

Credit Memos and Write Offs

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Overview

Credit Memos and **Write Offs** are similar in that they are both invoices with a negative balance that can be used to pay off a contact's remaining balance.

- The difference is that a credit memo is a credit that the contact can use to take off money from their next invoice
- A write off denotes an invoice that you don't expect the contact to ever pay.

Credit Memos

There are two ways to create credit memos and which method you use will depend on how you intend to use the credit.

Future Credit

If this is a credit that the contact can make use of at a later date, you'll want to create a brand new credit memo using the **Invoice** button from the contact's details page, and then choosing **Credit Memo** as the **Type**.

Create Invoice for [Bart J Simpson - Bart Simpson Enterprises](#)

Date* 3/5/2018

Type Invoice ▼

Customer Notes

Invoice
Credit Memo
Refund

Option	Item
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From here, you simply need to select a service and force the total of the invoice to be equal to the amount of credit you wish to give. For example, once you've selected the service, you could set the unit price of the first line to \$25 and make sure the invoice isn't taxable to end up with a \$25 credit memo.

To actually use this credit memo when the time comes, navigate to an open invoice that you'd like to pay off for the same contact.

Once you're on the invoice details page, hit **Pay** as if you were going to pay off this invoice like normal. Select **Credit Memo** as the payment method and you'll be given a new dropdown that contains the contact's open credit memos. Simply select the credit memo you'd like to use and save the payment.

The credit memo will be applied using the amount you entered. If the balance of the credit memo is greater than what the contact owed, only a portion of the memo will be used and the remainder will still be available for use later.

Payment Method	Credit Memo
Credit Memo	12365 - 9/25/2015 (\$39.20)
Amount	Create new credit memo
	12365 - 9/25/2015 (\$39.20)
Payment Date	3/5/2018
Reference	

Immediate Credit

You may have also noticed that there was an option to create a new credit memo. This option is the fastest way to let a contact use a credit immediately.

You can skip the first step of creating a standalone credit memo and go straight to the invoice you'd like to pay off. Creating a new credit memo in this way will automatically create and use the memo without you needing to set it up first.

Write Offs

Write offs are like credit memos, but carry a different meaning to them. They're used to mark money that you never actually received. They're also created in a slightly different manner.

Create a Write Off

To write off an invoice, head to the details page of an open, approved invoice.



You can not write off unapproved invoices.

Once there, you should see a write off button right next to the usual pay button. Simply using this button will write off the remaining balance for this invoice.

View	Print	Edit	Delete	Payments		Pay	Write Off
Status Open Invoice Number 12553 Invoice Date 11/28/2017 Service Installation				Actions	Date	Amount	Type
Internal Notes				Ref	By		
No data to paginate				<< < > >>			
Add...	When	Note					

FAQ

Q: Our state offers a rebate, how should we handle this in ServiceMinder?

A: The franchisee can discount the proposal/invoice for the amount that is a rebate. Then using a credit memo is

probably going to be your best bet - that way the revenue is still counted but you can apply that "discount" still.
