



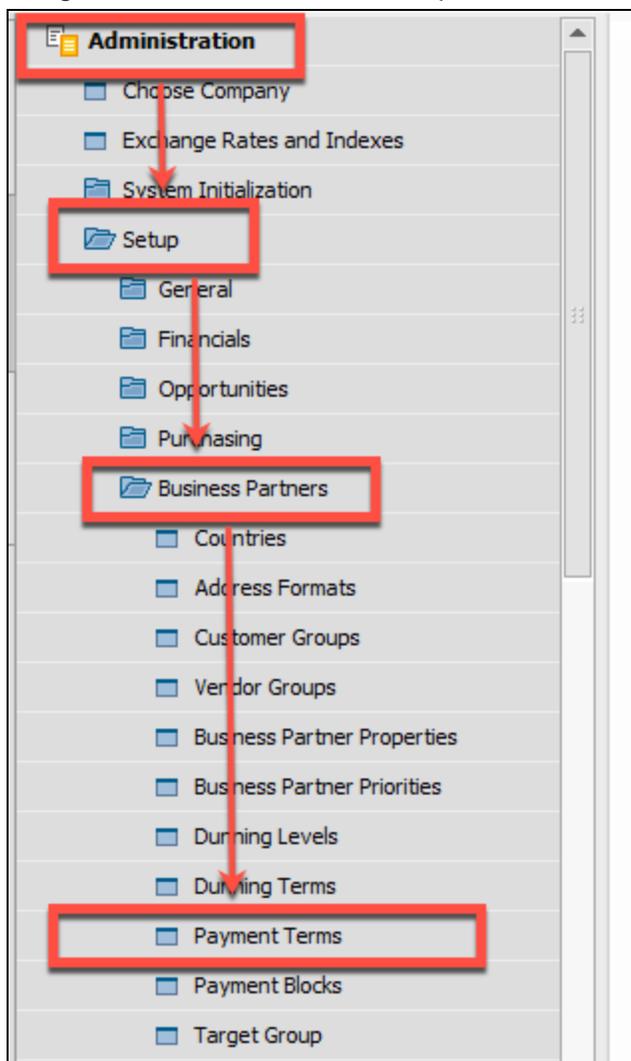
# How Do I Buy Something On Payments?

## Summary

Often when purchasing a piece of equipment there are installment terms within the contract. These can range from a simple "4 easy payments" like model to a more phased payment approach for larger projects. In this article, we will look at how to set up payment terms to handle these types of situations.

## Setup & Configuration

1. Navigate to Administration -> Set Up -> Business Partners -> **Payment Terms**



2. From within the *Payment Terms* window, create a new **Payment Term Code**. In this example, we will use "4 Easy Payments".



3. Now define the **Start From** criteria. This start date determines when the first payment is due, most often, this is 30 days from when the invoice is created.

1. **Note:** You may also set a start date to as a number of days from month end, month start, half month by selecting the option from the drop down menu. For example, if you have a payment that is due 5 days following month end, you can select Month End from the drop down menu, then + 5 days.

Payment Terms - Setup

Payment Terms Code: 4 Easy Payments

Due Date Based on: Document Date

Start From: + 0 Months + 30 Days

Tolerance Days:

No. of Installments: 0

Open Incoming Payment: No

Cash Discount Name:

**BP Fields**

Total Discount %: 0.00

Interest % on Receivables: 0.00

Price List: OR

Max. Credit: 0.00

Commitment Limit: 0.00

Add Cancel

- 4.
5. Next, click on the golden link arrow (🔗) on the *No. of Installments* row to open the Installments window.
6. Within the *Installments* window, you will define the number of payments necessary as the **No. of Installments**, we will use 4 payments in this example.
7. The *Credit Method* specified is how the system will create a credit memo if it's created against the invoice should the credit memo not be for the full amount of the invoice.
  1. *First Installment* - The credit memo amount will be applied to the first installment, then the second, etc.
  2. *Last Installment* - The credit memo amount will be applied to the last installment, then the second to last, etc.
  3. *Equally* - The credit memo amount will be applied equally across each installment according to the % defined.





13. Lastly, apply this payment term to your vendor by navigating to the **Business Partner Master Data** for the applicable vendor, selecting the **Payment Terms** tab, and then choosing the new payment terms from the drop down menu.
- 14.

The screenshot shows the 'Business Partner Master Data' window for vendor 'Brewing News'. The 'Payment Terms' tab is active, and the 'Easy Payments' option is selected in the dropdown menu. The window includes fields for Code (Manual V1049), Name (Brewing News), Group (Vendors), Currency (US Dollar), and various financial metrics like Account Balance (-1,690.00) and Purchase Orders (-10,000.00). The 'Payment Terms' dropdown is highlighted with a red box, and the selected 'Easy Payments' option is also highlighted with a red box.

Code	Manual	V1049	Vendor
Name	Brewing News		
Foreign Name			
Group	Vendors		
Currency	US Dollar		
Federal Tax ID			

Account Balance	Local Currency
-1,690.00	
Goods Receipt POs	0.00
Purchase Orders	-10,000.00

Payment Terms	Easy Payments
Interest on Arrears %	
Price List	OR
Total Discount %	
Credit Limit	0.00
Commitment Limit	0.00
Average Delay	
Priority	
Default IBAN	
Holidays	

- 15.

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