

## Question:

How do you handle a partially paid A/R Down Payment Invoice in SAP Business One when a client has not paid the full deposit amount?

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## Answer:

There are two primary scenarios and corresponding solutions for handling partially paid A/R Down Payment Invoices:

### **Scenario 1: No portion of the deposit has been paid.**

If the A/R Down Payment Invoice has been created, but no incoming payment has been applied to it, you can simply cancel the document.

Steps:

Navigate to the A/R Down Payment Invoice you wish to remove.

Right-click on the document and select "Cancel".

Confirm the cancellation.

### **Scenario 2: A partial payment has been applied to the deposit.**

If the client has made a partial payment on the A/R Down Payment Invoice, the process involves creating an A/R Credit Memo to clear the remaining balance.

Initial Steps:

First, you must cancel the Incoming Payment that was applied to the A/R Down Payment Invoice.

Once the Incoming Payment is canceled, you can then proceed to create an A/R Credit Memo.

You can copy the A/R Down Payment Invoice to an A/R Credit Memo to ensure accuracy and a clear document trail. This will reverse the value of the down payment.

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## Question:

After issuing a Credit Memo for a partially paid Down Payment, the remaining balance still appears in the "Open Items List". How can this be cleared?

We've followed the standard procedure of issuing an A/R Credit Memo to address the unpaid portion of a down payment. However, we've observed that while the credit memo clears the financial balance, the original A/R Down Payment Invoice remains in the "Open Items List" under the status "A/R Down Payment not yet fully applied". Our attempts to create a dummy invoice to offset this are unsuccessful as the system does not allow the application of the remaining deposit amount. Is there an alternative method to resolve this and remove the item from our open items list?

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## Answer:

This is the standard behavior of SAP Business One. The system is designed to maintain a record of all down payments that have not been fully applied to a final A/R Invoice, even if the down payment document itself is closed.

To understand this, it's helpful to differentiate between the two statuses for A/R Down Payments in the "Open Items List" report:

**Down Payments - Unpaid:** This status indicates that an A/R Down Payment Invoice has been created, but no incoming payment has been received against it. The document is considered "Open".

**Down Payments - Not Yet Fully Applied:** This status indicates that an A/R Down Payment has been paid (fully or partially), but the full amount of the down payment has not been drawn into a final A/R Invoice. Even if the down payment document's status is "Closed", it will appear in this list until it is fully reconciled with a final invoice.

**Solution to Clear the "Not Yet Fully Applied" Status:**

While this is standard SAP functionality, there is a recognized workaround to clear these items from the "Down Payments - Not Yet Fully Applied" list. The process involves creating a zero-value A/R Invoice and applying the outstanding down payment amount to it.

