



# Quick Start: How To Setup Vendor Payment Terms

## Summary

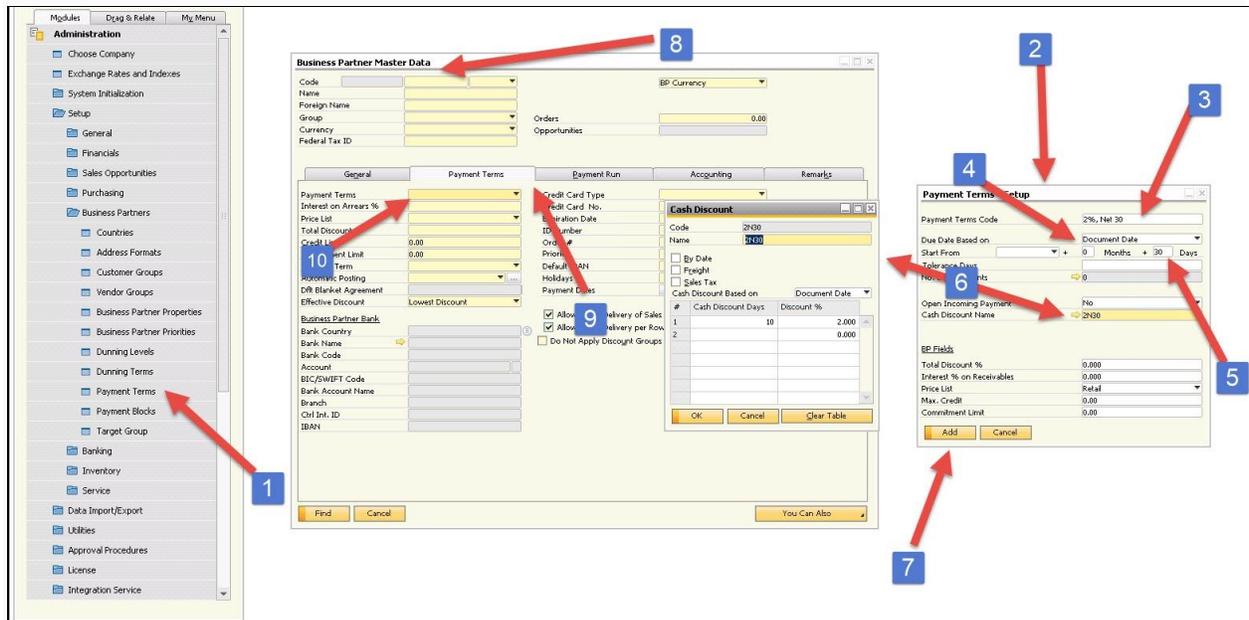
Many businesses receive and give discounts and set up payment terms for their partners during business transactions. This is how you can set that up in your database.

## Step by Step Guide

1. Go to Administration->Setup->Business Partners->Payment Terms
2. Add up (or edit) a payment term by switching it to Add mode (CTRL +A) or find the existing payment term (CTRL + F)
3. Enter your desire Payment Terms Code (e.g. 2%, Net 30)
4. Set up the Due Date based on Document, Posting or System Date.
5. Set the limitation for the term (e.g. 30 days)
6. Set up all the other optional filters as you wish
  1. To set up discounts, go to the Cash Discount Name and click on Define New
  2. In the next screen, enter the desired Code and Name
  3. In the follow 3 boxes, uncheck the box you wish the discount to be not be applicable to
  4. The Cash Discount Days is how many days after the document is added in which the discount is effective (i.e. 10 days would mean the if the you receive or pay for an invoice within the first 10 days of the adding the document, you would receive a discount)
  5. The Discount % column is the discount applied
7. Add, or Update, the Payment Term
8. Go to your desired business partner in which the Payment Term should be applied to (Business Partner->Business Partner Master Data)
9. Switch to the Payment Terms tab
10. In the field called Payment Terms, find the payment term we just created or edited. Click Update



Now whenever you complete a payment, the payment term will be in effect for that business partner(s).



Full Size Image

Under where it says Cash Discount Name, select Define New. There you can enter in your discount terms. For example, you would list Cash Discount Days as 10 and Discount % as 2. That would tell the system to apply a discount of 2% if paid within 10 days. Then you can exclude the Freight (and sales tax if you want), from that discount.