📘 What is a Credit Note?

A credit note is issued to a customer to reduce the amount they owe.
It is usually created when:

- Goods are returned
- Over-billing happened
- Discount or adjustment is given

👉 A credit note reduces sales and customer balance.

🎯 Why Credit Notes are Important?

Using credit notes in MYOB helps you to:
- ✔️ Correct billing mistakes
- ✔️ Maintain accurate customer & supplier balances
- ✔️ Adjust GST correctly
- ✔️ Keep clean audit trails

They ensure financial records remain accurate and compliant.

🧠 Key Difference (Easy to Remember)

Credit Note	Debit Note
Given to Customer	Given to Supplier
Reduces customer balance	Reduces supplier balance
Reduces sales	Reduces purchase/expense

📃 Steps to Create a Credit Note in MYOB

1 **Open Myob**

Open your MYOB company file

2 **Go to Sales**

From the main menu, click sales.

3 **Go to sale returns**

click on sales return and credit

4 **Choose Customer**

Select the customer for whom the credit note is issued.

5 Select Original Invoice (If Applicable)

Link the credit note to the original invoice (recommended).

6 Enter Credit Details

Add:
- Returned items or adjustment amount
- Quantity and price

7 Apply GST / Tax Code

Ensure the correct GST code is selected.

8 Save Credit Note

Click Record / Save.

⚠️ Important Concept

- Credit & debit notes do not create new income or expense
- They only adjust existing invoices or bills

📊 What Happens After Saving Credit Note?

- Customer balance decreases
- Sales figures are reduced
- GST is adjusted
- Credit note appears in Sales Register