Defining terms

Terms is a percentage reduction of the total amount of receivable that is granted to a customer by a vendor for having mad an earlier payment.

List of terms types

The list of terms types is available from the level of the menu *Configuration* \rightarrow *Finances* \rightarrow *Types of Terms* It is composed of the following elements

Types of Terms window

- Name
- Active parameter conditioning whether it is possible to use terms in the system

Items window – presents information regarding selected terms

- [%] percentage value of granted terms
- Number of Days period in which the terms is valid, counted from the date of document issue

Terms Types ×				
Terms Types		ľ	tems	
+ × 🖙 -		-	► ×	
Drag the column header here to group by that column		D	rag the column header here to group by that column	
Name	Active		[%]	Number of Days
₽ 1000		٩	Rec	Rec
Terms 1		•	10.0000	10 🗘
Terms 2				

Types of Terms

Defining types of terms

In order to define terms types, it is necessary to select the button [Add], which is placed in the *Types* group of buttons and, next, insert a unique terms name. The parameter *Active* is checked by default, with a possibility to change it at any

moment.

To define a terms type item, it is necessary to click on the button [Add], which is placed in the *Terms* group of buttons and, next, define the percentage value of granted terms and its period. In the system, it is possible to add one than more terms type with the same items.

[Alert] A terms type which has been already used in the system, cannot be deleted. [/alert]

[Alert] Modification of a terms type will not change terms values in payments for which it has been already used. [/alert]

Assigning terms to a document payment

Methods of assigning terms to a document payment

- selecting terms type defined in the configuration in the column Terms, in the tab Amounts of a document
- adding new terms type in the tab Terms of a document payment

Selecting terms type in the tab *Terms* of a document

To assign terms to a payment, from the level of document details it is necessary to open the tab *Amounts* and then, in the column *Terms*, select an appropriate terms type.

Initiated ()	Items	Customers	Currencies	Amounts	Analyt	tical Description	Associated D	ocuments At	tributes	Attachments		
// SI / 2020 / 00001	VAT Ite	ms										
Subtotal: 0.00 EUR	VAT Acc	ount	Sales Account		×	VAT Rate		Subtotal Value	(ELIR) V	ΔΤ	Total	(alue (ELIR)
Total: 0.00 EUR	VAI ACC		Sales Account					Subtotal funct	(2011)		, otar i	
Amount Paid: 0.00 EUR	VAT Dire	ection:	On Subtotal		\sim							
Amount Remaining: 0.00 EUR	VAT Ago	pregation:	VAT on values to	tal	\sim							
Discount Value: 0.00 EUR												
Reference Number												
	Payme	nts				LOTAL (FUR)			0.00		0.00	0.00
Customer		ด้เต้อ								Terms		
P Undefined 👻 …										remis.		
Secondary Customer	Enti	ty Code	Receivable	Payable	A	mount Remaini	To Send	Due	Date	Current	Terms 1	
P Undefined 👻 …	¥ 80		RIBC	R BC	A	lec	Mec	RBC		R BC	Terms 2	
Date of Issue Date of Sale												
20/12/2020 * 20/12/2020 *												
Warehouse												
<all></all>												
Payment												
Cash 🗸												
0 days 🗘 🗆 EOM 0 days 🗘 20/12/2020 🔻												
Currencies	××											Edit Filter
Transaction Type VAT Rates	Advan	ce Invoices										
National National		0 8	8 m -									
Reason for VAT Exemption	Dod	luct	Numk	a.		Order	Data		Total	Value	Deducte	d Amount
· · · · · · · · · · · · · · · · · · ·	Dea	uu	Num			Older	Date		Total	value	Deducte	u Aniount
Delivery Method												0.00
· · · · · · · · · · · · · · · · · · ·					_							0.00
Owner	×											Edit Filter
Company	Add a de	scription										
Handled By	Aug a de	sapron										<u></u>
Tanueu by												
· · · · · · · · · · · · · · · · · · ·												-

Selecting type of terms in the tab Amounts of a document

Adding terms from the level of the tab *Terms* of a document payment

To add terms, from the level of a document payment is necessary to open the tab *Terms* and them, from the *Terms* group of buttons, select the [Add] button. The following fields must be filled in for an item:

- Terms [%] percentage value of terms (number from the 0-100 range)
- Number of Days number of days within which payment must be made for terms to be granted. The number of days is counted from the date of issue. After selecting the terms expiration date, the number of days is completed automatically.
- Terms Expiration Date the date by which payment must be made to be able to grant terms. This date cannot be later than the due date. After specifying the number of days, terms expiration date is completed automatically.

- Terms Base payment amount calculated on the basis of document items determined as subject to terms. Detailed description of including/non including an item in terms can be found in article <<>>>
- Value Not Subject To Terms difference between payment amount and terms base
- **Terms Value** value of granted terms. This is a product of terms percentage value and payment value.
- Amount to Be Paid remaining amount after the payment is corrected by the terms value.
- Currency symbol of terms transaction currency

Payment: SI/2020/00001	I X									Ŧ
III Type: Receivable	< >	Payn	nents Entity	Terms Attribute	s Attachments	Change History				
Value:	600.00 EUR 👻 🗘	+	🗙 🛲 -		Terms					
Paid:	0.00 EUR									
To Be Paid:	600.00 EUR	Drag	g the column hea	ader here to group	by that column					
Number		Т	erms [%]	Number of Days	Terms Expiratio	Terms Base	Value Not Subje	Terms Value	Amount To Be P	Currency
SI/2020/00001		9 🛙	BC	R BC	RBC	RBC	RBC	a ac	RBC	R 8C
Reference Number		a.	10.0000 ‡		5 25/12/202	0 600.00	0.00	60.00	540.00	EUR
			20.0000) 1	30/12/202	0.00	0.00	120.00	480.00	EUR
Document Date										
20/12/2020 ~										
Payment	Due Date									
Cash 🔻	20/12/2020 🔹									
Days of Delay	Expected Due Date									
0 ‡	20/12/2020 💌									
Account	Completion	x	7							Edit Filter
Cash Register 🔹	Is subject 🔹									Edit Fitter
Payer		Des	cription							
Comarch S.A.	Customer 👻 😶	Add a	a description							
	V									
										-

Tab Terms in document payment

Note

Terms can be granted only to open payments and payments not subject to completion which are not included in a statement of remittance orders.

Note

Terms discounts defined in an order are transferred onto payment of an invoice generated from that order.

Assigning terms to customer

A <<type of terms>> defined in the configuration can be assigned to a given customer. To do so, in the customer form, in the tab *Trade*, in *Terms* field, it is necessary to select an appropriate type of terms

Customer: COMARCH ×		
ID: 2 Active < >	Addresses Groups Trade Credit Limits Discounts	Coupons CRM Contact Persons Accounting Bank Accounts Analytical Description Availability Attributes Attachments
Code	Default Commercial Terms	Prices Types for Released Items
COMARCH	Payment	🔋 🔢 🚓 🔻 🔲 Lowest price on documents for released items
Name	Cash	Name Default for Comarch B2B Default Active
Comarch S.A.	COM O days	
TIN	Currency Terms	▶ Retail
▼ 677-00-65-406	EUR Terms 1	Wholesale
EIN	Delivery Method	
Type Status	Applications	
Domestic 👻 Entity 👻	B2B Warehouse	
Customer Vendor	All	
Associated unit Active taxpayer		
In liquidation		EDI Formats
~		
		Document Type EDI Format

Assigning default type of terms to a customer

If a customer with assigned terms is selected in a document, then, the same type of terms is assigned to the payment of this document, by default.

Cash/bank account of terms transaction

In the system, it is possible to indicate cash/bank account to which a terms transaction will be registered. Such an account is selected from a drop-down list, in the definition of *Terms* document type in a given center. The list contains all accounts available in a given center of the structure and the

option <*None*>. After completing a payment with terms assigned, a transaction of terms type will be created in the selected account — in the report specified on the basis of the date of of the payment transaction.

Note

If the option <*None>* is selected and the parameter *By received payment* is unchecked, then, when trying to complete a payment for which a terms transaction should be generated, the system displays the following message: *There is no account defined for terms. It must be specified in terms document definition.* It will not be possible to complete the payment until a register is selected.

Additionally, next to the cash/bank account, the parameter *By received payment* is available. By selecting it, a cash-bank transaction of terms type will be added to the same account in which a received payment is registered.

Note

A cash/bank account can be changed at any time.

Parameters Code: TER Name: Terms Group: Cash-Bank * Payment * Is subject * Cash-Bank Account * Bank of America By received payment <none> Bank of America Cash Register 10 consecutive years \$</none>	General	Diagram	Series	Visibility	Numbering Schemes	
Code: TER Name: Terms Group: Cash-Bank Payment Is subject * Cash-Bank Account Bank of America Cash Register 10 consecutive years \$	Paramet	ers				
Name: Terms Group: Cash-Bank Payment Is subject Cash-Bank Account Bank of America By received payment < None> Bank of America 10 consecutive years \$	Code:					TER
Group: Cash-Bank Payment Is subject Cash-Bank Account Bank of America <image: none=""> Bank of America Cash Register I0 consecutive years I0 consecutive years I0 consecutive years I0 consecutive years I0 consecutive years I0 consecutive years I0 consecutive years Image: Imag</image:>	Name:					Terms
Payment Is subject Cash-Bank Account Bank of America <none> Bank of America Cash Register 10 consecutive years \$</none>	Group:					Cash-Bank 🔻
Payment Is subject Cash-Bank Account Bank of America <none> Bank of America Cash Register 10 consecutive years 10 consecutive years</none>						
Is subject Cash-Bank Account Bank of America Anone> Bank of America Cash Register 10 consecutive years	Payment					
Cash-Bank Account Bank of America Sank of America Cash Register 10 consecutive years 2	Is subject					· · · · · · · · · · · · · · · · · · ·
Bank of America Dy received payment <none> Bank of America Cash Register 10 consecutive years \$</none>	Cash-Ba	nk Account				
<none> Bank of America Cash Register 10 consecutive years \$</none>	Bank of A	merica				By received payment
Cash Register 10 consecutive years	<none></none>					
outputtion in the consecutive years +	Cash Reg	ister				10 consecutive years

Cash/bank account in Terms document definition

Excluding items from terms

In order to calculate terms value in a document, while simultaneously ignoring particular items, it is necessary to uncheck the parameter *Include in terms* on forms of these items.

E Item: Item_1 ×								~
[] ID: 4	General Parameters	Groups Resources	Price Lists Discounts	Sets Related Item	s Accounting Ana	alytical Description	Availability Attributes	Attachments
Code	Prices							
Item_1	+ ×							
Name	Price List	Туре	Quantity From	UOM	Subtotal	Total	Currency	Min. Margin
Item_1	• =	-	Rac	-	Rac	Rec	=	
Language: English 💌								
Sales VAT Rate Purchase VAT Rate								
A 20% 🔹 A 20% 🔹								
Type Category								
Merchandise 🔻								
Manufacturer								
	×							Edit Filter
Brand SKU								
	Units						BIOCK UNIT Change For:	V North
Country of Origin CN Code	+ × 🗟 -						Code	
	Basic Number	Unit Nu Deci	mal Precisi Con	Volume Volume I	Net We Gross V	Veight Ac	BOD BOD	BO Receipt
Minimum Margin Basic Unit	▶ 🗹 1	item 1	✓ 4 item	0.0000 m3	0.0000 0.0000 k	.g 🗹 🗖 .	PI	Purchase Inv
0.00 🗘 item 🗸							POI	Purchase In
Resource Collection Queue							PQ	Purchase Q
FIFO							PO	Purchase Or
Subject to discounts Weighed item							IR+	Internal Rec 💌
V Discount on price							×	Edit Filter
✓ Include in terms	Description							
Edit item name								A
Voucher								-

Parameter Include in terms on item form

Note

The parameter *Include in terms* is unchecked and deactivated if an item is associated with a voucher (parameter *Voucher* is checked).

Example

In the system, there are defined:

- Terms1 with conditions: 10% and 15 days
- Item_1 with checked parameter *Include in terms*
- Item_2 with unchecked parameter Include in terms
- Customer_1 for whom due date is set to 30 days

A sales invoice with two items has been added:

- Item_1 subject to terms, 10 items, price 1.00 EUR/item
- Item_2 not subject to terms, 20 items, price: 2.00/item

Terms1 has been assigned to the invoice payment. As a result, in the tab *Terms*, the following values are displayed:

- Terms [%]: 10,0000
- Number of Days: 15
- Terms Expiration Date: 6.12.2019 invoice date of issue plus the number of days determined in terms conditions (11+15)
- Terms Base: 30 EUR total value of item Item_1 (subtotal value + VAT)
- Value Not Subject To Terms: 49.20 EUR total value of Item_2 (subtotal value + VAT)
- Terms Value: 1.23 EUR (10% of 12.30 EUR)
- Amounts To Be Paid: 60.27 EUR total value of the whole invoice reduced by terms value
- Currency: EUR

If the payment for the invoice is made until 6.12.2019, the terms will be granted.

[/exmaple]

Granting terms

A granted terms is registered in the system as terms transaction. The form of this kind of transaction is the same as the form of a cash/bank transaction. Terms transactions can be previewed only and it is not possible to modify them.

5K/2021/00001 ×									-
Type: Expense <>	Payments Entity Associated	Documents Analytical Descr	iption Attributes Atta	achments Change History					
/ SK / 2021 / 00001	Documents To Be Paid								
Value: 36,90 EUR - 147,60 PLN		R -			Compensations	Owner: A	Il available objects		*
Paid: 0,00 EUR 0,00 PLN	Document Number F	Reference Number En	tity Code	Amount	To Be Paid	Due Date	- Currency	Owner	
To Be Paid: 36,90 EUR 147,60 PLN	• Bac	ac 📑	c	∎ac	Esc.	Esc.	Esc.		
Reference Number									
Document Date Date of Transaction									
18/02/2021 • 18/02/2021 •									
Account Payment Form									
PKO BP 👻 Gotówka 👻									
Report Record No.									
00001/RKB/PKO BP-2021 2	×								Edit Filter
Payment Status Balance									
is not subject	Paid Documents								~
ABC Vendor • ····		R *							
Account	Document Number	Reference Number	Entity Code	Paid	To B	Be Paid	Due Date	 Currency 	
T Create account	36E	Esc.	18C	∎∎c	Rec		Esc.	Rec	
For									
PI/2021/00001									
·									
· · · · · · · · · · · · · · · · · · ·									
	×V								Edit Filter
	Description								
	Add a description								
									-
	Oescription								Edit Filter

Terms transaction form

Characteristics of terms transaction:

- it is created as a result of a payment completion (cannot be added manually) and it is associated with it
- depending on the settings of the Parameter payment in the definition of Terms document, it can have status Paid ord Not subject
- it is subject to posting, which allows for a proper balancing of the tax and revenue values which are subject to taxation on bookkeeping accounts
- it is automatically deleted along with deletion of a completed payment

[Alert] If payment is made with the use of the [**Pay**} button, then the value of the payment reduced by the value of granted terms is suggested as an amount to be paid.

As part of the creation of a terms transaction, the system creates an association between documents related to that transaction.

Example On 08/19/2019 a sales invoice amounting to 350.00 USD and with due date 09/18/2019 was issued.

A terms with conditions: 10% and 15 days was assigned to the invoice payment. Terms expiration date: 09/03/2019.

The invoice was paid on 08/25/2019 - terms condition fulfilled

The following documents are generated during the payment completion:

- terms transaction amounting to 35.00 USD (350.00 USD * 10%)
- SIVC amounting to -35.00 USD
- KFSV na kwotę -35,00 PLN (dokument techniczny na potrzeby podatku VAT)
- VSIC amounting to -35.00 USD (technical document for tax purposes)

Example

Terms_3 with conditions: 30%, 2 days was added. The value of the parameter *Payment* on the terms document definition is set to *Is not subject*. On the form of the customer ABC, the due date is set to 30 days and Terms_3 is assigned.

A purchase invoice is issued for the customer ABC:

- date of issue: 5.27.2019
- amount 100.00 EUR, exchange rate: 1 EUR = 4 PLN
- due date: 6.26.2019

On the PI payment, in the tab *Terms*, the values which will be calculated once terms conditions are fulfilled, are presented:

Payment: PI/2019/00001 ×								.		
Type: Payable <>	Payments Entity Terms	Attributes Attachments	Change History							
Value: 100,00 EUR - 0 400,00 PLN Paid: 0,00 EUR 0,00 PLN	,+,×, दर ▼									
To Be Paid: 100,00 EUR 400,00 PLN	Drag the column header here	rag the column header here to group by that column								
Number	Terms [%]	Number of Days	Terms Expiration Date	Terms Base	Value Not Subject To Te	Terms Value	Amount To Be Paid	Currency		
PI/2019/00001	P 80	880	18	880	880	E BC	Rac	E BC		
Reference Number	> 30,0000	2	30/05/2019	100,00	0,00	30,00	70,00	EUR		
Document Date										
28/05/2019 ~										
Payment Due Date										
Gotówka 👻 27/06/2019 👻										
Days of Delay Expected Due Date										
0 27/06/2019 👻										
Account Completion										
Kasa gotówkowa 🔻 Is subject 👻										
Payer										
ABC Vendor 👻 …										
Currencies	x 7							Edit Eilter		
manual 👻 🚽								curritter		
Date of Issue ~ 28/05/2019 ~	Description									
1,0000 EUR 👻 🗘 4,0000 PLN 🗘	Add a description									
Bank Account										
· · ·										
~								-		

Terms on the payment form of purchase invoice in EUR

The payment is completed with a CW transaction with exchange rate 1 EUR = 4.50 PLN on 5.28.2019. The conditions of the terms are fulfilled. During the completion the following documents are automatically generated:

- PIVC amounting to -30.00 EUR
- discount transaction amounting to 30.00 EUR
- exchange rate difference document amounting to 35 PLN
 [(4,50 4,00) * 70,00 EUR]

Payment: Pl/2019/00001 ×										
Type: Payable <>	Payments Entity Terms Att	ributes Attachments Cha	ange History							
Value: 100,00 EUR - 0 400,00 PLN	Documents To Be Paid									
Paid: 100,00 EUR 190,00 PLN		S 🗸 🖉 🖉 😓 😓 🛨 📄 Compensations Owner All available objects 👻								
To Be Paid: 0,00 EUR 210,00 PLN	Document Number Re	eference Number En	tity Code	Amount	To Be Paid	Due Date - Cu	rrency Owner			
Number	Y []ac []	ic 🚺 🛛	ĸ	Dec .		Dec Dec				
PI/2019/00001										
Reference Number										
Document Date										
28/05/2019 -										
Payment Due Date	×V						Edit Filter			
Gotówka ~ 27/06/2019 ~	Decid De sumente									
Days of Delay Expected Due Date							•			
0 27/06/2019										
Account Completion	Document Number	Reference Number	Entity Code	Paid	To Be Paid	d Due Date	 Currency 			
Kasa gotówkowa 🕆 Is subject 👻	P 0ac	noc.	D ec	∎sc.	∎sc.	Esc.	∎ac			
Payer	KWFZ/2021/00005		ABC		30,00	0,00 2021-03-20	EUR			
ABC Vendor v ····	PI/2019/00001	PI/2019/00001	ABC		70,00	0,00 2019-05-28	EUR			
Currencies										
manual					0.00	0.00				
Date of Issue v 28/05/2019 v					0,00	0,00				
1,0000 EOR + _ 4,0000 PEN _	××						Edit Filter			
Bank Account	Statements of Remittance Orders									
=	Number	Da	ate of Transfer		Amount	Sta	itus			
Bank										
	х						Edit Filter			
VAI-2D 2D Notification										
	Description									
Owner v										
^										

Completed PI payment