

Availability of Deposited Funds

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Issue

Explain when deposited funds are available for withdrawal from a bank or credit union.

Summary

For most deposits, federal regulations require federally insured banks and credit unions to make at least some funds available from deposited checks within one to two business days, depending on the type of check involved and where the money is drawn from, among other factors ([12 C.F.R. §§ 229.10\(c\) & -229.12](#)). Generally, the first \$225 of a check must be available at the start of the business day after the banking day the deposit occurred. (A banking day is generally a business day that a bank is open.)

However, banks and credit unions may hold the aggregate deposit amount by a single customer over \$5,525 for a “reasonable” period of time beyond the normal availability period ([12 C.F.R. § 229.13\(b\)](#)). According to the [Office of the Comptroller of the Currency](#) (OCC), this can be up to five business days, or longer if the bank can show that more time is warranted (e.g., it has reason to believe the check will not clear).

The institutions must provide their deposit availability policy to customers upon request and before a customer opens a new account ([12 C.F.R. §§ 229.16 to -18](#)). They must also post notices about funds availability on ATMs, deposit slips, and other places ([12 C.F.R. § 229.18](#)).

Funds Availability

Federal regulations governing deposit availability apply to national banks and banks insured by the Federal Deposit Insurance Corporation and to credit unions insured by the National Credit Union Share Insurance Fund, among other institutions. The following table provides the general availability of certain common deposits and the regulatory authority for the requirement.

Table: General Funds Availability for Certain Deposits Under Federal Regulation

Deposit Type	Availability*	Citation
Cash	<ul style="list-style-type: none"> • Next business day (if deposited in person) • Within two business days (if deposited not in person, such as at an ATM) 	12 C.F.R. § 229.10(a)
Electronic Payments (Wire or ACH Transfers)	<ul style="list-style-type: none"> • Next business day after the bank receives payment, collects funds, and has the information necessary to credit the receiving account 	12 C.F.R. § 229.10(b)
U.S. Treasury or Postal Service Money Orders; Federal Reserve or Federal Home Loan Bank Checks; State or Local Government Checks; and Cashier's, Certified, or Teller's Checks	<ul style="list-style-type: none"> • Next business day when deposited in person and into the payee's account. For state and local government checks, the depository bank must also be in the same state as the issuing governmental unit • Second business day for checks not deposited in person (e.g., mobile or ATM deposits) 	12 C.F.R. §§ 229.10(c)(1)(i)-(v) & -229.10(c)(2)
"On-Us" Checks (i.e., checks deposited in the same bank on which they are drawn)	<ul style="list-style-type: none"> • Next business day if the branches are in the same state 	12 C.F.R. § 229.10(c)(vi)
Regular paper checks	<ul style="list-style-type: none"> • Next business day for the first \$225 • Second business day for the remainder 	12 C.F.R. §§ 229.10(c)(i)-(vi) & -229.12(b)(1)

*"Next business day" refers to the business day after the banking day the deposit occurred.

Exceptions

There are several exceptions to the deposit availability provided in the above table. Banks and credit unions can hold deposits for such things as new accounts, larger checks, redeposited checks (e.g., depositing a returned check), and accounts with repeated overdrafts ([12 C.F.R. § 229.13](#)).

Additionally, some funds are not immediately considered “deposited.” For example, funds deposited at an ATM or a night depository (i.e., lockbox) are considered deposited when they are removed from the ATM or received at the banking facility and available for processing ([12 C.F.R. § 229.19\(a\)\(4\)](#)). Funds deposited at ATMs a bank does not own or operate may not be available for up to five business days ([12 C.F.R. § 229.12\(f\)](#)). Funds deposited after a “cut-off” time established by the bank or credit union may not be considered deposited until the next banking day ([12 C.F.R. § 229.19\(a\)\(5\)](#)).

More information is available on the OCC’s [Availability of Funds](#) website.

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