

Accounting for Warranty Replacement

Begin by creating an **invoice** for the customer you're sending the replacement item under warranty to:

The screenshot shows the 'Create Invoices' window with the following details:

- Customer:** A-I Consolidated
- Class:** (empty)
- Template:** Intuit Product Invoice
- Date:** 03/20/2014
- Invoice #:** 995
- Ship To:** A-I Consolidated, Gene D. Flamand, 5002 Industrial Way, Coeur D'Alene ID 83815
- Bill To:** A-I Consolidated, Gene D. Flamand, 5002 Industrial Way, Coeur D'Alene ID 83815
- P.O. Number:** 38066
- Terms:** 5% - 10 days
- Rep:** (empty)
- Ship:** 03/20/2014
- Via:** UPS
- F.O.B.:** (empty)
- Item Table:**

Quantity	Item Code	Description	Price Each	Class	Amount	Tax
1	1010	Titan Roof Razor	60.00		60.00	Non
- Customer Message:** (empty)
- Tax:** Wholesale (0.0%) = 0.00
- Total:** 60.00
- Payments Applied:** 0.00
- Balance Due:** 60.00
- Customer Tax Code:** Non
- Memo:** (empty)

Make sure you change the price of the item to its cost. In the example above, the price of the Titan has been changed to its cost of \$60. Add any other items you are replacing under warranty (if any). Once you're finished, click **Save & Close**.

Now create a credit memo for the same customer. For the item, choose **Warranty Replacement** (this will be the very last item you can choose). Change the rate so it's the same amount as the Balance Due of the invoice you previously created. Finally, in the Memo box, type in any information about the credit memo you want.

The default is **Apply to an invoice**. Do NOT change that option, and click OK. The **Apply Credit to Invoices** screen will now appear:

Apply Credit to Invoices

Credit Memo

Customer: Job A-I Consolidated

Ref. No. 996 Original Amt. 60.00

Date 03/20/2014 Remaining Credit 0.00

<input checked="" type="checkbox"/>	Date	Job	Number	Orig. Amt.	Amt. Due	Amt. Applied
<input checked="" type="checkbox"/>	03/20/2014		995	60.00	60.00	60.00
Totals				60.00	0.00	60.00

Clear Selections

Done Cancel

If you just have one invoice, it will default to applying the credit to that invoice. If there are multiple invoices, it will default to the oldest unpaid invoice that is the exact amount. If that is the case, make sure it is the correct invoice, and if it's not, make sure you uncheck the wrong invoice (the check mark on the left-hand side of the invoice) and check the correct invoice.

Once you have the correct invoice checked, click **Done**. The screen will now close.