Add Freight To An Invoice
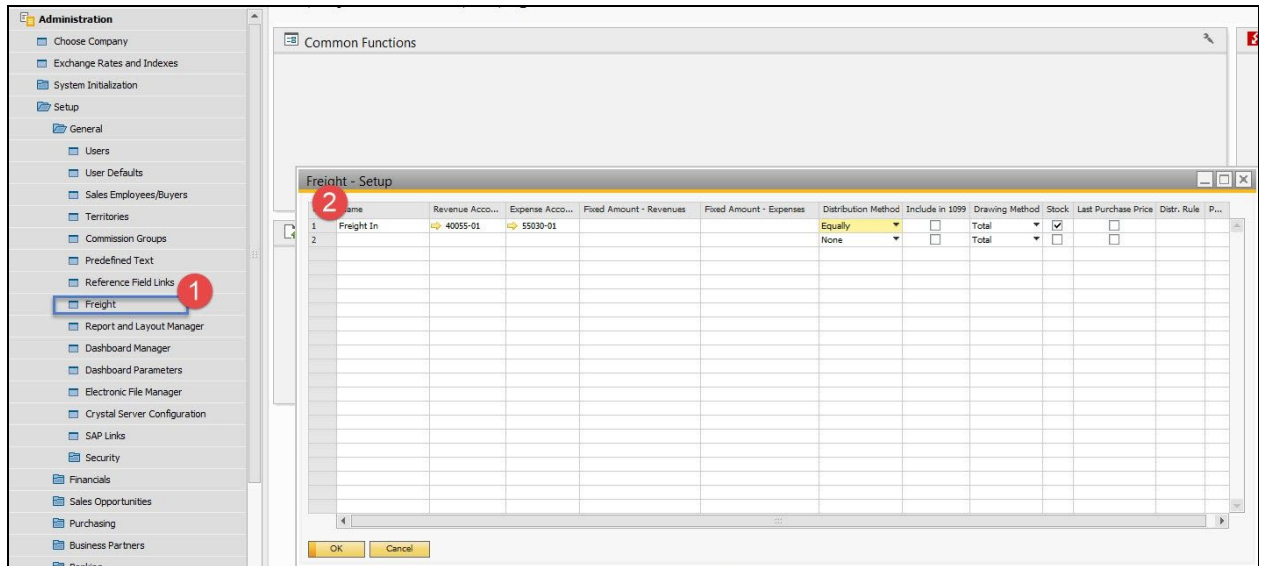
Summary

An easy way to charge freight to a customer on an invoice is to use the freight option within your database.

How To:

1. Go to Administration->Setup->General->Freight

2. Setup one or more Freight rows and fill in your desired Revenue and Expense account and click on Update

Freight Setup Options
Here are some of the common settings you can use:

Fixed Amount - Revenues

Enter the default amount for sales documents

Fixed Amount - Expenses

Enter the default amount for purchasing documents.

Distribution Method

Select the method for distributing the freight amount among document rows. Based on your selection, the freight charges are distributed from the header to the rows to allocate freight to inventory or last purchase price.

- None – The freight amount is not distributed among the document rows. You cannot select this option if you have selected Inventory or Last Purchase Price.
- Quantity – Distributes the freight amount among the document rows in proportion to the quantity of each row. For example, there are three rows with quantities of 5, 3 and 2, respectively, and the freight amount is $100. The freight amount is distributed as follows: $50 for the first row, $30 for the second row, and $20 for the third row.
- Volume – Distributes the freight amount among the document rows in proportion to the volume of the items in each row.
- Weight – Distributes the freight amount among the document rows in proportion to the weight of the items in each row.
- Equally – Distributes the freight amount equally among the document rows. For example, the freight amount is divided by the number of rows and distributed accordingly, regardless of the quantity and total of each row.
- Row Total – Distributes the freight amount among the document rows in proportion to the total amount of each row. For example, there are three rows with a total amount of $500, $300, and $200, respectively, and the freight

amount is $100. The freight amount is distributed as follows: $50 for the first row, $30 for the second row, and $20 for the third row.

Drawing Method

Specify the required calculation method of the freight per row. The calculation method you select becomes evident when you copy rows from a base document to a target document. The options are:

- None – No freight will be copied to the target document.
- Quantity – The amount is divided into the item quantity and each unit carries the same amount of freight.
- Total – SAP Business One calculates which part of the document total of row total is copied to the target document. It then adds the relative amount of the document or row freight to that target document.
- All – Copies all the freight to the target document.

Stock

Selecting this check box adds the freight amount entered, either in the row level or the total level, to the item's cost calculated when working with perpetual inventory.

Last Purchase Price

Updates the last purchase price list after adding an A/P invoice, which includes the freight amount per row.

Distr. Rule

Specify the distribution rule to be linked to this freight charge. When the freight charge is used in accounting documents, the freight amount is allocated by default to the distribution rule specified

Project

Specify the project that you want to relate to the freight.

3. Create an invoice as normal and click on the Yellow Arrow next to Freight

Full Size Image

4. Enter your freight charge on the Amount column (change your settings, such as tax exempt, distrb. method, etc. as you wish) and add the charge

You will now see it book it to the G/L account for that invoice if you look at the Journal Entry