections or mobile networks, offering faster and often cheaper alternatives to traditional bank transfers, addressing a gap Visa and Mastercard have yet to fill.

Personal note: I've used a mobile money wallet linked to my bank account, and it's incredibly convenient. There's usually no fee to move money between the bank and wallet, and sending cash to someone just requires their phone number—far easier than juggling Visa or Mastercard details, since most people know their phone number by heart. There is a fee to transfer between persons but it's usually lower than those of a regular bank transfer. Zelle, operated by US banks, seems to have borrowed this idea, using a phone number or email to send money instantly. End note.

A money transfer example

From the points above you see that these solutions shine for in-country payments but hit a wall internationally, where the gap persists.

Consider this: you're at a conference in Nairobi, Kenya, and meet your favorite Belgian author. As a Singaporean fan, you'd love to send him \$5 (6.68 SGD) as a small thank-you for inspiring you. Even though you both hold Visa cards, tools like Venmo, Zelle, or M-Pesa don't offer a quick cross-border option, at least none that I've come across. Instead, you'd have to exchange bank details, log into your banking app, face fees starting at \$15 or more, and wait 2-3 days for that modest \$5 to arrive. It's little wonder your author might politely wave off the gesture—if only you had a \$5 note to slip into his hand before he could protest.

The next section delves into third-party services that attempt to address this global hurdle.

Third-Party Services as an Alternative

Services like Wise, PayPal, and Venmo enable card-funded transfers to bank accounts, bridging the gap. This applies to cards that are not on the payment platform being used to initiate a payment. Wise, for example, charges 0.43%-1.0% plus a fixed fee (e.g., \$4.14 for a \$500 USD-to-USD transfer, per their March 2025 fee calculator). PayPal's fee for card-funded transfers is 2.9% plus \$0.30 per transaction domestically, with higher rates for international sends. However, banks may still apply cash advance fees, adding 3%-5% to the cost. These services process transfers via their own networks or SWIFT, not the Visa or Mastercard payment rails.

I've used Wise (formerly TransferWise) myself, and the fees can surprise you depending on your card. When I sent money from my USD Visa card—issued in Rwanda—to a US bank account, the cost shot from \$26 to nearly \$100 once Wise clocked the card's origin. Skipping the issuing bank (though Wise feels bank-like itself) meant a higher fee than the \$40-\$50 I'd have paid for a traditional bank transfer. Worse, these services often lean on systems like SWIFT or WIRE, piling on extra charges that can outstrip standard bank rates.

Convenience? Not quite. Unlike mobile money or Zelle, where a phone number or email suffices, these platforms demand bank details—SWIFT codes, account numbers, addresses—that you have to exchange manually. You can't just use the recipient's Visa card number (ironic, since it's their unique ID, but sharing it's a security no-no). So you're back to form-filling, waiting hours or days for the funds to land, and facing fees that sometimes dwarf traditional bank transfers.

One direction remittance transfer

Then there's the direction issue. Take [Remitly](#), for example: I've seen it happily send money from the US or UK to Ghana or Brazil, but try reversing that—say, from Ghana to the US—and you're out of luck. I naively assumed remittances flowed both ways, but not here. It's a one-way street that leaves you stranded if you're on the "wrong" side.

Even if the charges were better than using a regular bank, many people might prefer not to hand their financial details to a 3rd party.

Why Transfers Differ from Payments

Payments via Visa or Mastercard use a closed-loop system: cardholder to merchant, processed instantly through the card network. Transfers, however, involve moving funds between accounts, often across banks or borders, requiring infrastructure like SWIFT (handling \$5 trillion daily, per SWIFT's 2024 report) or ACH (68.1 billion transactions in 2023, per Nacha) to process the details. Cards lack direct access to these systems, limiting their role to payment initiation, not fund movement. The point is that payments and transfers use different systems that were not built to work with each other even though the functionality is almost the same.



Summary

Visa and Mastercard excel as payment tools, processing billions of transactions yearly, but they are not built for direct bank account transfers. The alternative is Banks and third-party providers that enable transfers, typically at a cost ranging from \$5 to \$50 per transfer,

depending on the method and amount. Cardholders seeking to move money must navigate these additional layers, as the cards' core design prioritizes payments over transfers.

Promotion vs. Reality: Cards are marketed for fast, secure purchases but lack native P2P support. Users must rely on SWIFT/ACH transfers via banks, which add complexity and cost.

Traditional Transfer Costs: Wire transfers cost \$25-50 domestically and \$40-50 internationally. When cards are used to fund these transfers, banks often classify them as cash advances, adding 3-5% fees and higher interest rates.

Third-Party Solutions: Services like Wise charge approximately 0.43-1% plus a \$4 fixed fee (e.g., \$4.14 for a \$500 USD-USD transfer), while PayPal charges 2.9% plus \$0.30 for domestic transfers, with higher international rates. Additional bank charges may still apply.

Emerging Regional Solutions:

- **US:** Venmo processed ~\$276B in volume in 2023, while Zelle handled 2.9B transactions worth \$806B in 2023. These services offer phone/email-based transfers for instant domestic payments.
- **Africa:** M-Pesa processed 33B transactions worth \$40.2T in FY2024, revolutionizing mobile-based transfers across the continent.
- **Infrastructure:** Plaid connects bank accounts to apps like Revolut and Wise, though coverage varies by institution.

International Challenges: Cross-border transfers remain slow and expensive, with many services offering only one-way transfers (e.g., Remitly). Users must share sensitive bank details, and receiver deductions of \$15-20 are common even when senders pay all stated fees.

Technical Distinction: Cards enable instant merchant payment loops, while transfers require separate interbank systems like SWIFT (~\$150T annually) or ACH (31.5B transactions worth \$80.1T in 2023).

The fees for the different options available and their different properties are listed in the table below.

Service/Method	Typical Fees (USD)	Speed	Key Features/Limitations	Best For
Bank Wire (Domestic)	\$26	1-2 days	ACH/SWIFT; card adds 3-5% cash advance	Large US transfers
Bank Wire (International)	\$44	2-5 days	High fees; receiver deducts \$15-20	Formal cross-border
Wise	0.43-1% + ~\$4 fixed (e.g., \$4.14 for \$500)	Hours to 2 days	Card-funded OK but extra if foreign; needs bank details	Low-cost international
PayPal	2.9% + \$0.30 (domestic); higher international	Instant to 1 day	Card-funded; one-way limits; security risks	Online P2P with accounts
Venmo/Zelle	Often free (or low %)	Instant	Phone/email; US-only; Venmo links Visa	Domestic US P2P
M-Pesa (Africa)	Low (e.g., <1% P2P)	Instant	Mobile-based; 33M users, \$40.2T/year; in-country	African mobile transfers

PS: Apart from the charges mentioned here most banks charge a fixed amount for receiving funds via transfers with a card or SWIFT transfer. You might find the receiver short by 15 or 20 USD after you have already paid the charges. Yes, this applies even if the sender chooses to pay for the transfer charges. And yes sadly I was a victim of this.

Images in this post were generated by Grok from xAI.

Disclaimer: The information contained herein is for informational purposes only. Nothing herein shall be construed to be financial, legal or tax advice. The content of this post is solely the opinions of the writer who is not a licensed financial advisor or registered investment advisor.

Related Concepts & Posts

The following cards provide further definitions of concepts discussed above, and possible links to related posts.

What is Visa?

Payment Network

Visa is a global digital payments network connecting consumers, merchants, and banks. It doesn't issue cards, but provides the underlying payment rails that allow financial institutions to securely process credit and debit transactions.

What is Mastercard?

Payment Network

Mastercard is a leading global payments technology company operating a network connecting banks, consumers, and businesses. Known for its extensive international acceptance, it powers debit, credit, and prepaid cards.

What are SWIFT and ACH?

Bank Transfers

SWIFT is the global messaging network banks use securely to send cross-border money transfers. **ACH** (Automated Clearing House) is a localized U.S. electronic network used for domestic bank-to-bank transfers.

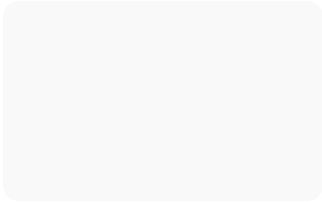
Part 2: Why Can I Pay for Netflix Instantly, But Not Send Money Abroad? Enter Revolut

Series

Cross-Border Payments

A look into how digital payments and international transfers differ.

[Read Part 2](#)



Part 3: What is Google Pay and Apple Pay?

Series

Digital Wallets

How they work, where they work, and why they're safer.

[Read Part 3](#)