

How to Reverse Accounts Receivable Service Charges

How to Reverse Service Charges

1. Select **Accounts Receivable** from Main.
2. Select **Payments** from A/R Menu.
3. **Post Date** displays. (Up Arrow to change the date only if necessary.)
4. **Salesman** - Enter password for your salesperson ID.
5. **Cust:** Enter customer ID (or press [Enter] to Name field to enter partial name) to “read up” customer.
6. **Age:** Enter 5 for Age. Service Charge reversals **MUST** be entered with **5 in Age field**.
7. **Type:** Enter C for Service Charge.
8. Cursor moves to blank space to right of **PO#**. This field is optional. **Suggestions:** Enter up to 8 alphanumeric characters to describe the transaction, such as **SVC, REV-SVC** or **WRITEOFF**. Some users enter the transaction number of the service charge they are reversing.
9. **Total:** Enter the service charge reversal as a **negative amount** in the Total box. **The minus sign must be entered before the amount.** Note: If you are writing off multiple service charges, you can enter just one reversal service charge for the total amount. Press Enter key after entering the negative amount.
10. Press **TAB=TOTAL**. After pressing TAB, the reversal amount displays next to “Accts Receivable.” A transaction # is assigned to the reversal (see Order # at top left of screen).
11. If you wish to immediately apply the service charge reversal to the original service charge(s) press **F7=ARTRAN**. (Otherwise press [F9] to clear screen or [F12] to exit.)
12. If [F7] was pressed, the **A/R Transactions Review and Payment** screen displays. (If prompted, enter printer# for Audit Trail.)
13. The Service Charge Reversal transaction displays near the bottom of the screen. Press **[F10]** to select it. This causes a “Y” to display in the “S” column indicating you have it selected.
14. After selecting it, the service charge reversal amount will display in the **Credits:** field at bottom of screen.
15. Enter Line# of the original service charge transaction and press **[F10]** to select it. The original service charge amount will display in the Debits field at bottom of screen. If the Service Charge Reversal transaction amount was entered to reverse multiple service charges, continue to select individual service charge transactions by entering the Line# of each Transaction or the Tran# and pressing [F10] to select it. If only part of a service charge will be adjusted, enter the amount in “Partial Amt” column before pressing **[F10]**.

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16. When Debits equal Credits, press **[F3]=Apply**.
17. Enter "**S**" for **Selected Transactions**. This applies the reversal service charge to the original service charge(s).
18. The service charge transactions will no longer display on the open PAYMENT screen. They are now in a PD (paid) status. To view them, press **TAB** key to display the PAID screen.
19. Press **[F12]** to Exit from the A/R TRANSACTIONS REVIEW AND PAYMENT screen. If necessary, press **[F12]** again to Exit from the PAYMENTS/ADJUSTMENTS screen.
20. The next Daily Close will create General Ledger distribution for the service charge reversal if "Main Options" is set up to "Post Daily Close to General Ledger Distribution." The amount of the reversal will credit the Accounts Receivable account and debit the Service Charge Income account.