

How Do You handle if a Customer Pays Sales Tax Not Originally Billed? - Cash Basis

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1. In cash receipts enter the customer number and click add customer check. Do not enter a check number or check amount.
2. Highlight the invoice being paid and click Inv edit. Enter the entire payment amount in Amt paid and TAB. The over payment message appears; be sure to select Yes.
3. Enter the tax amount in the adjustment field as a negative amount. The system will distribute the Amt paid, but the Paid amounts must be corrected plus an adjustment must be entered.
4. CHANGE the Tax code field from the exempt code to the appropriate taxable code.
5. Correct the Paid amounts for Sales, Freight and Insurance back to the original invoice amounts showing in the Beg balance field.
6. The tax amounts are entered in both the Paid and Adjustment columns. Be sure to enter positive amounts in Paid and negative amounts in Adjustment or a credit invoice will be left on the customer acct requiring a later adjustment.
7. The Tax code adjustment screen appears automatically when Ok is selected. Select CANCEL, as no adjustment is needed in this case. The system will update the correct amounts for taxable sales and sales tax due, when the tax code is changed in the above steps.