**VENDOR CREDIT CARD**

**PAYMENT PROCESSING**

1. Create a new general ledger account number called Credit Card Processing, or whatever you assign as a name.

2. Enter Vendor Invoices that are to be paid by credit card as normal in Accounts Payable using your vendor’s expense general ledger account number.

3. Enter Credit Card Statement as normal except for those vendors that have vendor invoices. For those line items on the statement, use the new Credit card holding general ledger account number.

4. Process payment for credit card as normal.

5. For those vendor invoices that were paid by credit card, enter an accounts payable credit memo to take that invoice off the aging. On all the line items of the memo, instead of crediting the expense account, override that account number with the new Credit card Processing account number. This will reverse the amount previously entered when entering the credit card statement.

Example:

Account # Description Debit Credit

2100 - Accounts Payable

(2)Vendor Utility Bill ($1,000.00)

(3)Credit Card-Utility Bill Line item ($1,000.00)

(5)Credit Memo Vendor Utility Bill $1,000.00

6800- Utilities

(2)Vendor Utility Bill $1,000.00

9000- Credit Card Holding

(3)Credit Card-Utility Bill Line item $1,000.00

(5)Credit Memo Vendor Utility Bill ($1,000.00)