

Installment billing.

When you enter an installment billing this is what happens.

- a. It Credits the full amount of the sale, including interest, to Sales.
- b. It debits the full amount, including interest, to Notes.
- c. If you received a down payment it will credit Notes and debit Cash in Bank.
- d. It creates the first month bill which debits A/R the amount of the first month bill.
- e. It credits Notes the amount of the first month bill.

Procedures to reverse / cancel an installment billing.

There are two scenarios to deleting an installment billing.

- a. A customer has an installment billing and after two days he returned the product for a refund.
- b. A customer has an installment billing but wishes to pay it off early.

We should first stop the automatic billing by delete the command that creates the bill each month.

On a command line type:

UPDDTA W#EQPUR<E>

CUSTOMER#

ITEM##

Find the delete field and put a "D" in this field.

EQPRCHUP<Enter>

Customer # _____

Item # _____

F4 to delete this action.

To reverse "A" above the actions you will need to take are as follows.

You should create an invoice, billing the customer for the value of the outstanding installments using an item number such as INSTCAN. (Note: Item INSTCAN should be set up with a product group that has the notes GL account number in the sales field.) Then use a misc. item number whose product group is the same as the original item to bill a credit for the amount you are allowing for monies already paid on the account. This can be released as a Cash sale and give the customer the refund out of the drawer or release it as a Charge sale and cut a check to mail later.

Credit for the full amount of the installment billing using the real item number and the inv # of the first installment monthly bill it just generated. This will zero out this transaction.

Situation "B".

Write up an invoice crediting (1-) the entire amount of the installment billing using the actual item number. This will put the item back in stock and put a credit in his AR file.

Go into Cash receipts and write off the credits against notes and write off the monthly bill debit against notes.

Install can for amount of down payment or write a check and debit notes.

Go into cash receipts write off the credit against the notes acct and write off the first month bill against the notes account, then cut a check for the down payment debiting the notes GL accounts.

If you should give them back the deposit in cash use cash sale invoice to bill a credit using 1- as the down payment dollar amount. And give him the money in cash.

If you are returning the down payment by check you should debit your notes account when writing the check.

If you return the down payment as cash, you should have an item number setup using the proper product group so that it will credit the proper G/L for this purpose and complete a cash sale credit ticket.