

Configuring the Deposit Line Item Code

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This guide explains how to configure a line item code for flagging deposit payments. It is intended for advanced users.

The Deposit line item code (LIC) is a Miscellaneous Type record that is usually created at implementation. To review this LIC, navigate from Main Menu > Order Setup > Line Item Codes, then use the [Quick Search](https://aace6.knowledgeowl.com/help/using-the-quick-search-bar) (<https://aace6.knowledgeowl.com/help/using-the-quick-search-bar>) bar to locate the record titled Deposit.

The screenshot displays the 'Line Item Codes' configuration page for a record titled 'Code: DEPOSIT Deposit'. The record is marked as 'ACTIVE'. The 'Setup' tab is selected, and the 'Accounting Setup' section is highlighted with a green circle. This section includes fields for 'Revenue Account' (set to 2102 | Customer Deposits) and 'Cost Account' (set to 1810 | Vendor Deposits). Other sections visible include 'Commissions and Rate Setup', 'Unit Info', 'Preferences', 'Sales Entry', 'Auto-Updates', 'Record Access', 'Oversight Notifications', and 'Barcode Scanning'.

Key accounting details can be found on the Setup tab, in the Accounting Setup section:

- Revenue Account: Set to your Customer Deposits account (i.e. the GL Account used when the Deposit LIC is invoiced to a customer).
- Cost Account: Set to your Vendor Deposits account (i.e. the GL Account used when the Deposit LIC is used as a purchase from a vendor).

Updating the GL Accounts and Existing GL Entries

As your company grows, you may need to change the above GL accounts. You can easily locate the Deposit LIC again, edit the record, and update the Revenue Account or the Cost

Account as desired.

After an update to these accounts, follow through with the process for [Reassigning GL Account from Line Item Code](https://aace6.knowledgeowl.com/help/reassigning-gl-account-from-line-item-code-for-list) for all GL records that include the Deposit LIC.

Relevant Preferences

Your system administrator can configure other preferences related to deposit transactions to best fit your workflows.

LIC Setup Preferences

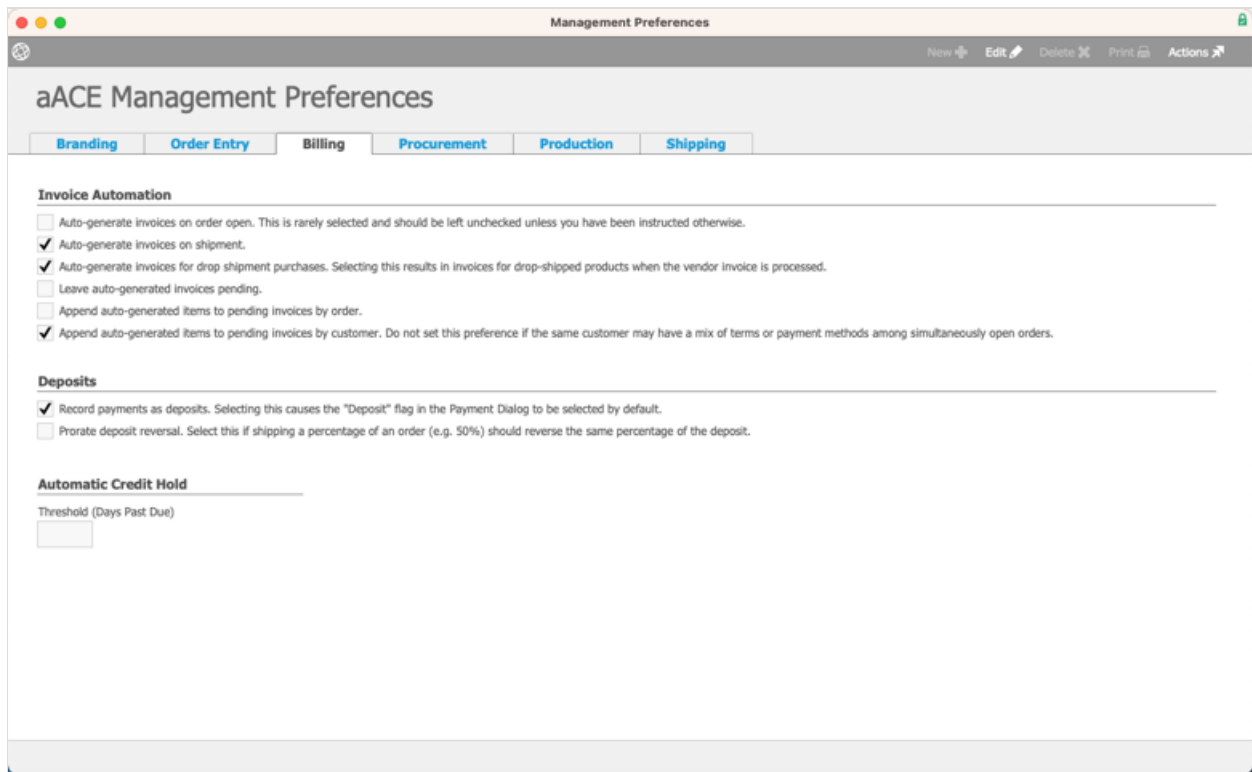
From the Deposit LIC detail view, click the Setup tab:

- Show in Code drop-down list for orders, quotes, and invoices – Controls whether Deposit can be selected as an item on orders, quotes, and invoices.
- Enable tax automation – aACE will automatically calculate taxes for the Deposit order / invoice items, according to the specified Tax Code.
- Send notice when an order or PO is opened – Generates a notice to the relevant team members when an order or PO that contains the Deposit LIC is opened.

Note: The preferences listed below are only those that are relevant to the Deposit LIC. There are additional preferences available to configure in the Setup tab, but these are the most important.

Deposits Preferences

Navigate from Main Menu > Internal > Management Preferences > Billing:



The Deposits section includes these settings:

- Record payments as deposits — Automatically marks the Deposit flag in the Payment Dialog.
- Prorate deposit reversal — Automatically calculates partially shipped orders as partial reversals of the related deposit.

Specifying the Deposit LIC in Accounting Preferences

After setting up the Deposit LIC, navigate from Main Menu > Accounting > Accounting Preferences > Code Designations. Click Edit, then check the Line Item Codes section to make sure your Deposit LIC is specified in the Deposits field:

Account Preferences

New Edit Delete Print Actions

aACE Accounting Preferences

Chart of Accounts Accounting Settings **Billing & Payment Terms** Code Designations Currency Conversion Period Management

Line Item Codes

Adjustments > Shipping > **Deposits >** Finance Charge > Historical Balances >

ADJ SHIP **DEPOSIT** HIST

Adjustment Codes

Default Adj Code: DISC

Adjustment Description	Adj Code	GL Account when used in Receipts	GL Account when used in Disbursements
Bank Fees	BANK	6300 Bank Fees	6300 Bank Fees
Currency Conversion	CURR	6998 Currency Conversion Adjustments	6998 Currency Conversion Adjustments
Discount	DISC	4999 Discounts Given	6999 Discounts Taken
Free Freight	SHIP	4006 Shipping Revenue	6050 Freight In