



S900 Special Postal Services

S920 Convenience

S923 Merchandise Return Service

Summary S923 describes the use of merchandise return service including classes of mail permitted for this service. It describes the permit application process and fees. It also discusses label preparation and format elements.

1.0 BASIC INFORMATION

Description Merchandise return service allows an authorized permit holder to pay the postage and special service fees on single-piece rate First-Class Mail, Priority Mail, and Package Services parcels that are returned to the permit holder by the permit holder's customers via a special label produced by the permit holder.

1.1

Availability Merchandise return service is available to the permit holder for mailing to the postage due unit at any post office where authorized by an approved application.

1.2

Payment Guarantee The permit holder guarantees payment of the proper postage and special service fees (except for insurance purchased by the sender) on all parcels returned via a special label produced by the permit holder.

1.3

Where Service Established Merchandise return service may be established at any post office in the United States and its territories and possessions or at any U.S. military post office overseas (APO/FPO). It is not available for any foreign country.

1.4

Distribution Merchandise return service labels may be distributed to customers as an enclosure with merchandise, as a separate item, as part of a double postcard (see 5.4), as a facsimile transmission (fax), as an electronic transmission for customer downloading and printing, or through one of the permit holder's designated pickup facilities. Any such label distributed to a customer must meet the format standards in 5.0, including the requirement to furnish instructions.

1.5

Official Mail Any authorized user of official (penalty) mail may use merchandise return service subject to the standards in E060, which supersede conflicting standards below.

1.6

Customer Mailing Options The permit holder's customers must mail the parcel within the service area of the post office shown in the return address on the label by depositing it at the main post office or any associated office, station, or branch; in any collection box (except an Express Mail box); with any rural carrier; on business routes during regular mail delivery if prior arrangements are made with the carrier; as part of a collection run for other mail (special arrangements might be required); or at any place designated by the postmaster for the receipt of mail. Parcels requiring insurance, registered mail, return receipt for merchandise, special handling, or mailing acknowledgement must be mailed either with the rural carrier or at the main post office or any associated office, station, or branch. Any such parcels deposited in collection boxes are returned to the sender or, if there is no return address, treated as undeliverable mail.

1.7

Priority Mail Reshipment An authorized permit holder may use merchandise return service to have mail (previously sent at First-Class Mail and Package Services rates to designated post office box addresses) reshipped by Priority Mail to the post office where the permit is held. The permit holder must make a written request for reshipment and send the request to the postmaster where the merchandise return permit is authorized, specifying how often the reshipments are to be made from each affected postal

1.8



facility. Reshipment is activated by the use of tags provided by the permit holder to those designated postal facilities that the permit holder authorizes to reship the mail by Priority Mail.

Reshipment Restrictions

1.9

Reshipment is not available for articles with any special service (S900). The customer must arrange to have mail with special services redirected to an address shown in block 17 of Form 1093.

Labels and Tags

1.10

The label or tag used for merchandise return service must have the delivery address of the postage due unit at the post office where the permit is held, the permit holder's address, a space for the customer's return address, and otherwise meet the format standards in 5.0. If sacks are used as mail containers for Priority Mail reshipment, the permit holder must provide a tag containing this information to each affected postal facility.

Mailer Markings and Endorsements

1.11

It is recommended but not required that permit holders preprint a rate marking on the merchandise return service labels they distribute. Preprinting a rate marking guarantees that returned parcels will be given service and charged postage according to the wishes of the permit holder. Regardless of weight, all unmarked parcels will be treated as Parcel Post and charged Parcel Post rates.

2.0 PERMITS

Application Process

2.1

The applicant must submit a completed Form 3615 and the annual permit fee to the post office issuing the permit. If the applicant already has a completed Form 3615 on file at that office, the form may be amended by adding the merchandise return service authorization to existing permit authorizations. Except for MRS labels generated by the USPS Application Program Interface (API), the Form 3615 must be accompanied by copies of the MRS labels (including printed copies of labels intended to be faxed to customers or transmitted to customers electronically) and the instructions provided to the permit holder's customers. All MRS labels that have preprinted Delivery Confirmation barcodes must be approved by the Postal Service (S918). If articles are to be returned from customers as registered mail, the applicant must write "Registered Mail" on the application. After a permit is obtained, any change to label formats or customer instructions must be approved by the post office where the permit is held. The permit is valid for 12 months after the approval date of the application.

Procedure

2.2

An approved merchandise return permit on Form 3615 must be on file at every post office to which parcels are returned. A permit holder with several return points may set up a centralized advance deposit account at the post office where the permit is approved (requiring payment of a single annual permit fee).

Multiple Accounts

2.3

When an advance deposit account is kept at each entry location, a separate permit is needed and the annual merchandise return service permit and annual accounting fees must be paid at each post office.

Registered Mail

2.4

A permit holder wanting to add registered mail service under an existing permit must submit a written request to the post office where the permit is held, with samples of the merchandise return labels and a copy of the instructions to be provided to the permit holder's customers. The permit holder must not distribute labels that request registered mail service before receiving USPS written approval.

Annual Fee

2.5

To renew the permit, the permit holder must send the annual fee to the issuing post office by the expiration date of the permit or authorize the postmaster to deduct the



fee from the advance deposit account. Written authorization is not needed for permit renewal if there is no change to the authorization on file at the delivery unit.

Nonrenewed Permit
2.6 If the permit is not renewed, merchandise return mail is returned to the sender if a return address is provided. Merchandise return mail that does not contain the sender's return address is treated as dead mail.

Permit Cancellation
2.7 The USPS may cancel a permit if the permit holder refuses to accept and pay postage and fees on merchandise return service parcels, fails to keep sufficient funds in the advance deposit account to cover postage and fees, or distributes merchandise return labels or tags that do not meet USPS standards.

Reapplying After Cancellation
2.8 To receive a new permit at the same post office after a merchandise return permit is canceled, the applicant must amend the Form 3615 on file at that office to reflect the new application date; pay a new permit fee; submit for approval two samples of any label format to be used; provide evidence that the reasons for the permit cancellation are corrected; and provide and keep funds in an advance deposit account to cover normal returns for at least 2 weeks.

Using Other Post Offices
2.9 A permit holder may distribute merchandise return labels for return through other post offices without paying an additional permit fee if the permit holder opens and keeps a centralized advance deposit account at the post office where the permit is issued and supplies the postmaster of the post office where the application is submitted the name, address, and telephone number of a representative in each additional location if different from the information on the application.

3.0 POSTAGE AND FEES

Postage
3.1 Merchandise return service parcels are charged single-piece rate postage and special service fees based on the class or subclass marking on the label. If a parcel is unmarked, then it is charged Parcel Post rates. If the postage for the returned parcel is zoned and there is no way to determine its zone of origin (i.e., no postmark or return address), then postage is calculated at zone 4 (for Priority Mail) or zone 4 Inter-BMC/ASF rates (for Parcel Post). Postage is deducted from an advance deposit account.

Per Piece Fee
3.2 [7-10-03] There is no per piece fee for returned parcels.

Annual Permit Fee
3.3 [7-10-03] An annual permit fee must be paid once each 12-month period at each post office where an MRS permit is held. Payment of the annual permit fee is based on the anniversary date of the permit's issuance. The fee may be paid in advance only for the next 12 months and only during the last 60 days of the current service period. The fee charged is that which is in effect on the date of payment.

Advance Deposit Account and Annual Accounting Fee
3.4 The permit holder must pay postage and special service fees through an advance deposit account and must pay an annual accounting fee (see R900). The accounting fee is charged once each 12-month period on the anniversary date of the initial accounting fee payment. The fee may be paid in advance only for the next year and only during the last 60 days of the current service period. The fee charged is that which is in effect on the date of payment. A separate advance deposit account for MRS is not required; the annual accounting fee is charged if MRS postage and fees are paid from an existing account:

- a. For each withdrawal, only one statement is provided for each annual accounting fee paid.



- b. The permit holder must pay an annual accounting fee for each separate statement (accounting) requested. If only one annual account fee is paid, then the permit holder receives only one statement.

Existing Advance Deposit Account
3.5 A separate advance deposit account for MRS is not required; the annual accounting fee is charged if MRS postage and fees are paid from an existing account.

4.0 ADDITIONAL FEATURES

Insurance Indicated by Permit Holder
4.1 The permit holder may obtain insured mail service with MRS. Only Package Services matter (i.e., matter not required to be mailed at First-Class Mail rates under [E110](#)) may be insured. Insured mail may be combined with Delivery Confirmation and special handling, or both. To request insured mail service, the permit holder must preprint or rubber-stamp "Insurance Desired by Permit Holder for \$_____ (value)" to the left of and above the "Merchandise Return Label" legend and below the "Total Postage and Fees Due" statement on the merchandise return label. The value part of the endorsement, showing the dollar amount of insurance for the article, may be handwritten by the permit holder. If insurance is paid for by the MRS permit holder, then only the MRS permit holder may file a claim ([S010](#)).

Insurance Added by Sender
4.2 If the permit holder has not indicated insured mail service on the MRS label, then the sender has the option of adding insurance and paying the applicable insured fee. If insurance is paid by the sender, then only the sender may file a claim ([S010](#)). The permit holder pays postage upon receipt, but does not pay the insured fee when insurance is added by the sender.

Insured Markings
4.3 The permit holder must either leave a clear space on the merchandise return label to the right of the return address for the numbered insured label or insured elliptical stamp, or instruct the customer to affix the merchandise return label to the article so that the USPS acceptance employee can place the insured label or marking on the article directly above the merchandise return label.

Registered Mail
4.4 The permit holder may obtain registered mail service with MRS. The customer using an MRS label to return an article that does not have the appropriate postage due computation markings in [5.0](#) or the endorsement specified in [4.5](#) cannot add registered mail service. The customer using the MRS label must declare the full value of the article to be registered when presented at the post office. Registered mail service may be obtained only on articles returned at First-Class Mail or Priority Mail rates and may not be combined with any other special service.

Registered Mail Endorsement
4.5 To request registered mail service, the permit holder must preprint or rubber-stamp "Registered Mail Service Without Postal Insurance Desired by Permit Holder" or "Registered Mail Service With Postal Insurance Desired by Permit Holder," as applicable, to the left of and above the "Merchandise Return Label" legend and below the "Total Postage and Fees Due" statement on the merchandise return label. The First-Class or Priority Mail marking must also be preprinted or hand-stamped on the labels.

Placement of Registered Mail Label
4.6 The permit holder must either leave a clear space on the merchandise return label to the right of the return address for the placement of Label 200 or instruct the customer to affix the merchandise return label to the article so that the USPS acceptance employee can place the registered mail label on the article directly above the merchandise return label.



Delivery Confirmation 4.7	<p>The permit holder may obtain Delivery Confirmation service with MRS. The customer using a MRS label to return an article that does not have the appropriate postage due computation markings in 5.0 cannot add Delivery Confirmation service. If the permit holder chooses to preprint the Delivery Confirmation barcode on labels, then those labels must be approved by the USPS. MRS labels with Delivery Confirmation barcodes must meet the standards in S918 as shown in Exhibit 5.6d. Delivery Confirmation may be combined with insurance and special handling, or both. Delivery Confirmation is always charged at the retail rate (R900).</p>
Return Receipt for Merchandise 4.8	<p>The permit holder may obtain return receipt for merchandise (S917) with MRS. The customer returning an article using an MRS label receives return receipt for merchandise service only if the label has the appropriate postage due computation markings in 5.0.</p>
Placement of Return Receipt for Merchandise Label 4.9	<p>The permit holder must either leave a clear space on the MRS label to the right of the return address for the placement of Label 3804 or instruct the customer to affix the MRS label to the article so that the USPS acceptance employee can place Label 3804 on the article directly above the MRS label.</p>
Special Handling 4.10	<p>The permit holder may obtain special handling service with MRS. The customer using an MRS label to return an article that does not have the appropriate postage due computation markings in 5.0 or the endorsement specified in 4.11 may not obtain special handling service.</p>
Special Handling Endorsement 4.11	<p>To request special handling, the permit holder must preprint or rubber-stamp “Special Handling Desired by Permit Holder” to the left of and above the “Merchandise Return Label” legend and below the “Total Postage and Fees Due” statement on the merchandise return label.</p>
Special Handling Label 4.12	<p>The permit holder must provide “Special Handling” labels with instructions to customers about their placement on the parcel, leave a clear space on the merchandise return label to the right of the return address for the placement of the “Special Handling” marking, or instruct the customer to affix the merchandise return label to the article so that the USPS acceptance employee can place the “Special Handling” marking on the article directly above the merchandise return label.</p>
Certificate of Mailing 4.13	<p>A customer mailing merchandise return service articles may obtain a certificate of mailing at the customer’s own expense at the time of mailing by presenting the certificate at a post office to obtain the receipt.</p>
Mailing Acknowledgment 4.14	<p>The permit holder may allow a customer to obtain a mailing acknowledgment if the permit holder prepares a detachable mailing acknowledgment form, subject to these conditions:</p> <ol style="list-style-type: none"> a. The acknowledgment establishes no USPS liability for the parcel if damaged, lost, or stolen. b. The acknowledgment provides documentation for account management between the mailing customer and the permit holder. The USPS charges no fee, keeps no records, and does not provide copies of or further information about the acknowledgment. c. A merchandise return service parcel containing the detachable mailing acknowledgment form must be presented to the USPS acceptance employee at the time of mailing to be executed.



- d. Each mailing acknowledgment part of the label must include a unique parcel identification number assigned by the permit holder; the return address of the customer mailing the parcel, in the upper part of the detachable form; the permit holder's address, in the lower part of the form; an initials section in the acknowledgment portion for use by the USPS acceptance employee; and space in the acknowledgment part where the USPS acceptance employee places the date stamp.

Pickup Service

4.15

The permit holder may obtain pickup service with MRS. Pickup service may be combined with certified mail (Priority Mail only), Delivery Confirmation, and special handling. Customers may request pickup service at their own expense for MRS items that do not have "Pickup Service Fee" specified on the label (D010).

5.0 FORMAT**Label Preparation**

5.1

Any photographic, mechanical, or electronic process or any combination of such processes other than typewriting or handwriting may be used to prepare the MRS label or tag and detachable acknowledgment form. The background may be any light color that allows the address, postmark, and other endorsements to be readily discerned. Brilliant colors may not be used for the background. If labels are faxed to customers or electronically transmitted to customers for their local printing, the permit holder must advise customers of these preparation requirements as part of the instructions required by 5.5. All MRS labels that include Delivery Confirmation barcodes must be certified for use by the USPS prior to distribution. Labels with Delivery Confirmation barcodes cannot be faxed to customers.

Labeling Methods

5.2

If all applicable content and format standards are met (including the written instructions required by 5.5), a merchandise return service label may be produced by any of the following methods:

- a. As an impression printed by the permit holder directly onto the mailpiece to be returned.
- b. As a separate label preprinted by the permit holder for affixing by the customer onto the mailpiece to be returned. The reverse side of the label must bear an adhesive strong enough to bond the label securely to the mailpiece.
- c. As a facsimile transmission (fax) of a preprinted label sent by the permit holder to the customer. The facsimile transmission must include instructions that explain how to affix the label securely to the mailpiece to be returned and that caution against covering with tape or other material any part of the label where postage and fee information is to be recorded.
- d. As an electronic file created by the permit holder for local output and printing by the customer. The electronic file must include instructions that explain how to affix the label securely to the mailpiece to be returned and that caution against covering with tape or other material any part of the label where postage and fee information is to be recorded.

Acknowledgment Form

5.3

If the permit holder includes a mailing acknowledgment as described in 4.14, that acknowledgment must not bear adhesive but must be attached to the label and perforated or designed for easy separation at the time of mailing.

Double Postcard

5.4

The permit holder may distribute labels using a double postcard subject to C100 and the approval of the RCSC serving the permit holder's post office.



- Instructions**
5.5 Written instructions must be provided with the label that, at a minimum, direct the customer:
- a. To affix the label squarely onto the address side of the parcel, covering up any previous delivery address and barcode without overlapping any adjacent side. If tape or similar material is used, it must not cover any part of the label where postage and fee information is to be recorded.
 - b. To obliterate any other addresses and barcodes on the outside of the parcel.
 - c. To take the parcel to a post office, drop it in a collection box, or give it to a postal carrier. If insurance, return receipt for merchandise, or special handling is marked on the label, the parcel must be taken to a post office.
- Format Elements**
5.6 Format standards required for the merchandise return label are shown in [Exhibit 5.6a](#), [Exhibit 5.6b](#), [Exhibit 5.6c](#), and [Exhibit 5.6d](#), and described as follows:
- a. Postage Guarantee. The endorsement “No Postage Necessary if Mailed in the United States” must be printed in the upper right corner on the face of the label. The left edge of the endorsement must not extend more than 1-3/4 inches from the right edge of the label.
 - b. “Merchandise Return Label” Rectangle. The “Merchandise Return Label” rectangle must be placed above the return delivery address and must enclose these lines:
 - (1) Line 1: The words “MERCHANDISE RETURN LABEL” (the “Merchandise Return Label” legend) must be shown in capital letters at least 3/16 inch high.
 - (2) Line 2: The words “PERMIT NUMBER” or “PERMIT NO.,” followed by the permit number, and the name of the issuing post office (city and state), followed by the ZIP Code, must be shown in capital letters.
 - (3) Line 3: The name and delivery address (street or post office box number) of the permit holder at that post office must be placed directly below the permit number line. Alternatively, a permit holder may use a name other than the permit holder’s own name on this line if a written notification of the change is provided to the issuing post office. A separate permit or fee is not required for using this alternative name.
 - c. Rate Marking. If the marking recommended in [1.11](#) is used, it must be placed in the space to the right and above the “Merchandise Return Label” legend. The marking must be at least 3/16 inch high and printed or rubber-stamped. Only the permit holder may apply this marking.
 - d. Special Services Except Registry. If no special service is requested, or if special services other than registry service are requested, the applicable entries below must be shown in capital letters above the “Merchandise Return Label” legend rectangle and to the left of the space reserved for any class marking:
 - (1) If no special service is requested, “POSTAGE DUE COMPUTED BY DELIVERY UNIT” must appear; if any available special service other than registry is requested, “POSTAGE DUE COMPUTED BY ACCEPTANCE POST OFFICE” must appear.
 - (2) As marked with an asterisk below, insurance, special handling, Delivery Confirmation, return receipt for merchandise, and pickup service fee entries may not appear if the permit holder does not



choose the corresponding service(s). As appropriate, these postage and fee markings must appear:

	POSTAGE	_____
	*INSURANCE FEE (IF ANY)	_____
	*DELIVERY CONFIRMATION FEE (IF ANY)	_____
*RETURN RECEIPT FOR MERCHANDISE FEE (IF ANY)		_____
	*SPECIAL HANDLING FEE (IF ANY)	_____
	*PICKUP SERVICE FEE (IF ANY)	_____
	TOTAL POSTAGE AND FEES DUE	\$ _____
	INSURANCE DESIRED BY PERMIT HOLDER FOR (VALUE)	\$ _____

e. Registry Service. If registry service is requested, the appropriate class marking must appear for First-Class Mail (“First-Class” or “First-Class Mail”) or Priority Mail (“Priority” or “Priority Mail”). In addition, the following applicable endorsements must appear in capital letters above the “Merchandise Return Label” legend rectangle and to the left of the space reserved for the class marking:

- (1) “ACCEPTANCE POST OFFICE COMPUTE POSTAGE DUE.”
- (2) The following postage and fee entries:

	POSTAGE REGISTERED FEE	_____
	TOTAL POSTAGE AND FEES DUE	\$ _____

- (3) The appropriate insurance endorsement, below the “TOTAL POSTAGE AND FEES DUE” entry: if matter returned has value (\$0.01 or greater), “REGISTERED MAIL SERVICE WITH POSTAL INSURANCE DESIRED BY PERMIT HOLDER”; if matter returned has no value (\$0.00), “REGISTERED MAIL SERVICE WITHOUT POSTAL INSURANCE DESIRED BY PERMIT HOLDER.”

f. Customer’s Return Address. The return address of the customer mailing the article back to the permit holder must be shown in the upper left corner. Space must be provided for the customer’s return address if it is not preprinted by the permit holder.

g. Delivery Address. The lines “POSTAGE DUE UNIT” and “US POSTAL SERVICE,” followed by the delivery address line and by the city, state, and ZIP Code line of the postage due unit at the post office where the permit is authorized, must be printed on the front of the mailpiece, at least 1 inch from the left edge of the piece, in capital letters at least 1/8 inch high.

h. Horizontal Bars. Horizontal bars must be placed on the label below the postage endorsement that appears in the upper right corner. The bars must be uniform in length, at least 1 inch long, 1/16 inch thick, and evenly spaced. The vertical column of horizontal bars must not extend below the delivery address line, which is the line above the line containing the ZIP Code. A facing identification mark (FIM) must not be used on this label.

i. Additional information. Additional information (e.g., company logo, return authorization number, inventory barcode) is permitted if it does not interfere with any required format elements. Inventory barcodes must not resemble the barcodes described in C850.



Exhibit 5.6c Merchandise Return Label With Mailing Acknowledgment (*see 5.6d)

Recommended Blank Space for Insurance Label or Elliptical Insurance Marking or
Special Handling Marking: 2-7/8 x 1-5/16 inches

Location of Rate Marking

FROM: _____

POSTAGE DUE COMPUTED BY
ACCEPTANCE POST OFFICE

I.D. # 654321A

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

PRIORITY MAIL

MERCHANDISE RETURN LABEL
PERMIT NO. 1 CONESTOGA PA 17516
ABC CO. 501 FIRST AVE.

POSTAGE DUE UNIT
US POSTAL SERVICE
PO BOX 9998
CONESTOGA PA 17516-9998

FROM: _____

I.D. # 654321A

ROUND DATE
STAMP _____

ACCEPTANCE EMPLOYEE
INITIAL _____

MERCHANDISE RETURN
MAILING ACKNOWLEDGMENT
PERMIT NO. 1 CONESTOGA PA 17516
ABC CO. 501 FIRST AVE.

Special Service Endorsements → POSTAGE _____
*INSURANCE FEE (IF ANY) _____
*SPECIAL HANDLING FEE (IF ANY) _____
*PICKUP SERVICE FEE (IF ANY) _____
TOTAL POSTAGE AND FEES DUE \$ _____
INSURANCE DESIRED BY _____
PERMIT HOLDER FOR \$ _____ (VALUE)

Exhibit 5.6d Merchandise Return Label with Delivery Confirmation Service

FROM: _____

POSTAGE DUE COMPUTED BY
ACCEPTANCE POST OFFICE

POSTAGE _____
DELIVERY CONFIRMATION FEE _____
TOTAL POSTAGE AND FEES DUE \$ _____

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

USPS DELIVERY CONFIRM



8202 6837 3310 0000 0012

MERCHANDISE RETURN LABEL
PERMIT NO. 1 CONESTOGA PA 17516
ABC CO. 501 FIRST AVE.

POSTAGE DUE UNIT
US POSTAL SERVICE
PO BOX 9998
CONESTOGA PA 17516-9998