There are two ways generally to handle late fees - the quick/easier way or the more complex way.

Quick/easier:

Because the invoice is created and not able to be edited/adjusted after it was created, this involves creating an additional invoice for the late charges.

There are two ways to accomplish this:

1. Create a service-type invoice for the customer where "Late Fee" could be the description and the proper GL account chosen.

2. Create a non-inventory item for "Late Fee" and attach the correct GL account to it upon creation and then create an item-type invoice going forward where just the "Late Fee" non-inventory item is selected.

This would be the recommended route for anyone currently past due since the second option takes time to implement.

The most complex route:

This would involve setting up what's called the "Dunning Wizard" (https://support.orchestrated.com/hc/en-us/articles/360000341787-Using-the-Dunning-Wizard).

The idea behind a Dunning process is that customers would all be attached to it and on a regular basis (i.e. weekly or monthly) the dunning process is ran and letters are sent out to customers. The level at which these are written is completely up to the customer (i.e. do you have 1 letter then a late fee? 3 letters? 10?) and the idea is that each of the letters progressively gets more stern, but this is also completely up to the customer (i.e. the letters are written by you so you decide whether to play "good cop" or "bad cop"). The dunning system allows you to set up late fee / interest charges as well.