

Using the Adjustment Column in Receipts

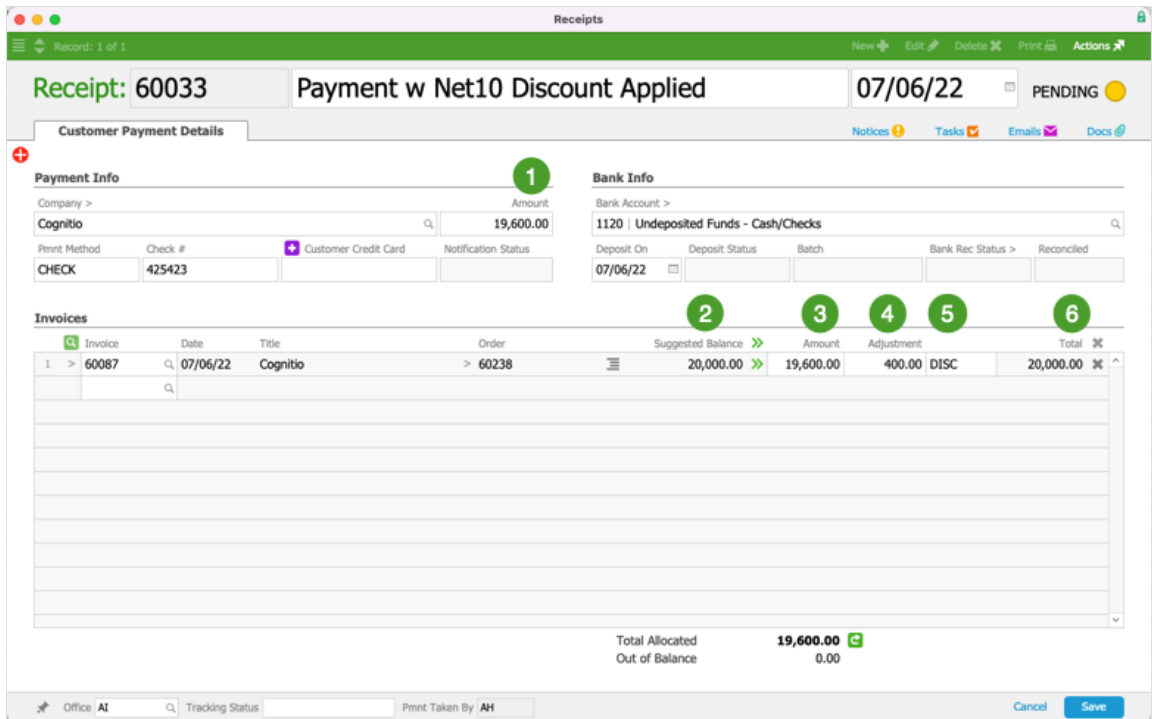
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This guide explains how to make adjustments to the amount on a receipt. It is intended for general users.

Adjustments on a receipt record can be used to account for early payments and other discount-given scenarios. The Adjustment Code column allows you to drive the discount to the applicable GL account. (Note: Your system administrator [manages the adjustment codes](https://aace6.knowledgeowl.com/help/customizing-adjustment-codes) (<https://aace6.knowledgeowl.com/help/customizing-adjustment-codes>).

Example of Adjustment for Customer Discount

As an example, suppose you had an outstanding invoice for \$20,000.00, with terms of Net 10.2%. The customer opts to take advantage of the early payment discount, sending a check for the discounted amount of \$19,600.00. Your A/R rep would create a new customer payment in aACE similar to the following screenshot:



Payment Info Section

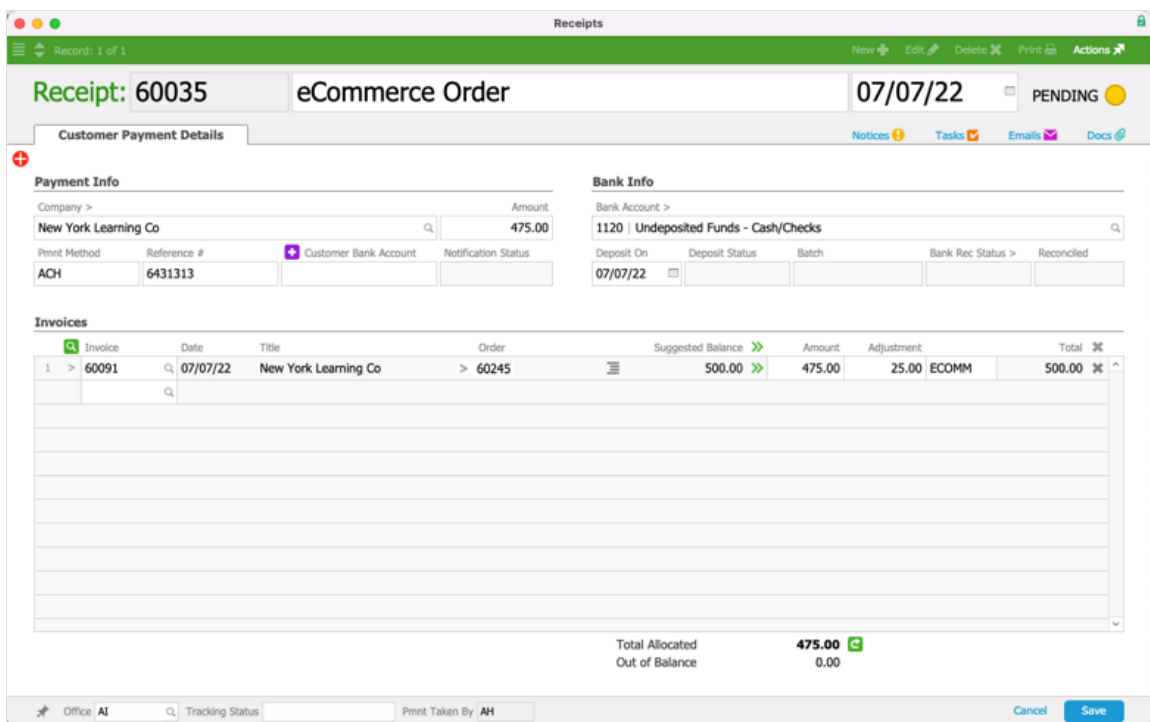
1. Amount – The reduced amount that the customer is paying

Invoices Section

2. Suggested Balance – The amount due on the initial invoice
3. Amount – The amount you are receiving towards the invoice's balance
4. Adjustment – The amount you are discounting from the invoice's balance
5. Adjustment Code – A dropdown menu to specify the reason for each adjustment
 Note: This field becomes active *after* you enter an amount in the Adjustment field.
 System administrators can [add other adjustment codes](https://aace6.knowledgeowl.com/help/customizing-adjustment-codes) (https://aace6.knowledgeowl.com/help/customizing-adjustment-codes) to this value list.
6. Total – The total value you are applying to the invoice's balance (amount + adjustment)

Additional Examples

Another common scenario comes from an ecommerce provider that levies a fee on each order. If you sold \$500.00 worth of product on an online order, but the ecommerce provider charged \$25.00 for that order, you would only receive \$475.00. The ecommerce fee should be recorded as an adjustment:



Accounting Impact of Adjusting a Receipt

When you post an adjusted receipt:

- The Total will credit the A/R Account.
- The Amount will debit the Bank Account.

- The Adjustment will debit the Receipt Adjustments (Discounts Given) Account associated with the specified adjustment code.
 - The Total will be applied towards the related invoice's balance. If the invoice is fully paid, it will be automatically closed.
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