

# Charging A Credit Card Processing Fee

This document describes how to set up and add a processing fee to the customer invoice when a credit card is going to be used to pay for the invoice.

## Step 1 - Define G/L account to be used to post these charges

Go to Reference Information, System Options, Customer Invoicing. Enter the G/L account to which you want the credit card process fees posted.

The screenshot shows the 'Customer Invoicing System Options' window. At the top right, there are icons for help, a star, and a question mark, along with the version number 'V12'. The main area contains several sections of options:

- Do you want to flag individual items as taxable/nontaxable?**
- Method used to mark up freight charges?**  Add \$ (\$9.99 maximum)  Add % (no decimals)  Add \$ (\$999 maximum, no decimals)
- Dollars to add to freight cost to get freight price:** 25
- Do you want to automatically apply credit card payments in A/R?**
- Allow changes to non-critical information on closed invoice?**
- Standard G/L Accounts used in customer invoicing (first 3 digits):**
  - Income/Sales: 300 Sales - General
  - Freight Billed: 302 FREIGHT INCOME
  - Shipments of consigned goods: 300 Sales - General (Leave blank if not used)
- Standard G/L Accounts used for credit cards (first 3 digits):**
  - Visa: 101 Cash in Bank (Leave blank if not used)
  - MasterCard: 101 Cash in Bank (Leave blank if not used)
  - Discover: 101 Cash in Bank (Leave blank if not used)
  - American Express: 101 Cash in Bank (Leave blank if not used)
  - Other credit cards: 101 Cash in Bank (Leave blank if not used)
  - Credit Card Handling Fee:** 66452 C/C handling (Leave blank if not used) - This field is highlighted with a red arrow.
- Standard G/L Accounts used for gift cards if you want to post to G/L (first 3 digits):**
  - Gift cards issued: 241 Gift Cards Issued (Leave blank if not used)

At the bottom, there are 'Save' and 'Exit' buttons.

Enter all 5 digits of the account. If the last two digits are zeros and you use divisions, the division on the invoice will replace the zeros. So, if your G/L account is 38500 and the division on the invoice is division 01, then the charge will be posted to account 38501. If the division is 02, the charge will be posted to account 38502.

## Step 2 - Set up your credit terms

Some new fields have been added to the credit term set up screen so you can specify how to calculate the processing fee.

Formula for C/C handling fee - You may enter either a fixed dollar amount, a percentage, or both. Examples

- \$5.00 flat fee
- 3% of the invoice total
- \$5.00 plus 1% of the invoice total

**Credit Terms** V12

Credit Routine:

Description of Terms:

Past Due Method:  Dated From Invoice Date  Specific Day of Month  Specific Date

\* Number of days:

**Cash Discount**

Cash Discount Days:  Cash Discount Percent:  %

Basis for Cash Discount:  Total Invoice  Merchandise & Charges  Merchandise only

**Service Charges**

Service Charge Percent:  % Start S/C when Past Due:  days

Minimum Service Charge:   For Basis of S/C, Exclude Previous S/C?

Action when Below Minimum:  Drop  Use Minimum

**Credit Card Handline Fee**

Formula for C/C Handling Fee: \$  and/or  3.00 % (Leave blank if not used)

Basis for calculating fee:  Total Invoice  Merchandise/Charges/Shipping  Merchandise & Charges  Merchandise only

Include in invoice total?  Yes, include as a charge on the invoice

No, don't add charge to invoice; use to calculate fee amount for a message on my invoices  
(Contact Lakeshore Technical support to have the message added to your invoice template)

Minimum C/C Handling Fee: \$

Action when Below Minimum:  Drop  Use Minimum

\* Required field

Basis for calculating fee - If you are using a percentage to calculate the fee, then you may indicate the basis to which the percentage will be applied.

- Total invoice - Merchandise, charges, shipping and sales tax will be included in the basis
- Merchandise/Charges/Shipping - sales tax not included in the basis
- Merchandise/Charges - Shipping and sales tax not included in the basis
- Merchandise only - Additional charges, shipping and sales tax not included in the basis

Include in invoice total - If you want to actually levy the charge and include it in the total invoice amount, pick the “Yes” option. If you’d like to just add a message to your invoice forms to indicate a processing fee **WILL** be included if the invoice is paid by credit card, pick the “No” option. If you pick “No”, contact Lakeshore to have the message added to your invoice format.

Minimum C/C handling fee - If you want to set a minimum charge, enter that charge here. If you leave this field blank, then the fee will be whatever is calculated based on your formula.

Action when below minimum - If you have set a minimum fee, indicate what should happen if the calculated fee is less than the minimum. You have 2 choices:

- Drop - The fee will be dropped. No processing fee will be charged.
- Use minimum - The minimum fee will be charged.

You will need to specify the C/C fee formula on ALL appropriate credit terms. If you have a “Credit Card Only” credit terms code and want to charge everyone who uses a C/C a fee, then just change that code. If you only want to charge the fee for a specific group of customers, you may want to set up a new credit terms code just for this purpose. Then make sure all of those

customers have that credit terms code assigned on the customer set up screen.

If you need to change the code for a large group of customers when you first start using this feature, contact Lakeshore for assistance in doing a “global” change. If there are just a few customers, you can change them individually.

You will be able to specify or delete the processing fee on a particular invoice.

### Step 3 - Verify Processing Fee on the invoice

When a customer invoice is generated, if the credit terms code used has a C/C processing fee formula specified, then the fee will be generated. You may review and change it on the “totals” screen of the invoice.

Update invoice file

Totals  
Invoice #011485

| Type charge                 | Cost             | Price    | Other information   |
|-----------------------------|------------------|----------|---|
| Merchandise                 | \$ 8.75          | \$ 18.75 | Profit: \$ 10.00 53.33 %  |
| Other charges               | \$ .00           | \$ .00   | Profit: \$ .00 %  |
| Sales Discount              | Percentage %     | \$       | Discount based on merchandise only                                |
| Shipping                    | \$ 10.00         | \$ 15.00 | Description SHIPPING  |
|                             | \$ 5.00          | \$ 15.00 | Description handling  |
| Sales tax                   | Tax routine 1001 | \$ 3.41  | 7.0000 % X \$ 48.75   |
| Total Invoice               | \$ 23.75         | \$ 52.16 | Profit: \$ 25.00 51.28 %<br>(includes shipping but not sales tax) |
| C/C Handling Fee            |                  | \$ 1.56  |   |
| Grand Total                 |                  | \$ 53.72 |   |
| Deposit from Customer       |                  | \$       | Deposit available in A/R: \$                                      |
| Credit card amount          | Visa             | \$ 53.72 | Update credit card information                                    |
| Gift card                   |                  | \$       |   |
| Net Due                     |                  | \$ .00   |   |
| Special message on invoice: |                  |          |   |

Previous Exit Done Next

You may clear the processing fee or enter a different amount. If you change the amount that was originally calculated, however, and then later change Shipping or some other value on the invoice, the C/C handling fee will **NOT** be recalculated. The override amount will continue to be used.

The C/C processing fee will also show on the invoice overview.

**Update invoice file** V12

**Invoice Number:** 011485   
**Invoice Date:** 4/28/14  
**Type invoice:** Specialty order  
**Order number/Master Order number:** 713034/713034

[Print](#) [Fax](#) [E-mail](#)  
[Update master order](#)  
[Cancel this invoice](#)

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**Customer:** Gary French  
 French Nights  
 562 S. Flannery Rd  
 Baton Rouge, LA 70815

**Bill to:** Gary French  
 French Nights  
 562 S. Flannery Rd  
 Baton Rouge, LA 70815

**Ship to:** Gary French  
 French Nights  
 562 S. Flannery Rd  
 Baton Rouge, LA 70815

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**Line # 1** ghf-1 Funky Duck 5 @ \$3.75 = \$18.75

No charges on file

|                      |  |
|----------------------|--|
| <b>Subtotal</b>      | \$18.75  |
| <b>SHIPPING</b>      | \$15.00  |
| handling             | \$15.00  |
| <b>Sales tax</b>     | \$3.41   |
| <b>C/C Handling</b>  | \$1.56  |
| <b>Total Invoice</b> | \$53.72  |
| <b>Visa</b>          | -\$53.72   |
| <b>Net Due</b>       | \$0.00   |

Commission for order #713034

No A/P invoices attached to this invoice

Exit
Next 

The invoice document will include a line showing the C/C processing fee. If you decide to use this feature, contact Lakeshore technical support to indicate how you want the charge labeled on your invoices.

### Invoice



**Lakeshore Group, Ltd.**  
 5723 Superior Drive, Suite A2  
 Baton Rouge, LA 70816  
 (225) 292-7422 FAX (225) 291-0882

|                              |               |
|------------------------------|---------------|
| <b>Invoice Number</b>        | <b>011485</b> |
| <b>Invoice Date</b>          | 4/28/14       |
| <b>Customer's P/O Number</b> |               |
| <b>Shipped Via</b>           | UPS GROUND    |
| <b>Ship Date</b>             | 4/28/14       |
| <b>Our Order Number</b>      | 713034        |
| <b>Customer Number</b>       | 293102        |

**Sold to:** Gary French  
 French Nights  
 562 S. Flannery Rd  
 Baton Rouge, LA 70815

**Ship to:** Gary French  
 French Nights  
 562 S. Flannery Rd  
 Baton Rouge, LA 70815

| Ordered                        | Shipped | Item number | Description | Unit Price                  | Extended Price |
|--------------------------------|---------|-------------|-------------|-----------------------------|----------------|
| 5                              | 5       | ghf-1       | Funky Duck  | 3.75                        | 18.75          |
|                                |         |             |             | <b>Subtotal</b>             | 18.75          |
|                                |         |             |             | <b>Shipping</b>             | 30.00          |
|                                |         |             |             | <b>Sales tax</b>            | 3.41           |
|                                |         |             |             | <b>C/C Fee</b>              | 1.56           |
|                                |         |             |             | <b>Total</b>                | 53.72          |
|                                |         |             |             | <b>Payments/Credit Card</b> | 53.72-         |
| <b>Terms:</b> Credit card only |         |             |             | <b>Amount due</b>           | <b>.00</b>     |

\$53.72 Charged to your Visa 4111XXXXXXXX1111

| RUN DATE 6/ 2/14 - 3:02 PM                     |              | Lakeshore Test System (v12) |               |       |               | PAGE 1                                  |         |                    |       |              |      |
|--|--------------|-----------------------------|---------------|-------|---------------|---|---------|--------------------|-------|--------------|------|
| SALES JOURNAL                                  |              |                             |               |       |               |   |         |                    |       |              |      |
| INVOICE NUMBER                                 | ORDER NUMBER | CUSTOMER NUMBER             | CUSTOMER NAME | TYPE  | TOTAL INVOICE | SALES TAX                               | TAX RTN | SHIPPING /HANDLING | SALES | GROSS PROFIT | GP % |
| 011485   | 713034       | 293102                      | French Nights | C MPL | 53.72         | 3.41                                    | 1001    | 31.56              | 18.75 | 26.56        | 52.8 |
| TOTAL  |              |                             |               |       | 53.72         | 3.41                                    |         | 31.56              | 18.75 | 26.56        | 52.8 |
| DATA POSTED TO INVENTORY                       |              |                             |               |       |               |   |         |                    |       |              |      |
| DATA POSTED TO A/R                             |              |                             |               |       |               |   |         |                    |       |              |      |
| DATA POSTED TO COMMISSION                      |              |                             |               |       |               |   |         |                    |       |              |      |
| DATA POSTED TO SALES HISTORY                   |              |                             |               |       |               |   |         |                    |       |              |      |
| DATA POSTED TO ORDER HISTORY                   |              |                             |               |       |               |   |         |                    |       |              |      |
| DATA POSTED TO CROSSREFERENCE                  |              |                             |               |       |               |   |         |                    |       |              |      |
| PREPAID/DEPOSIT ENTRIES CHECKED                |              |                             |               |       |               |   |         |                    |       |              |      |
| G/L ENTRIES: ACCOUNT 11000 ACCOUNTS RECEIVABLE |              |                             |               |       | 53.72         | JOURNAL SOURCE #SA6521 BOOK PERIOD 1404 |         |                    |       |              |      |
| 22000 SALES TAX PAYABLE                        |              |                             |               |       | 3.41-         |   |         |                    |       |              |      |
| 30001 SALES - DIVISION 1                       |              |                             |               |       | 18.75-        |   |         |                    |       |              |      |
| 30201 FREIGHT INCOME - DIV 1                   |              |                             |               |       | 30.00-        |   |         |                    |       |              |      |
| 66452 C/C handling                             |              |                             |               |       | 1.56-         |   |         |                    |       |              |      |

On the Sales Journal, the processing fee will be included in the “SHIPPING” column. The column had been relabeled SHIPPING/HANDLING

The Invoice List has also been changed to combine Shipping and the C/C processing fee.