

AR INVOICE DISCOUNT PRODUCTS



Products flagged as **Discount Products** can be added to AR Invoices to discount one product, a product subtotal, the entire invoice, or to 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 cannot be discounted, and individual products can be flagged as **Exclude From Invoice Discounts**.

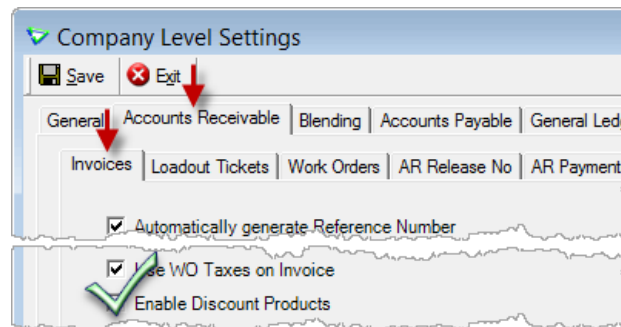
What you'll find:

Setup	2
Adding Discount Products to Invoices	8

Setup

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, the config option cannot be unchecked until 2 years *after* the last discount product was added to an invoice ([deactivate](#) the discount products in the meantime so they cannot be added to any new invoices).

It *should not* be unchecked until all fiscal years with invoice discount products have been closed.

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.

The screenshot shows an invoice from 'agre' for TSL Custom Ag & Terminal Inc. - Edmonton. The invoice includes contact information, a reference number (EINV378), and a date (May 25, 2023). The main table lists two items: 'Achieve Liquid Gold' and a 'Product Row Discount 10%'. The discount is calculated as 10% of the previous row's total (\$4,656.00), resulting in a discount amount of \$465.60. A red box highlights the '10 %' discount rate, and a red arrow points from the 'Amount' of the first row to the 'Unit Price' of the second row.

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)

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

On the **Product** tab

The screenshot shows the 'Edit Product' window for 'DISCPRODROW10 - Product Row Discount 10%'. The window has tabs for Product, Units, Inventory, Notes, Associated Products, Blending, Manufacturing, Dangerous Goods, Regulations, and Grower Central. The 'Product' tab is active. The 'Product Code' is 'DISCPRODROW10', and the 'Description' is 'Product Row Discount 10%'. The 'Product Type' is 'Chemicals (34539)'. The 'Discounts' section shows a checked 'Discount' with a 'Product Row' type and a '10 %' discount rate. A callout box explains that using a naming convention like 'DISC' for the product code makes selection on invoices faster. Another callout box notes that the '%' symbol is optional. A third callout box shows the 'Add Product Characteristic' dialog with 'Discounts' as the characteristic description, noting that adding a common characteristic makes discounts easy to select on reports.

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

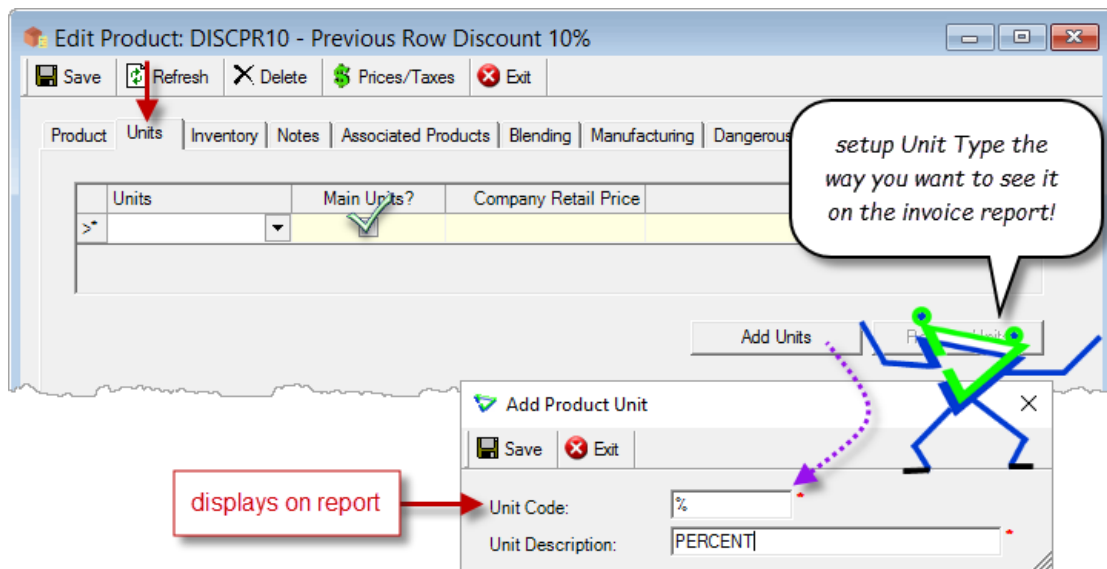
Product Type: can be a regular product type, or a separate Discounts product type; think about how you currently run reports by product type and where you want discounts to fit in

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:**



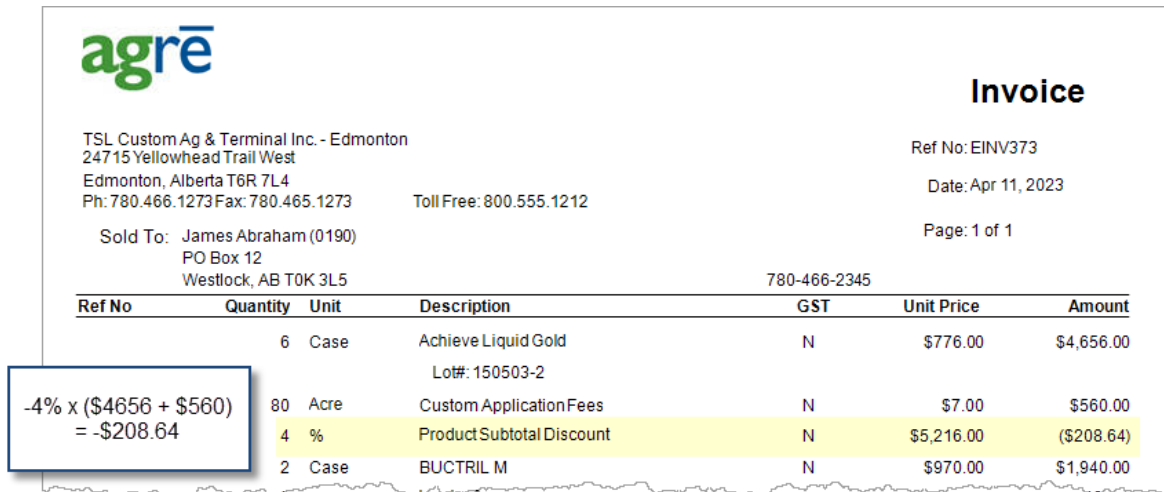
Inventory > Manage > Products

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).



agré

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

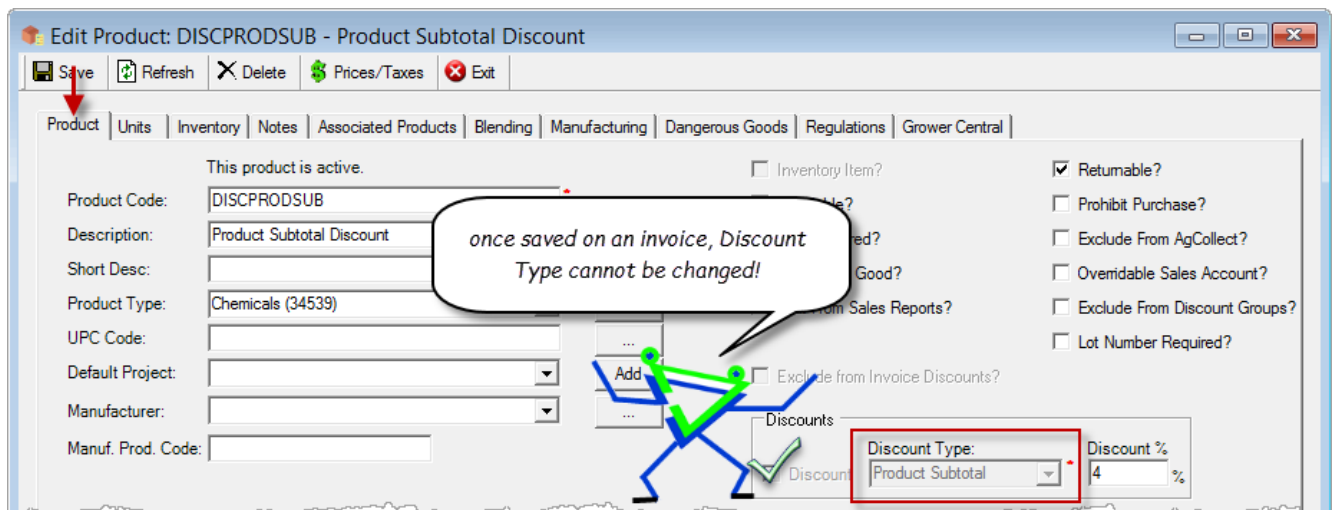
780-466-2345

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

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

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

Save Refresh Delete Prices/Taxes Exit

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

This product is active.

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

Discount Type: Product Subtotal

Discount %: 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

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 11, 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#: 150503-2	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 = $-2\% \times (-4\% \times (\$4656 + \$560) + \$1940) = -\$138.95$

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

Save

Refresh

Delete

Prices/Taxes

Exit

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)

UPC Code:

Default Project:

Manufacturer:

Manuf. Prod. Code:

Add

...

Add

...

☐ Inventory Item?

☐ Blendable?

☐ Manufactured?

☐ Dangerous Good?

☐ Omit From Sales Reports?

☐ Exclude from Invoice Discounts?

☒ Returnable?

☐ Prohibit Purchase?

☐ Exclude From AgCollect?

☐ Overridable Sales Account?

☐ Exclude From Discount Groups?

☐ Lot Number Required?

Discounts

Discount Type: Invoice Total

Discount %: 2

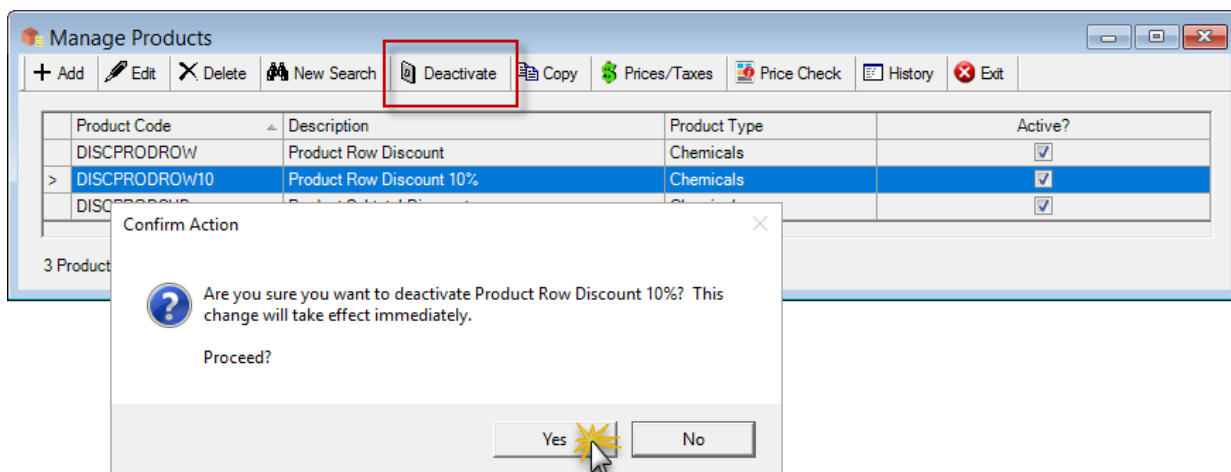
Inventory > Manage > Products

Deactivating Discount Products

Deactivate discount products that are no longer in use.

Deactivated discounts cannot be *added* to transactions.

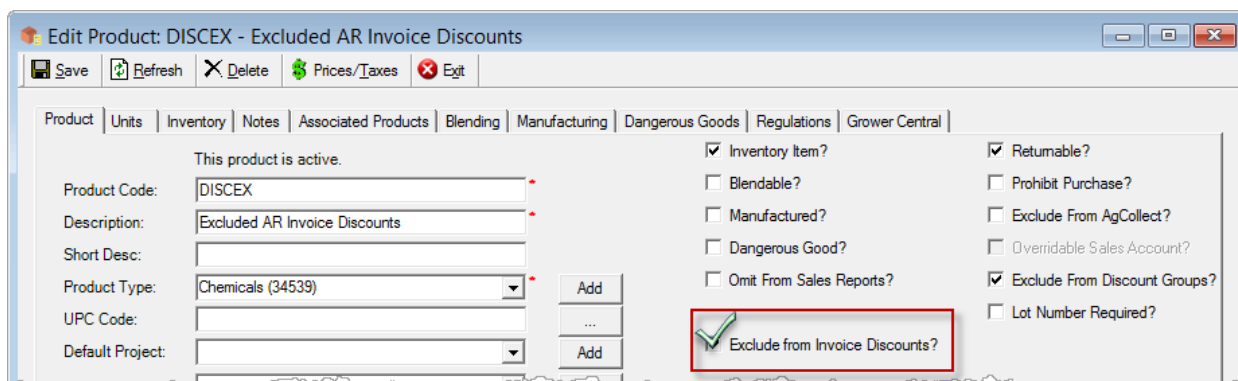
Ones already on *existing* transactions will not be affected but cannot be edited.



Inventory > Manage > Products

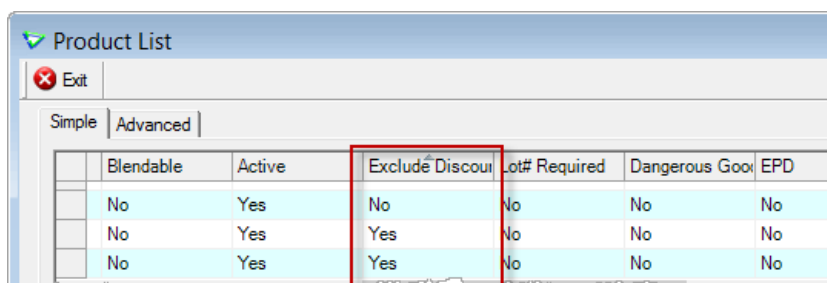
Products That Should NOT Be Discounted

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
$$= \text{Quantity \%} / 100 * \text{Unit Price} * -1$$

The screenshot displays the 'Add Invoice' application window. The 'Purchases (1)' tab is active, showing a table with one row: 'ACHIEVE - Achieve Liquid Gold (CASE)' with a quantity of 6.0, unit price of \$776.00, taxes of \$0.00, and a line total of \$4,656.00. A red arrow points to the 'Invoice Date' dropdown menu, which is set to 'Jun 16, 2023'. Another red arrow points to the 'Unit Price' field in the 'Add Invoice Purchase Row' dialog box, which is set to '\$4,656.00'. A blue arrow points from the 'Line Total' field in the dialog box, which is set to '-\$465.60', to the 'Line Total' column in the main table.

Add Invoice

Save Refresh Split Documents View Credit View Prepayment View WO Activity Exit

Reference: ☒ Generate Reference Automatically Location: Edmonton

Customer: Abraham, James (0190) Find Add Created By: jagre User

Invoice Date: Jun 16, 2023 Due Date: Jun 26, 2023 Invoice Total:

Customer and Shipping Purchases (1) Returns Totals Immediate Payment

Product	Quantity	Unit Price	Taxes	Line Total	Prepay?	Hold?	Location
> ACHIEVE - Achieve Liquid Gold (CASE)	6.0	\$776.00	\$0.00	\$4,656.00	☐	☐	Edmonton

Add Invoice Purchase Row

Update Refresh Exit

Product: Product Row Discount 10% - DISCPROWDROW10 Find

Units: PERCENT - %

Location: Edmonton

Quantity: 10.0 %

Unit Price: \$4,656.00

Line Total: -\$465.60

Line Comments:

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

Add Invoice

Reference: * ☒ Generate Reference Automatically

Customer: Abraham, James (0190)

Invoice Date: Jun 19, 2023

Location: Edmonton

Created By: agre User

Invoice Total: \$4,190.40

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

Tax Summary

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

Early Payment Discounts

- Save and preview the invoice

agre

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

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	N	\$776.00	\$4,656.00
			Lot#: 150601-3			
	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.

The screenshot shows the 'Add Invoice' window with a table of products. The 'Line Total' for the first product is \$4,656.00. A blue box highlights this value, and a blue arrow points to the 'Add Invoice Purchase Row' dialog box. In this dialog, the 'Product' is 'Product Subtotal Discount - DISCPRODSUB', the 'Units' are 'PERCENT - %', and the 'Quantity' is '4.0 %'. A calculation box shows the following steps:

\$4,656.00
+ \$560.00
= \$5,216.00
x 4%
= \$208.64

The 'Line Total' in the dialog is calculated as -\$208.64.

Accounts Receivable > Invoices / Add Product

The screenshot shows the 'agre' logo and the 'Invoice' header. The invoice details include the company name 'TSL Custom Ag & Terminal Inc. - Edmonton', the address '24715 Yellowhead Trail West', and the phone number '780.466.1273'. The reference number is 'EINV380' and the date is 'Jun 16, 2023'. The invoice is for 'James Abraham (0190)' and includes a table of products:

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.

Add Invoice

Reference: ☒ Generate Reference Automatically Location: Edmonton

Customer: Abraham, James (0190) Find Add Created By: agre User

Invoice Date: Jun 16, 2023 Due Date: Jun 26, 2023 Invoice Total:

Customer and Shipping Purchases (4) Returns Totals Immediate Payment

Product	Quantity	Unit Price	Taxes	Line Total	Prepay?	Hold?	Location
ACHIEVE - Achieve Liquid Gold (CASE)	6.0	\$776.00	\$0.00	\$4,656.00	☐	☐	Edmonton
CUSTAPP - Custom Application Fees (AC)	80.0	\$7.00	\$0.00	\$560.00	☐	☐	Edmonton
DISCPRODSUB - Product Subtotal Discount (F	4.0	\$5,216.00	\$0.00	(\$208.64)	☐	☐	Edmonton
> BUCTRIL - BUCTRIL M (CASE)	2.0	\$970.00	\$0.00	\$1,940.00	☐	☐	Edmonton

Add Invoice Purchase Row

Update Refresh Exit

Product: Invoice Total Discount - DISCINV Find

Units: PERCENT - %

Location: Edmonton

Quantity: 2.0 %

Unit Price: \$6,947.36

Line Total: -\$138.95

Line Comments:

Accounts Receivable > Invoices / Add Product

agre

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

Invoice

Ref No: EINV381
Date: Jun 16, 2023
Page: 1 of 1

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			
				Subtotal	\$6,808.41	
				Total	\$6,808.41	

example of Product Subtotal discount + Invoice Total discount

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

The screenshot shows the 'Add Invoice' window with the following details:

- Reference:** [Empty] ☒ Generate Reference Automatically
- Customer:** Carter, Alexander (C0874) [Find] [Add]
- Location:** Dog River
- Created By:** jagre User
- Invoice Date:** Jun 19, 2023 **Due Date:** Jul 19, 2023
- Invoice Total:** \$6,599.24
- Tabs:** Customer and Shipping | Purchases (7) | Returns | Totals | Immediate Payment

Product	Quantity	Unit Price	Taxes	Line Total
ACHIEVE - Achieve Liquid Gold (CASE)	6.0	\$776.00	\$0.00	\$4,656.00
DISCPRODROW10 - Product Row Discount 10%	10.0	\$4,656.00	\$0.00	(\$465.60)
DEPOSIT - Deposit (EA)	6.0	\$0.50	\$0.00	\$3.00
CUSTAPP - Custom Application Fees (AC)	80.0	\$7.00	\$61.60	\$621.60
DISCPRODSUB - Product Subtotal Discount (F)	4.0	\$560.00	\$0.00	(\$22.40)
BUCTRIL - BUCTRIL M (CASE)	2.0	\$970.00	\$0.00	\$1,940.00
> InvoiceTotalDiscount - InvoiceTotal Discount (I)	2.0	\$6,668.00	\$0.00	(\$133.36)

Summary:

- Purchases Subtotal (before tax): \$6,537.64
- Prepaid Purchases (before tax): \$0.00
- Prepayment Remaining: \$217,900.96

Product Details Table:

	Qty	Unit Price	Line Total
Achieve	6	\$776.00	\$4,656.00
Disc Row	10%	\$4,656.00	(\$465.60)
			= \$4,190.40
Deposit	6	\$0.50	n/a
CustApp	80	\$7.00	\$560.00
Disc Sub	4%	\$560.00	(\$22.40)
			= \$4,728.00
Buctril	2	\$970.00	\$1,940.00
			= \$6,668.00
Disc Inv	2%	\$6,668.00	(\$133.36)

Additional actions: Add Product Row, Import from WO/LOT, Remove Row, Prepayment.

Notes: flagged as Exclude From Invoice Disc, taxes excluded from discount

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 1/6th 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