



*Giving Businesses A Competitive Edge™
Today and Tomorrow...*



FAQ Refunding AR by Credit Card

When a customer has a credit balance on their account it is sometimes necessary to refund them by credit card. To refund a customer by credit card there are two steps to have a good accounting trail. If they do not have a credit yet but have returned the items the first step is to create the credit note on the customer's account. Usually this will be done through the same module that the original sale was made. Once the credit note is on the account follow the next step below.

Step #2. Clearing the customer's credit from the account.

1. Go to the Accounts Receivable menu.
2. Go to 'Post manually prepared invoices and credit notes'.
3. Enter the customer code you are refunding.
4. Select 'Debit and increase Receivables.'
5. Enter 'CREDIT' for invoice number.
6. Enter the credit note number you are refunding. (If you do not know the credit note number you may press <page down> to view the transactions on the account.)
7. Enter the date you are refunding the credit note on. The date should be on or after the date of the credit note.
8. Enter a comment that will remind you and your customer why the debit was posted. For example: Credit note ##### refunded by credit card.
9. Enter the dollar amount that is being refunded.
10. Select a General Ledger account to post the credit side of the entry to. This should be the same account as credit card deposits go to.