Create a Credit Request-Sales Tax Correction

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If a Customer invoice was created using the incorrect Tax Group (user error or preference), you may use the Sales Tax Correction option with Credit Requests. Using this method, you would select the Invoice, and on the Credit Request form, you would select a new Tax Group to use and create a new Invoice using the tax rules of the desired Tax Group. Once the Credit Request is approved, a Credit Memo will be created for the original invoice, and a new Invoice will be created using the same Item Codes/Parts and apply the sales tax based on the new Tax Group selected on the Credit Request. You may apply the Credit Memo to the old invoice or to the new invoice created.

Note: Only invoices where no payments or credits have been applied may be used for this Credit Request method.

There are three ways to begin the new Credit Request; all options are listed below.

1. Begin The Credit Request:

    a. Navigate to the Main Application Tree and select Accounts Receivable/Credit Request option, then click the New button located at the lower right of the Credit Request List.
    b. Navigate to a Customer Explorer record; select Credit Requests from the customer tree; right-click and select the New Credit Request option.
    c. Navigate to a Customer Explorer record; within the Active Pane, highlight an open invoice then right-click and select the New Credit Request option. If this option is used, skip steps 2 and 3 below and continue with step 4.

2. Select the Customer - Once the Credit Request form is displayed, select the Customer number for the request. If the Credit Request was started from the Customer Explorer, the customer number will automatically be populated.

3. Select the Invoice Number - In the Invoice# field, select the Invoice to be credited off from the drop-down list.

4. Fill in the Credit Request form – Once the invoice number has been selected, the Requested Amount will automatically fill in with the amount of the Invoice. Enter the remaining information on the Credit Request form.

Reason – This is a required field; select the Credit Reason from the drop-down list in this field.

Sales Tax Correction Checkbox/New Tax Group/New Invoice Date – Check the box labeled Sales Tax Correction. This will display two new fields, New Tax Group and New Invoice Date. Select the desired New Tax Group from the drop-down list. The New Invoice Date field will default to today's date, however this may be changed to any date as long as the accounting period is in an open status.

Memo – The User may enter a note in the Memo field to describe why the invoice balance is being requested for a credited-off. This field is optional. If the Credit Memo is to be printed and sent to the Customer, this information will be printed.

Assigned To – This may automatically fill with the next User who is responsible for signing-off on the Credit Request. If this field does not auto fill, the User may select a name from the drop-down list to which the Credit Request will be assigned for further processing. If the User creating the Credit Request has the appropriate permissions, the credit memo may be generated by pressing the Save button located at the lower right of the form.

5. Sign Off and Generate Credit and New Invoice – Click the Sign off button then click the Save button located at the bottom of the form. If the User does not have permissions to generate credit memos, the Credit Request will appear in the Credit List for processing by another User with the appropriate permissions. In this example, the User does have permission to generate the credit.

After clicking the Save button, a message will be displayed confirming you want to credit off the balance of the invoice; click the Yes button to proceed.

6. Apply the Credit - Once the Credit Request is approved and saved, the application will automatically create a Credit Memo for the original invoice and create a second invoice using the correct Tax Group. The Apply Customer Credit form will be displayed where you may manually apply the credit based on your company's policies and procedures.