

## Business One in Action - How can we post bank fees and charges while posting Incoming or Outgoing Payment transactions?



### Applies to:

SAP Business One, [Accounting](#), [Banking and Reconciliation](#)

### Summary:

This article describes a workaround to record bank charges while posting payments.

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### Author Bio:

Lorna Real joined SAP in 2007 and is currently active as Senior Support Consultant for SAP Business One. She has worked as both technical and business consultant. She authored this article as a direct response to a partner enquiry during the Expert-on-Phone project, where she consulted on mainly Logistics and Finance related topics.

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## How can we post bank fees and charges while posting Incoming or Outgoing Payment transactions?

When processing bank transfer payments from customers or to suppliers there is a requirement to record the related bank charge. Is there a way to post this bank charge fee with the Incoming or Outgoing Payment transaction?

### Solution:

In the 'Payment Means' window of the 'Incoming or Outgoing Payment' function, there is currently no facility to define the bank charge. The bank charge can be posted separately using the following:

- Create a separate Journal Entry.
- Create an Adjusting Journal Entry during the process of reconciling bank statements with the Cash Account balance.

The screenshot shows the 'Payment Means' dialog box. The 'Currency' is set to 'GBP'. The 'Bank Transfer' tab is selected. The 'G/L Account' field is highlighted in yellow. The 'Transfer Date' and 'Reference' fields are empty. The 'Total' field is empty. The 'Overall Amount' and 'Balance Due' fields are empty. The 'OK' and 'Cancel' buttons are visible at the bottom left, and the 'Paid' field is empty at the bottom right.

To address the requirement during the payment process, the 'Credit Card' tab of the 'Payment Means' window can be used to hold the Bank Charges.



- Access the 'Incoming Payment' function to post an incoming payment. Select an A/R Invoice for payment. Consider this scenario:  
 A/R Invoice Balance – GBP 1,000  
 Customer Payment – GBP 1,000 (through Bank Transfer)  
 Bank Fees – GBP 50.00 (to be paid by the Company)  
 Net Amount of Cash in the Bank – GBP 950.00

**Incoming Payments**

Code: C1000  
 Name: Funsports UK  
 Bill To: 2 George Street  
 N2 7YW LONDON  
 UNITED KINGDOM  
 Contact Person: David Moore

Customer  
 Vendor  
 Account

No. Primary: 61  
 Posting Date: 03.12.08  
 Due Date: 03.12.08  
 Document Date: 03.12.08  
 Reference:  
 Transaction No.:

Selected	Documen...	Installment	Date	*	Total	Balance Due	Discount %	Documen...	Total Payment
<input type="checkbox"/>	➔ 19	1 of 1	18.09.08	*	GBP -152.000000	GBP -152.000000	0.000000	CN	GBP -152.000000
<input type="checkbox"/>	➔ 17	1 of 1	18.09.08	*	GBP -124.000000	GBP -124.000000	0.000000	CN	GBP -124.000000
<input type="checkbox"/>	➔ 16	1 of 1	18.09.08	*	GBP -124.000000	GBP -124.000000	0.000000	CN	GBP -124.000000
<input type="checkbox"/>	➔ 114	1 of 3	20.08.08	*	GBP 48.000000	GBP 29.000000	0.000000	IN	GBP 29.000000
<input type="checkbox"/>	➔ 124	1 of 1	29.09.08	*	GBP 137.000000	GBP 137.000000	0.000000	IN	GBP 137.000000
<input type="checkbox"/>	➔ 134	1 of 1	03.12.08	*	GBP 137.000000	GBP 137.000000	0.000000	IN	GBP 137.000000
<input checked="" type="checkbox"/>	➔ 135	1 of 1	03.12.08	*	GBP 1,000.000000	GBP 1,000.000000	0.000000	IN	GBP 1,000.000000
<input type="checkbox"/>	➔ 959	1 of 1	13.06.07		GBP 200.000000	GBP 200.000000	0.00	JE	GBP 200.000000

Payment on Account 0.000000

Remarks:

Journal Remarks: Incoming Payments - C1000  
 Created by Payment Wizard

Total Amount Due: GBP 1,000.000000  
 Open Balance:

Buttons: Add, Cancel, Deselect All, Select All, Add in Sequence

4. Access the 'Payment Means' window. In the 'Credit Card' tab, call up the Bank Fees and Charges. Notice that the G/L Account automatically appears on the 'G/L Account' field.

The screenshot shows the 'Payment Means' window in SAP. The 'Credit Card' tab is active. The 'G/L Account' field is highlighted with a red box and contains the value '650010'. The 'Payment Method' is set to 'Bank Transfer'. The 'Vouchers' list contains two entries: '1 Bank Fees and Charges' and '2 Define New'. The 'Overall Amount' and 'Balance Due' are both set to 'GBP 1,000.000000'. The 'Total' field shows 'GBP 0.000000'. Buttons for 'OK', 'Cancel', and 'Paid' are visible at the bottom.

Field	Value
Currency	GBP
Payment Method	Bank Transfer
Payment Method	Bank Transfer
Amount Due	
No. of Payments	1
First Partial Payment	
Each Add. Payment	
Voucher No.	
Transaction Type	Regular
Overall Amount	GBP 1,000.000000
Balance Due	GBP 1,000.000000
Total	GBP 0.000000

- Enter the values in the 'Credit Card No.', 'Valid Until', 'Payment Method' and 'Voucher No.' fields. Set the 'No. of Payments' to '1'. In the 'Amounts Due' field, enter the amount of the bank charge.

**Payment Means**

Currency: GBP

Check | Bank Transfer | Credit Card | Cash

Credit Card Name: Bank Fees and Charges

G/L Account: 650010

Credit Card No.: Bank Fees & Charges

Valid Until: 01.00

ID No.:

Telephone No.:

Payment Method: Bank Transfer

Amount Due: GBP 50.000000

No. of Payments: 1

First Partial Payment: GBP 50.000000

Each Add. Payment: GBP 0.000000

Voucher No.: 1

Transaction Type: Regular

Vouchers:

1	Bank Fees and Charges
2	Define New

Tel. for Approval:

Company ID:

Total: GBP 50.000000

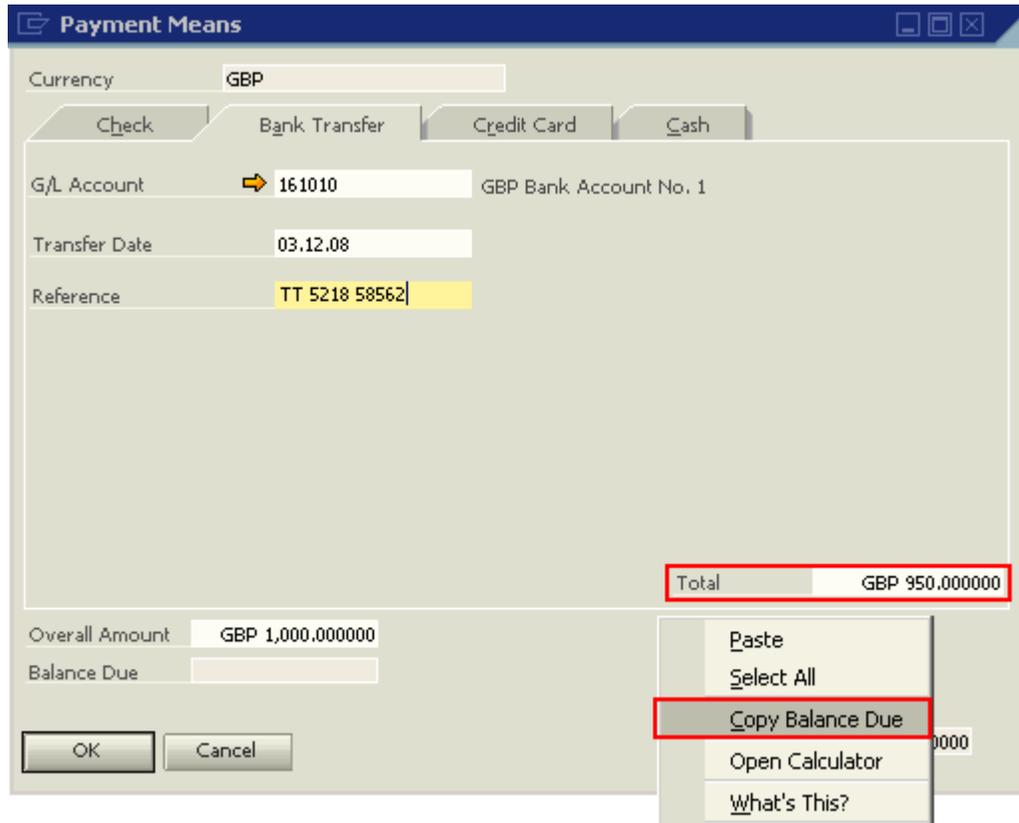
Overall Amount: GBP 1,000.000000

Balance Due: GBP 950.000000

OK | Cancel

Paid: GBP 50.000000

6. Access the 'Bank Transfer' tab to complete the remaining payment details. In the 'Total' field, right click and select 'Copy Balance Due'. This will automatically bring the GBP 950.00 to the field. The GBP 950.00 is the net cash amount that is received in the bank. Once done, click on 'OK'.



7. Add the incoming payment transaction. The journal entry will be as follows:

**Incoming Payments**

Code: C1000  
 Name: Funsports UK  
 Bill To: 2 George Street  
 N2 7YW LONDON  
 UNITED KINGDOM  
 Contact Person: David Moore

Customer No. Primary: 61  
 Posting Date: 03.12.08  
 Due Date: 03.12.08  
 Document Date: 03.12.08  
 Reference:  
 Transaction No.: 1069

Selected	Documen...	Installment	Date	*	Total	Balance Due	Discount %	Documen...	Total Payment
<input checked="" type="checkbox"/>	135	1 of 1	03.12.08		GBP 1,000.000000		0.000000	IN	GBP 1,000.000000

**Journal Entry**

Series: Primary, Number: 1069, Posting Date: 03.12.08, Due Date: 03.12.08, Doc. Date: 03.12.08, Ref. 1: 61, Trans. Code: Incoming Payments - C1000

Origin: RC, Origin No.: 61, Trans. No.: 1069

Fixed Exchange Rate     EU Report     Automatic Tax

Expand Editing Mode

#	G/L Acct/BP Code	G/L Acct/BP Name	Debit	Credit	T...
1	161010	GBP Bank Account No. 1	GBP 950.000000		
2	650010	Bank Charges Paid	GBP 50.000000		
3	C1000	Funsports UK		GBP 1,000.000000	
			GBP 1,000.000000	GBP 1,000.000000	

## Related Contents

- [SAP Business One in Action Catalog Page](#)
- For more information, visit the [Business One homepage](#).

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