

# AR INVOICE DISCOUNT PRODUCTS

agre						<b>Invoice</b>	
TSL Custom Ag & Terminal Inc. - Edmonton 24715 Yellowhead Trail West Edmonton, Alberta T6R 7L4 Ph: 780.466.1273 Fax: 780.465.1273 Toll Free: 800.555.1212						Ref No: EINV373 Date: Apr 13, 2023 Page: 1 of 1	
Sold To: James Abraham (0190) PO Box 12 Westlock, AB T0K 3L5				780-466-2345			
Ref No	Quantity	Unit	Description	GST	Unit Price	Amount	
	6	Case	Achieve Liquid Gold Lot#: 150503	N	\$776.00	\$4,656.00	
	15	%	Volume Discount 15%	N	\$4,656.00	(\$698.40)	

Products flagged as **Discount Products** can be added to AR Invoices to discount one product, a product subtotal, the entire invoice, or any combination thereof.

Invoice Discount Products *do not change the price* and have no effect on product cost, therefore they have **no effect on product margins**.

**Taxes** and products flagged as **Exclude From Invoice Discounts** cannot be discounted.

**What you'll find:**

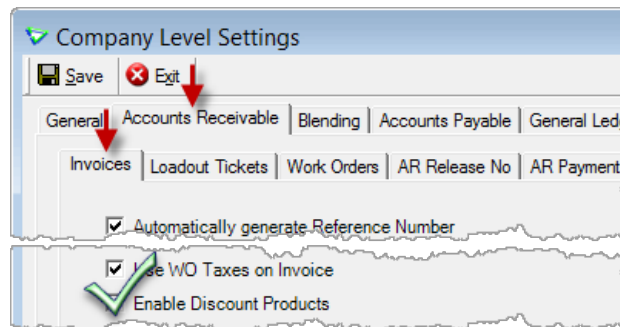
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# Setup

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## Company Config Options

**Enable Discount Products** for invoices must be checked.



File > Config Options > Company / Accounts Receivable / Invoices

Once any discount product has been used on an invoice, the config option *should not be unchecked* until all fiscal years with invoice discount products have been closed ([deactivate](#) the discount products in the meantime so they cannot be added to any new invoices).

## Discount Products

All invoice discount products are **non-inventory** items.

The setup for each type is very similar, with just a different **Discount Type** selected.

A **default discount percentage** can be specified (which can be changed on each invoice) or default percentage can be left blank and entered manually on each invoice.

### AR Invoice Discount Product Business Rules

- **Discount** checkbox available for non-inventory products only. Once discount product has been used, checkbox is disabled.
- Default **Discount %** is optional, but if entered
  - must be positive
  - cannot exceed 100%
  - is just a default, can be changed on invoice
- **Taxes** and products flagged as **Exclude From Invoice Discounts** are not discounted
- **Product Subtotal** discount product cannot follow a **Product Row** discount product
- Invoice Discount Products cannot be added to the Additional Products tab

## Product Row Discount Products

A **Product Row** discount is based on the line total amount of the product row directly above it.

Ref No	Quantity	Unit	Description	GST	Unit Price	Amount
	6	Case	Achieve Liquid Gold Lot#: 150601-3	N	\$776.00	\$4,656.00
			Product Row Discount 10%	N	\$4,656.00	(\$465.60)

example of a Product Row discount  
discount product **Unit Price = Amount** of previous product row

On the **Product tab**

use a naming convention for faster selection on invoices (e.g. prefix = DISC)

% is optional

adding a common characteristic makes discounts easy to select on reports!

Inventory > Manage > Products

**Inventory Item:** must be unchecked

**Product Code:** consider a naming convention that allows you to quickly find and add discount products to invoices

- specific e.g. DISCOUNT10
  - tip: set the **Discount % to 10** so a 10% discount is calculated by default (shown above)
- generic e.g. DISCOUNT
  - tip: leave the **Discount % blank** and agrē will default to 0% so you can set it to the percentage applicable to each invoice (with a popup reminder on save if you forget to change it)

**Description:** appears on the invoice

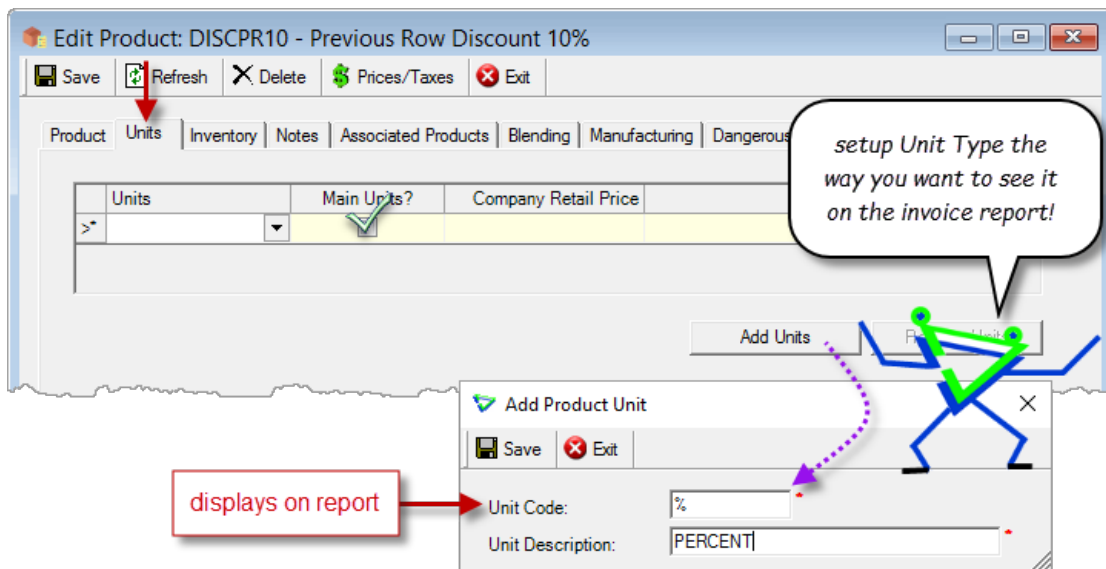
**Product Type:** can be a regular product type, or a separate Discounts product type; think about how you currently run reports by product type and where you want discounts to fit in

**Sales GL:** discounts can be recorded as an **Expense** (6-9 account), an increase to **COGS** (5 account), or as negative **Revenue** (4 accounts); your accountant may have a preference

**Discounts:** box must be checked; select **Product Row** from **Discount Type** drop down; optionally enter a **default %** (can be changed on each invoice if needed)

**Characteristics:** (optional) adding a common characteristic to all your discount products gives you another way of filtering report results

On the **Units tab:**



**Units:** select the unit type that is setup the same way you want to see it displayed on the invoice report

**Company Retail Price:** ignored, can be left blank

## Product Subtotal Discount Products

**Product Subtotal** discount products are based on the line total amount of all product rows above it (up to another discount row).

**agre** Invoice

TSL Custom Ag & Terminal Inc. - Edmonton  
 24715 Yellowhead Trail West  
 Edmonton, Alberta T6R 7L4  
 Ph: 780.466.1273 Fax: 780.465.1273 Toll Free: 800.555.1212

Sold To: James Abraham (0190)  
 PO Box 12  
 Westlock, AB T0K 3L5

Ref No: EINV373  
 Date: Apr 11, 2023  
 Page: 1 of 1

Ref No	Quantity	Unit	Description	GST	Unit Price	Amount
	6	Case	Achieve Liquid Gold	N	\$776.00	\$4,656.00
			Lot#: 150503-2			
	80	Acre	Custom Application Fees	N	\$7.00	\$560.00
	4	%	Product Subtotal Discount	N	\$5,216.00	(\$208.64)
	2	Case	BUCTRIL M	N	\$970.00	\$1,940.00

-4% x (\$4656 + \$560)  
= -\$208.64

example of a Product Subtotal discount on the 2 products above it

Setup the same as for Product Row, but on the **Products tab** select **Product Subtotal** as the **Discount Type**

Edit Product: DISCPRODSUB - Product Subtotal Discount

Product Code: DISCPRODSUB  
 Description: Product Subtotal Discount  
 Short Desc:  
 Product Type: Chemicals (34539)  
 UPC Code:  
 Default Project:  
 Manufacturer:  
 Manuf. Prod. Code:

Inventory Item?   
 Returnable?   
 Prohibit Purchase?   
 Exclude From AgCollect?   
 Overridable Sales Account?   
 Exclude From Discount Groups?   
 Lot Number Required?   
 Exclude from Invoice Discounts?


Discounts: Product Subtotal 4%

once saved on an invoice, Discount Type cannot be changed!

Inventory > Manage > Products

## Invoice Total Discount Products

**Invoice Total** discount products are based on the *discounted* line total Amounts of all product rows on the invoice.



### Invoice

Ref No: EINV373  
Date: Apr 11, 2023  
Page: 1 of 1

TSL Custom Ag & Terminal Inc. - Edmonton  
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Sold To: James Abraham (0190)  
PO Box 12  
Westlock, AB T0K 3L5

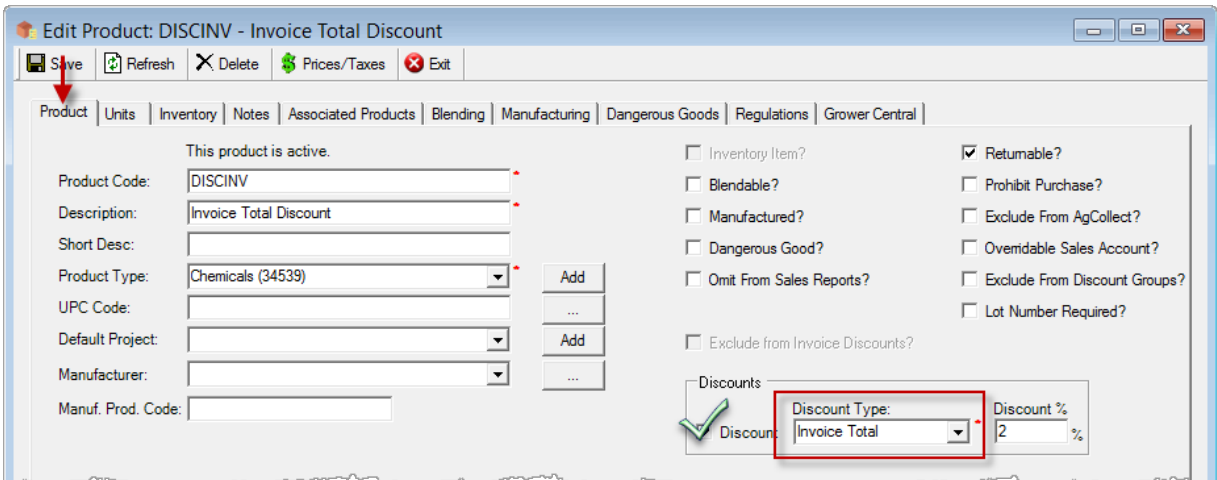
780-466-2345

Ref No	Quantity	Unit	Description	GST	Unit Price	Amount
	6	Case	Achieve Liquid Gold Lot#: 150503-2	N	\$776.00	\$4,656.00
	80	Acre	Custom Application Fees	N	\$7.00	\$560.00
	4	%	Product Subtotal Discount	N	\$5,216.00	(\$208.64)
	2	Case	BUCTRIL M	N	\$970.00	\$1,940.00
	2	%	Invoice Total Discount	N	\$6,947.36	(\$138.95)

Invoice Discount = -2% x (-4% x (\$4656 + \$560) + \$1940) = -\$138.95

example of a 4% Product Subtotal discount on 2 products combined with a 2% Invoice Total discount on all

Same as for Product Row, but on the **Products tab** select **Invoice Total** as the **Discount Type**



**Edit Product: DISCINV - Invoice Total Discount**

Product | Units | Inventory | Notes | Associated Products | Blending | Manufacturing | Dangerous Goods | Regulations | Grower Central

This product is active.

Product Code: DISCINV

Description: Invoice Total Discount

Short Desc:

Product Type: Chemicals (34539) [Add]

UPC Code: [...]

Default Project: [Add]

Manufacturer: [...]

Manuf. Prod. Code:

Inventory Item?  Returnable?

Blendable?  Prohibit Purchase?

Manufactured?  Exclude From AgCollect?

Dangerous Good?  Overridable Sales Account?

Omit From Sales Reports?  Exclude From Discount Groups?

Exclude from Invoice Discounts?  Lot Number Required?

Discounts

Discount Type: Invoice Total

Discount %: 2 %

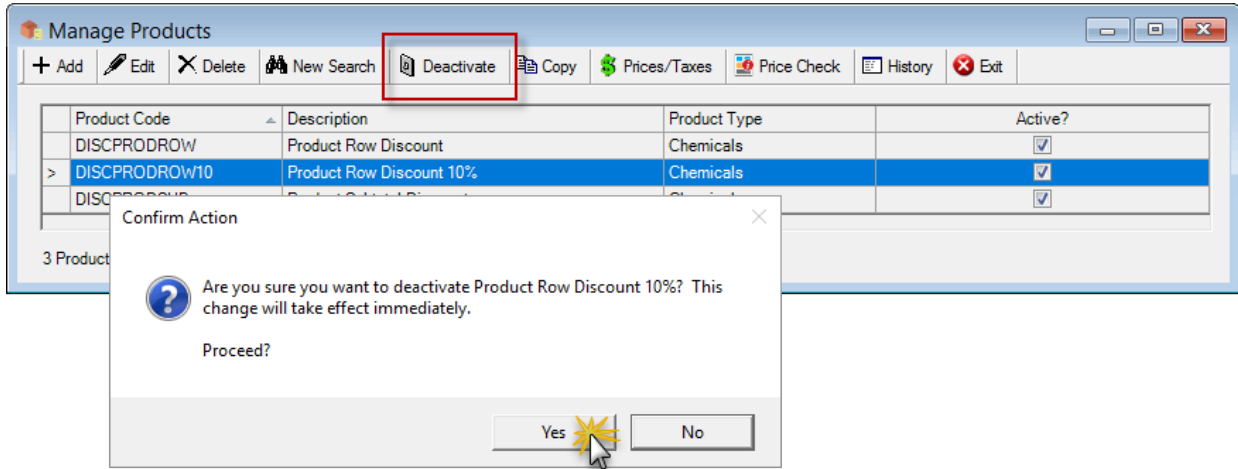
Inventory > Manage > Products

## Deactivating Discount Products

**Deactivate** discount products that are no longer in use.

Deactivated discounts cannot be *added* to transactions.

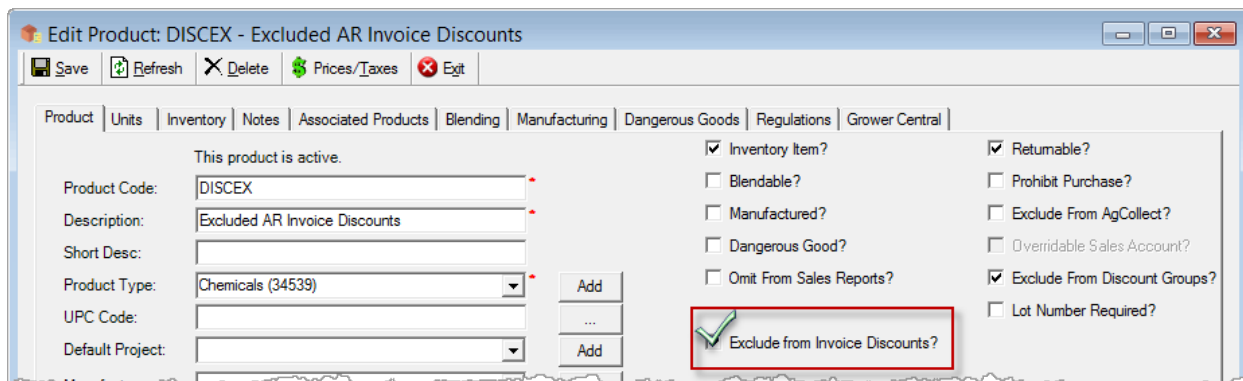
Ones already on *existing* transactions will not be affected but cannot be edited.



Inventory > Manage > Products

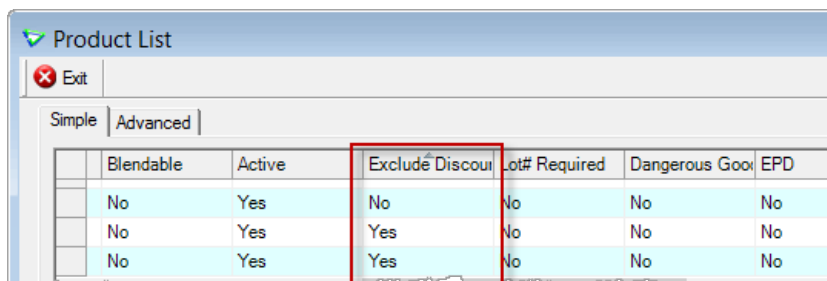
## Products That Should NOT Be Discounted

If you have products that are *never* eligible for AR Invoice Discounts (like a container deposit), flag them as **Exclude From Invoice Discounts**.



Inventory > Manage > Products

The Inventory **Product List** data export identifies which products are flagged as excluded.



File > Exports > Data

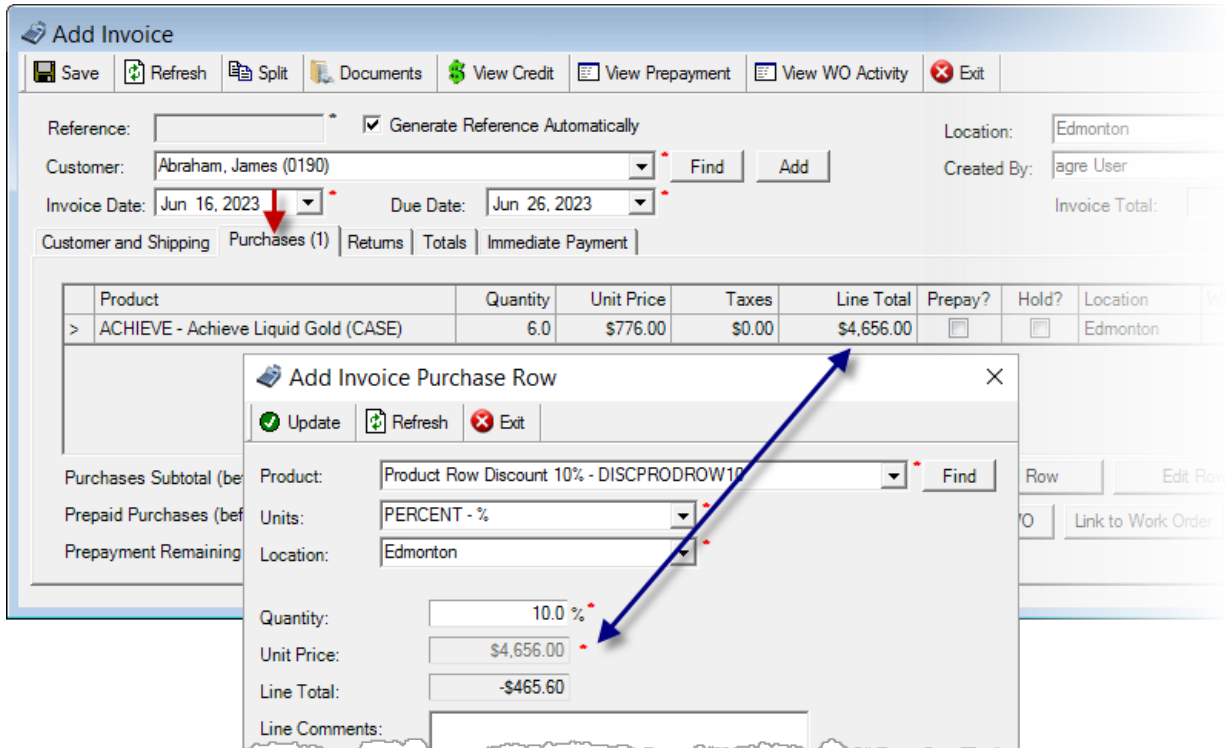
# Adding Discount Products to Invoices

- Add or Edit an invoice.
- 
- Add or Import the product(s) to be discounted.

## Adding Product Row Discount Products:

### Purchases Tab

- The **Quantity** defaults to the % on the Product tab (can be changed)
- The **Unit Price** defaults to the line total from the product row above and cannot be changed
- The **Line Total** (discount amount) is calculated and cannot be changed  
=  $\text{Quantity \%} / 100 * \text{Unit Price} * -1$



Accounts Receivable > Invoices / Add Product



## What happens when a Discount Product is selected?

- **Quantity on Hand, Details, Bill and Hold, Prepay, Pricing** are hidden
- **Quantity** defaults to Product Discount % (if null, defaults to 0% and must be changed)
- Quantity % cannot **exceed** 100
- **Unit Price** defaults to the Line Total of last product row (without taxes) and is not editable
- **Row Sorting buttons** are **disabled**
- **Split invoice button** is **disabled**

## Totals Tab

- the **Totals tab** displays the purchases, returns, and discounts

Reference:  \*  Generate Reference Automatically

Customer: Abraham, James (0190) Find Add

Invoice Date: Jun 19, 2023 Due Date: Jun 29, 2023

Location: Edmonton Created By: agre User Invoice Total: \$4,190.40

Customer and Shipping | Purchases (2) | Returns | **Totals** | Immediate Payment

Tax	Amount

Invoice Totals	
Invoice Purchases Total:	\$4,656.00
Invoice Returns Total:	\$0.00
Invoice Discounts Total:	(\$465.60)
Tax Total:	\$0.00
Invoice Total:	\$4,190.40

- Save and preview the invoice

**agre**

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Sold To: James Abraham (0190)  
PO Box 12  
Westlock, AB T0K 3L5 780-466-2345

**Invoice**  
Ref No: EINV378  
Date: May 25, 2023  
Page: 1 of 1

Ref No	Quantity	Unit	Description	GST	Unit Price	Amount
	6	Case	Achieve Liquid Gold Lot#: 150601-3	N	\$776.00	\$4,656.00
	10	%	Product Row Discount 10%	N	\$4,656.00	(\$465.60)

invoice with a Product Row discount

## Adding Product Subtotal Discount Products

- The **Quantity** defaults to the % on the Product tab (can be changed).
- The **Unit Price** defaults to the subtotal of the product rows above (up to a previous discount row) and cannot be changed.
- The **Line Total** (discount amount) is calculated and cannot be changed.

Accounts Receivable > Invoices / Add Product



### Invoice

Ref No: EINV380  
Date: Jun 16, 2023  
Page: 1 of 1

TSL Custom Ag & Terminal Inc. - Edmonton  
24715 Yellowhead Trail West  
Edmonton, Alberta T6R 7L4  
Ph: 780.466.1273 Fax: 780.465.1273 Toll Free: 800.555.1212

Sold To: James Abraham (0190)  
PO Box 12  
Westlock, AB T0K 3L5 780-466-2345

Ref No	Quantity	Unit	Description	GST	Unit Price	Amount
	6	Case	Achieve Liquid Gold	N	\$776.00	\$4,656.00
	80	Acre	Custom Application Fees	N	\$7.00	\$560.00
	4	%	Product Subtotal Discount	N	\$5,216.00	(\$208.64)

invoice with a Product Subtotal discount

## Adding Invoice Total Discount Products

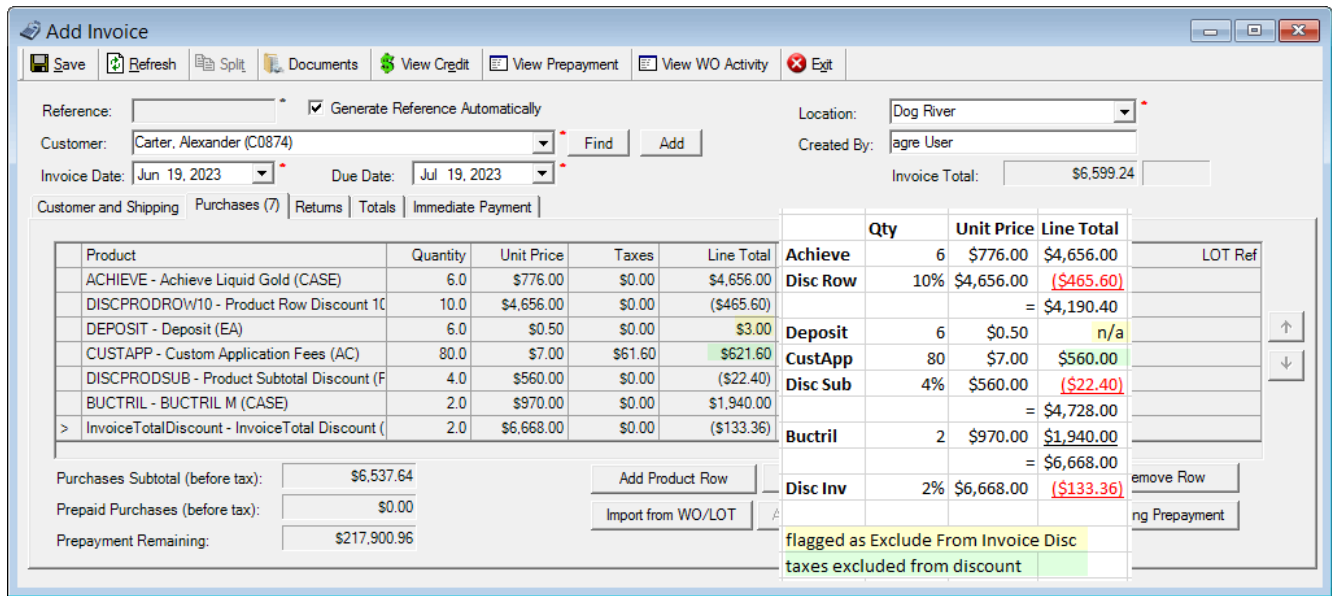
- The **Quantity** defaults to the % on the Product tab (can be changed).
- The **Unit Price** defaults to the subtotal of all product rows and cannot be changed.
- The **Line Total** (discount amount) is calculated and cannot be changed.

Accounts Receivable > Invoices / Add Product

<p>TSL Custom Ag &amp; Terminal Inc. - Edmonton                  24715 Yellowhead Trail West                  Edmonton, Alberta T6R 7L4                  Ph: 780.466.1273 Fax: 780.465.1273 Toll Free: 800.555.1212</p> <p>Sold To: James Abraham (0190)                  PO Box 12                  Westlock, AB T0K 3L5</p>		<h3 style="margin: 0;">Invoice</h3> <p>Ref No: EINV381                  Date: Jun 16, 2023                  Page: 1 of 1</p>				
		<p>780-466-2345</p>				
Ref No	Quantity	Unit	Description	GST	Unit Price	Amount
	6	Case	Achieve Liquid Gold	4,656.00	\$776.00	\$4,656.00
	80	Acre	Custom Application Fees	+ 560.00	\$7.00	\$560.00
	4	%	Product Subtotal Discount	= 5,216.00	\$5,216.00	(\$208.64)
	2	Case	BUCTRIL M	less 4% (208.64)	\$970.00	\$1,940.00
	2	%	Invoice Total Discount	= 5,007.36	\$6,947.36	(\$138.95)
				+ 1,940.00		
				= 6,947.36		
				less 2% (138.95)		
				6,808.41	<b>Subtotal</b>	<b>\$6,808.41</b>
					<b>Total</b>	<b>\$6,808.41</b>

example of Product Subtotal discount + Invoice Total discount

Invoice Total discounts can be used in conjunction with Product Row and Product Subtotal discounts.



example of Product Row discount + Subtotal discount + Invoice discount

## What about returns?

Discount Products must be **'returned' manually** even if using the Return Invoice Process.

- e.g. purchase of **6 cases** qualifies for a **10% discount**
- customer purchases 6 cases and receives the discount
- customer later **returns 1 case**
  - does the customer have to return 1/6<sup>th</sup> of the discount?
  - does the return of 1 case require the return of the entire discount?
  - maybe it depends?
- intervention is needed from you (the smart human) to determine how much, if any, of the discount must be deducted
- if the discount must be 'returned' in part or in full, add the discount product manually to invoice returns tab
- discount is subtracted from the amount returned