

Apple's Venmo rival launches in beta

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Time for Venmo, Square Cash and PayPal to play defense?

Apple on Tuesday was set to finally launch its previously announced person-to-person payments service that will let you pay the babysitter, split dinner costs with pals, pay your share of rent to a roommate, or reimburse the kid who cuts your lawn, all through the Messages app on your iPhone or iPad. The service, which is still in beta, also will work with the Apple Watch.

Siri promises to lend an assist too, if you bark out a command along the lines of, "Hey Siri, send \$25 to Sam for movie tickets."

Before you send [money](#) through the service, you must securely authenticate the transaction, through Face ID facial recognition on the iPhone X, or the Touch ID fingerprint sensor on other iPhones. That prevents a thief from sending [cash](#). If you use the Apple Watch you can secure the transaction by entering a passcode.

If someone you owe money to sends an Apple Pay request through an iMessage, you tap Pay on the bubble inside the Messages app; the requested amount may be pre-filled.

Of course, you can request in-kind money from friends, family or anyone else you're communicating with in an iMessage. How so? Inside the Messages app, tap the App Store for iMessages symbol, and then tap the Apple Pay icon. You can then enter the amount and tap a Request button.

The new service does not work with Android phones.

Any funds you receive are added to a new Apple Pay Cash card that lives inside the Apple Wallet app on your phone or tablet. Apple says the money that you send or is sent to you will land instantly.

Once you've got money in your Apple Pay Cash

account, you can use it to complete purchases at any merchant who already accepts Apple Pay, just as you do with any other cards you've got in your Apple Pay account. You can also transfer the Apple Pay Cash balance to a bank account. The first time that you use Apple Pay Cash, you have seven days to accept the money sent your way.

Any money you send is funded from the credit or debit cards that are already stored on your in the Apple Wallet app or the Apple Pay Cash card on your device.

There are no fees to dispatch money with your debit or Apple Pay Cash card, though you will have to pay a typical 3% fee to send money through a credit card.

To get started, you must join the Apple Public beta program and download iOS 11.2 or later. If you're not comfortable with pre-release software, you might want to hold off for now.

To send or receive money, both parties must be running the appropriate iOS 11 software.

You can send or receive a minimum payment of \$1 per message. The max to send or receive is 3,000. Within a seven-day period, you can send or receive a \$10,000, tops.

You can transfer up to \$3,000 to your bank in a single transfer. Within a one-week period, you can transfer up to \$20,000 to your bank.

"We don't expect normal usage to be impacted by limits," Apple vice president of Apple Pay Jennifer Bailey said in an interview.

Apple wants a piece of the \$1 trillion spent every year on person-to-person payments, most of which is still done through cash or checks. Of course, many people already send money on their iPhones using Venmo, Square, PayPal, Google Wallet or other apps.

A consortium of banks, including Bank of America, Capital One, Citi, Chase, TD Bank, U.S. Bank and Wells Fargo among others, recently partnered to create their own service called Zelle as part of their own bid for this lucrative market.

While not the first to integrate with a messaging service—Snapchat and Facebook Messenger already offer the ability to send money to friends—Apple claims its advantage comes through the millions of people already relying on iMessage and the Messages app.

"We see this a great enhancement to those interactions by simply being able to pay each other using Messages and the payments capability that's we've built into iOS (with) Apple Pay," Bailey says.

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