Sage 100 Tip:

Easily Offset AP Invoices and Credit Memos in Sage 100

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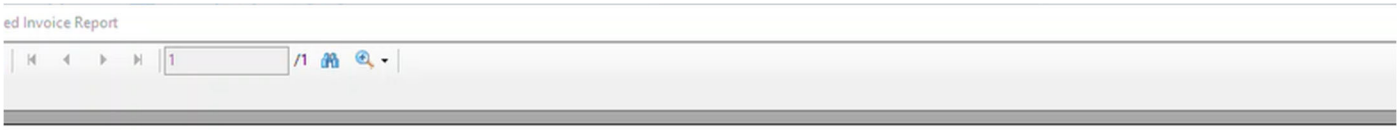
Have you ever had an invoice and a credit memo of the same amount from the same vendor and wondered how to offset those so they no longer show up in Vendor Maintenance or on the Accounts Payable Aged Invoice Report? If so, then this month's software tip is for you.

The steps below will show you how to apply the invoice and credit memo in one easy entry.

Notice in the following example, the Aged Invoice Report shows an invoice on 11/15/21 for the amount of $1,575.00 and a credit memo on 3/15/22 for the same amount. Of course, if you later process a check to this vendor you can simply add the invoice and credit during a normal check run.

However, there may be times when you don't have any other invoices for this vendor for a long period of time. You would not want these invoices to appear on every aging report and check selection process.



Accounts Payable Aged Invoice Report
Sorted by Vendor Number
Open Invoices - Aged by Invoice Date - As of 5/25/2025

XYZ Manufacturing Company (XYZ)

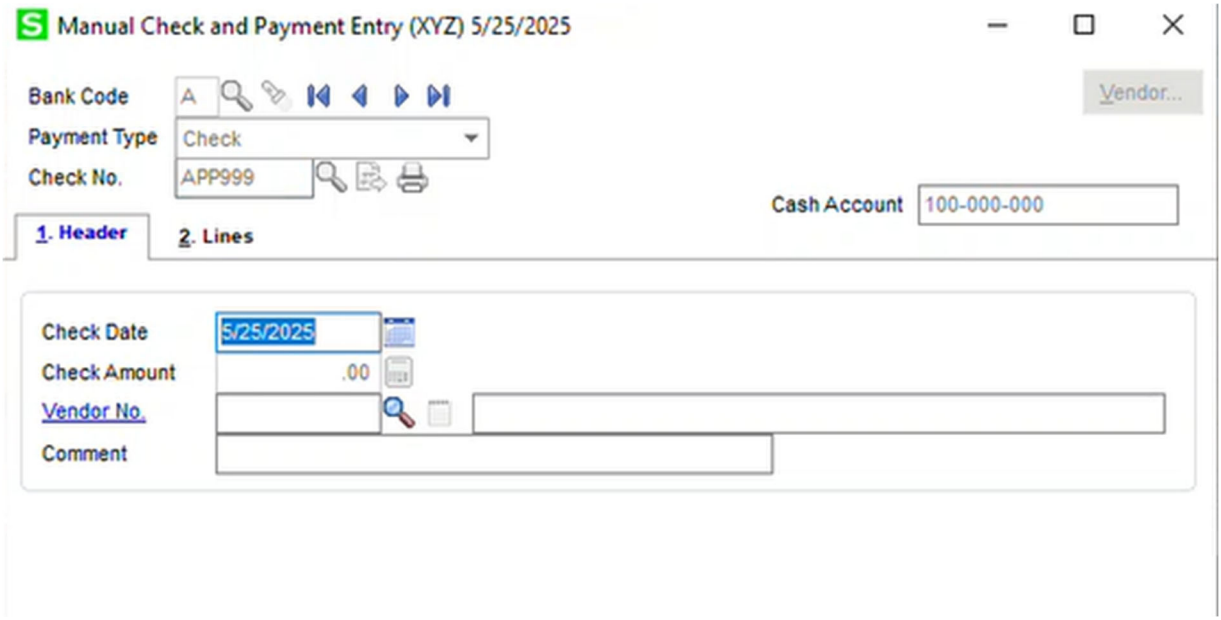
Vendor Number / Invoice Number	Invoice Date	Due Date	Discount	Hold	Invoice Balance	Discount Amount	Current	30 Days	60 Days	90 Days	120 Days
COMROO COMPUTER ROOM SUPPLY STORE											
685124	11/15/2021	11/15/2021		No	1,575.00	0.00	0.00	0.00	0.00	0.00	1,575.00
685124-CM	3/1/2022	3/1/2022		No	1,575.00-	0.00	0.00	0.00	0.00	0.00	1,575.00-
Vendor COMROO Totals:					0.00	0.00	0.00	0.00	0.00	0.00	0.00
ELESUP ELECTRONICS SUPPLY CO.											
6451306	5/10/2021	5/10/2021		No	1,310.00	0.00	0.00	0.00	0.00	0.00	1,310.00
650465	1/5/2022	1/5/2022		No	330.03	0.00	0.00	0.00	0.00	0.00	330.03
Vendor ELESUP Totals:					1,640.03	0.00	0.00	0.00	0.00	0.00	1,640.03
TELCOM TEL-COMM COMMUNICATIONS											
6504	1/5/2022	1/5/2022		No	2,184.50	0.00	0.00	0.00	0.00	0.00	2,184.50
Vendor TELCOM Totals:					2,184.50	0.00	0.00	0.00	0.00	0.00	2,184.50
UNICOM UNITED COMPUTERS											

Below are the steps to apply the credit memo to the original invoice to zero out these amounts.

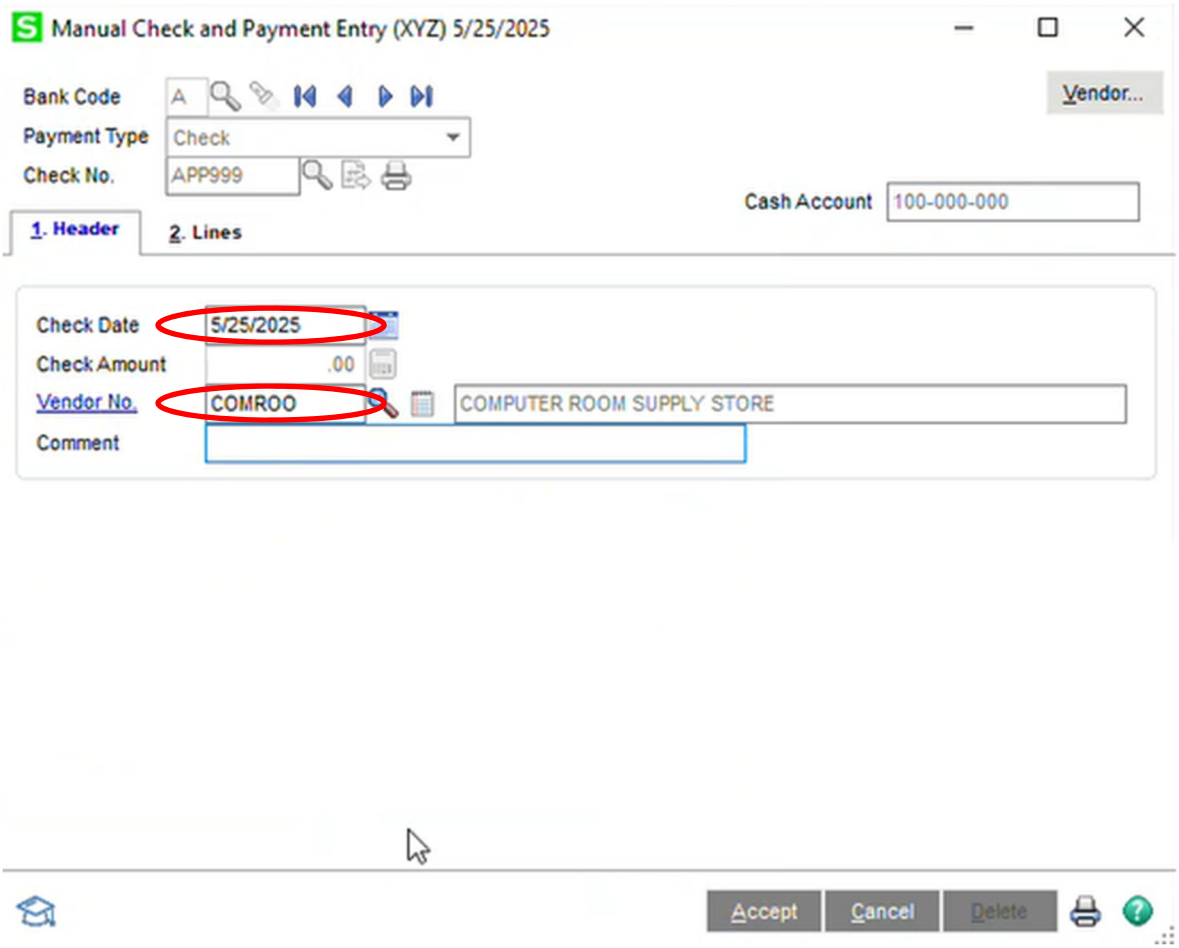
1. Open Accounts Payable/Main/Manual Check Entry, (or Manual Check and Payment Entry in newer versions)

2. In the check number field type in "APP999" ***NOTE you must use "APP" followed by a number. "APP" tells Sage 100 that you are "Applying" credits to invoices. The number following "APP" can be any number but must be unique to each entry if you are making multiple entries in the same batch.**

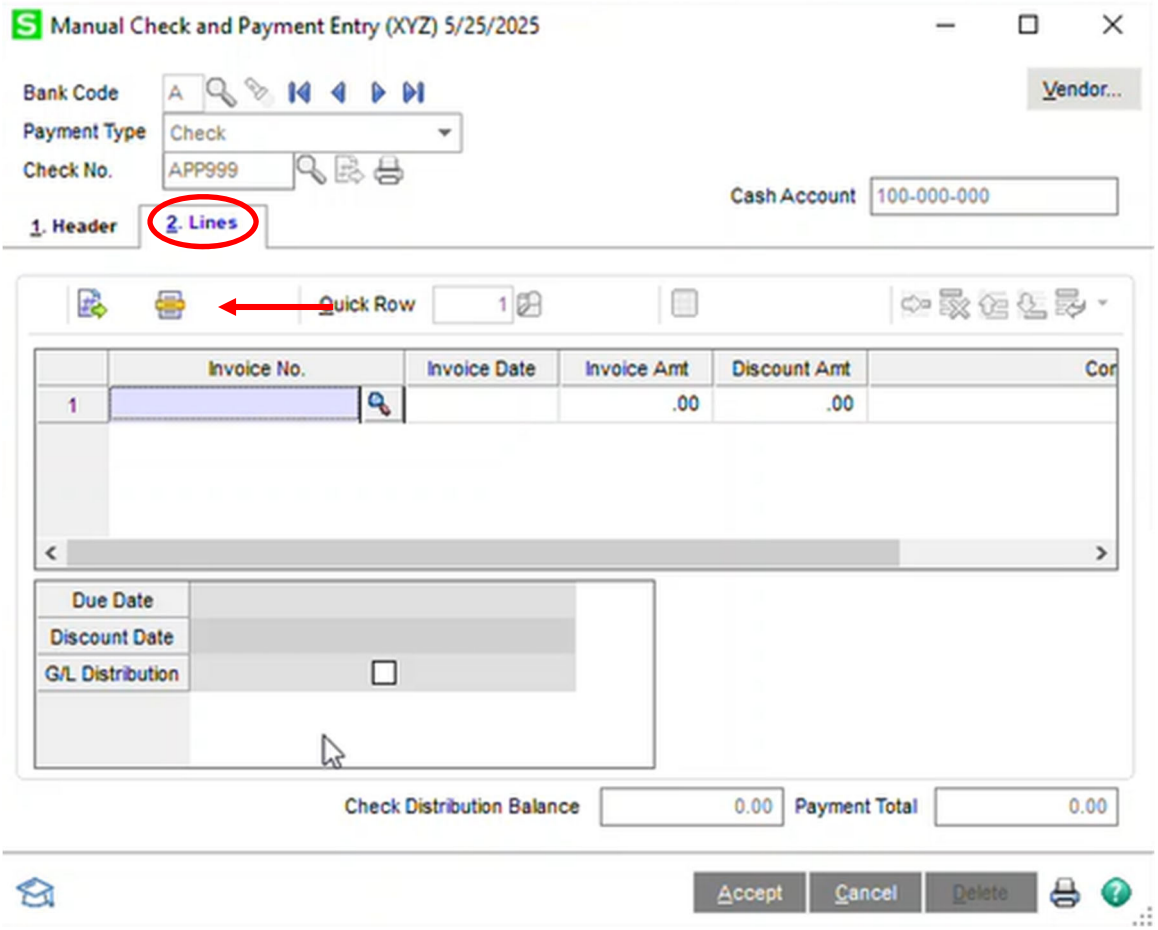
3. Notice that when you tab off of the check number field the check amount is set to zero and you cannot change the check amount; the invoices and credits must balance to zero on this entry.



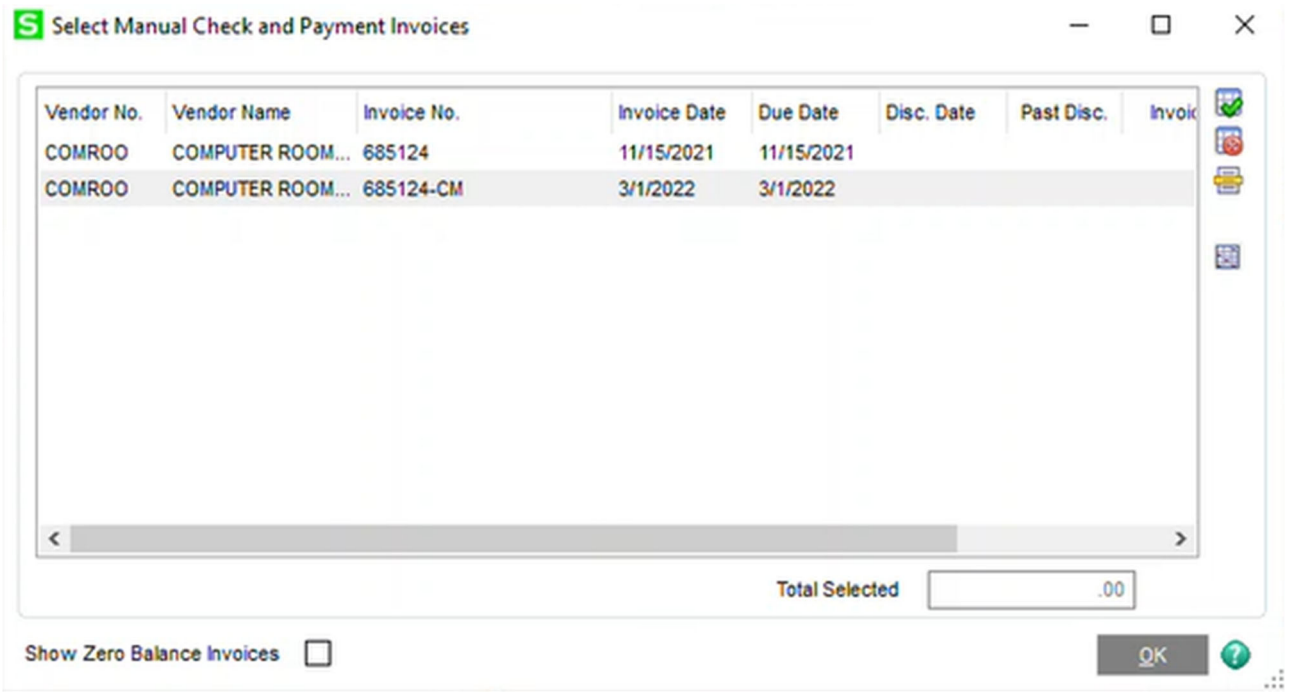
4. Next, select the Check Date and Vendor; add a comment if you like,



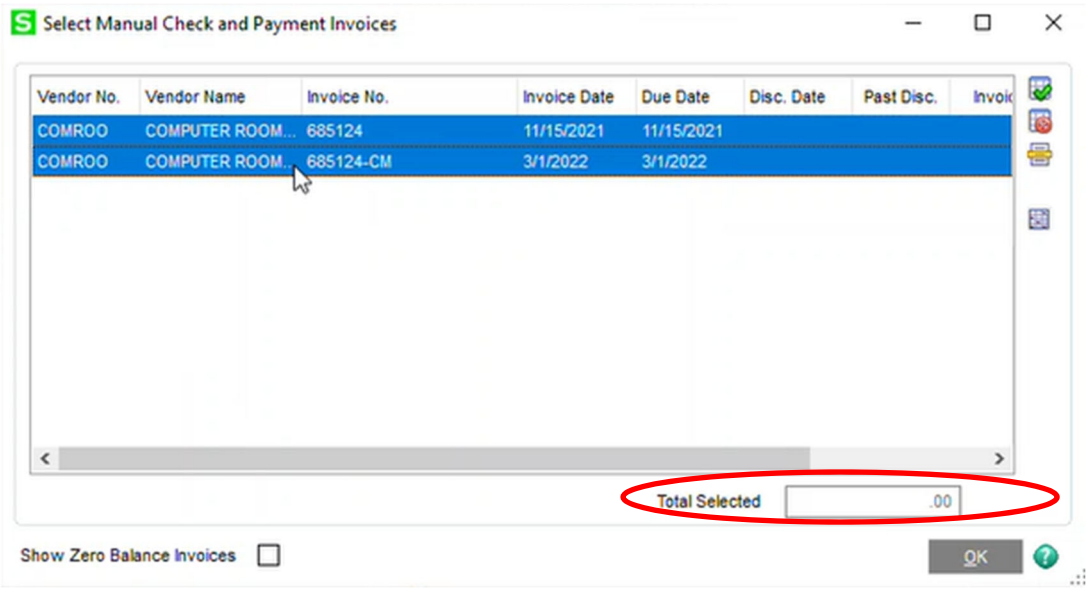
5. Now click on the lines Tab



6. Click on the “Select invoices” button to view all open invoices for this vendor

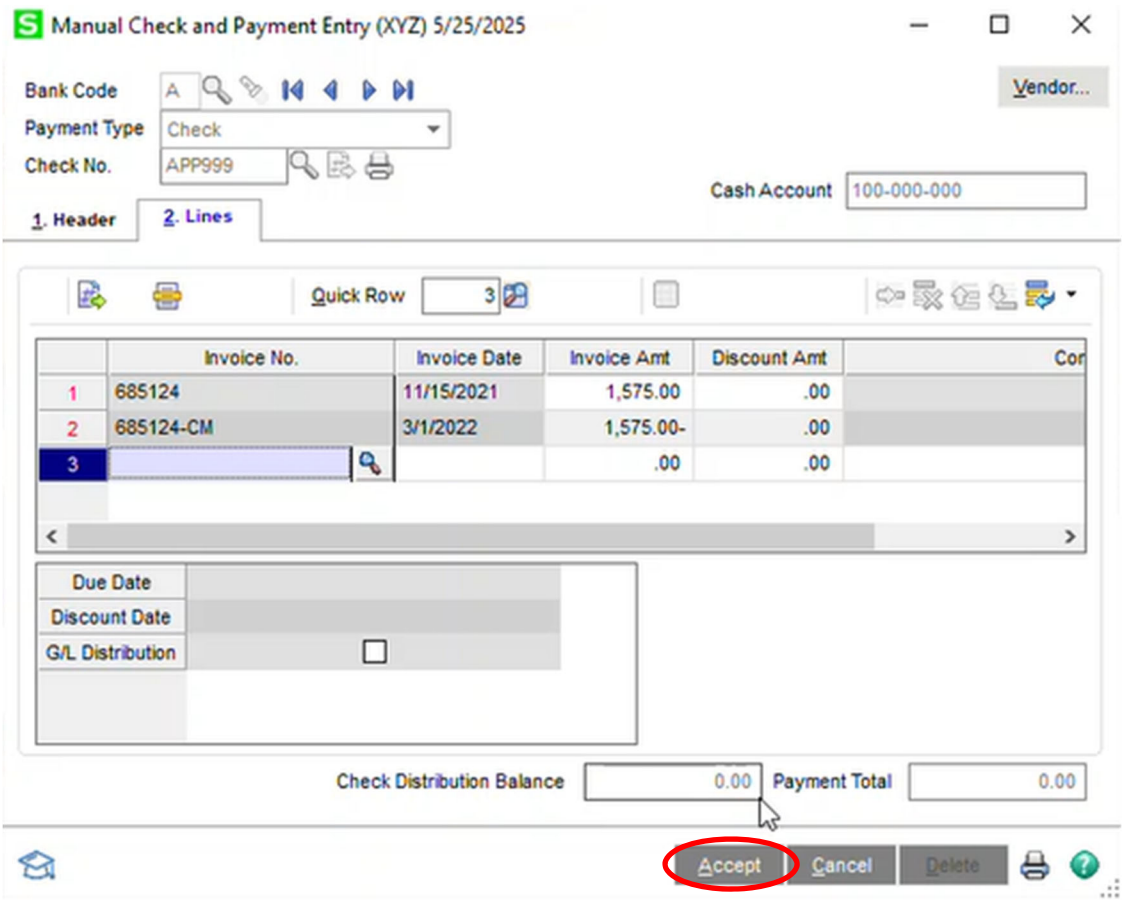


7. Hold down the CTRL key on your keyboard and left-click with your mouse to select each invoice. Click on OK after selecting invoices and credit memos that total to zero ($0.00)

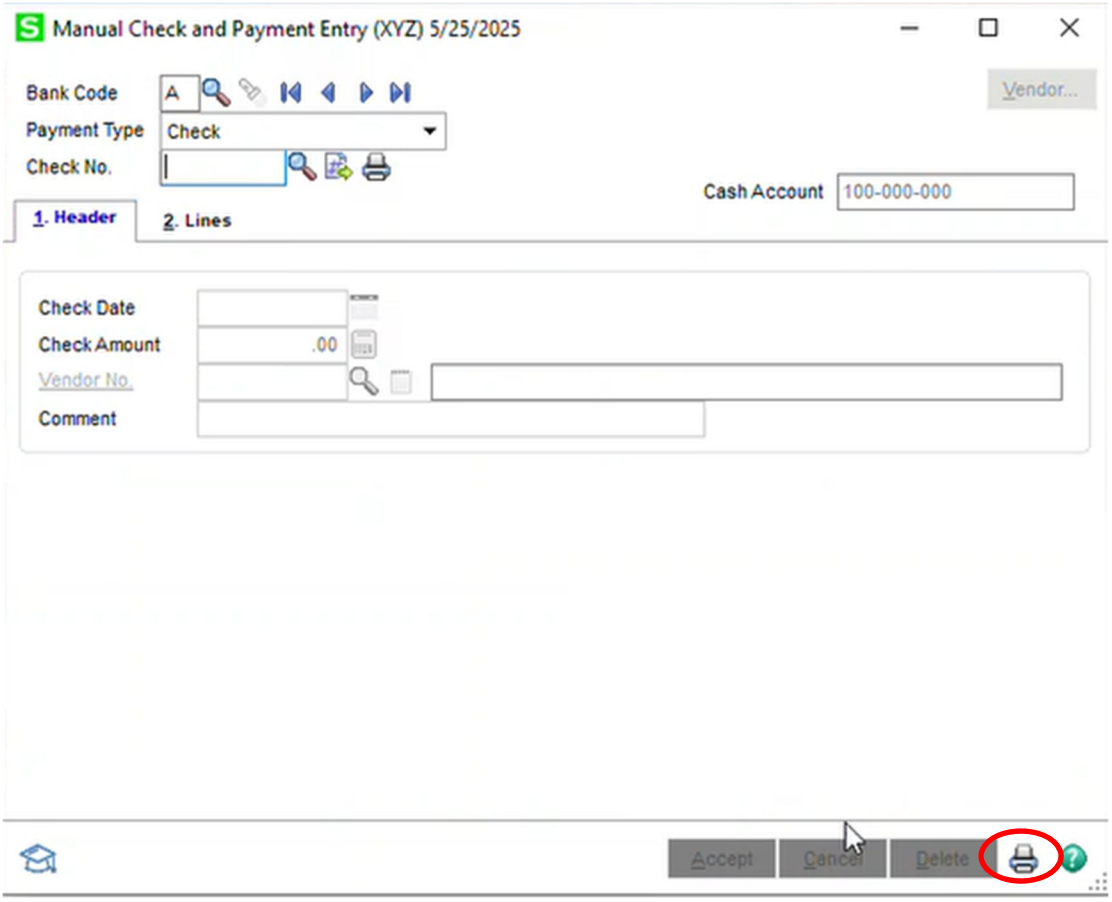


8. Now all invoices and credits should show on the lines tab. Accept the entry and update the manual check register as you would any other manual check batch.

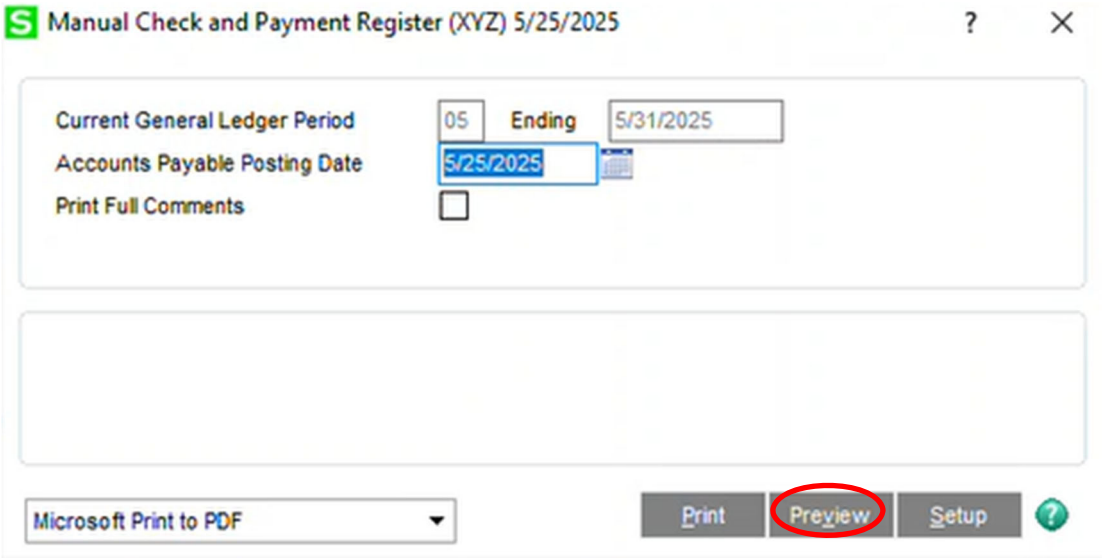
NOTE* this “APPLY” entry will have no effect on the general ledger since the invoices and credits net to a balance of zero.



9. Now lets go through the posting process. Click the printer icon.



10. Next click the Preview button.



11. Now you can see we have a net distribution of $0.

Manual Check and Payment Register
Journal Posting Date: 5/25/2025
Register Number: MC-000002

XYZ Manufacturing Company (XYZ)

Bank: A MAIN BANK ACCOUNT

Check Number/ Invoice Number	Check Date / Invoice Date	Vendor Number	Invoice Amount	Discount		Distribution Amount	Check Amount
APP999 685124	5/25/2025	COMROO	COMPUTER ROOM SUPPLY STORE				0.00
	11/15/2021		1,575.00	0.00	(ON FILE)	1,575.00	
685124-CM	3/1/2022		1,575.00-	0.00	(ON FILE)	1,575.00-	
		Bank A Total:	0.00	0.00		0.00	0.00
		Report Total:	0.00	0.00		0.00	0.00

For more information or assistance with offsetting accounts payable invoices and credit memos, contact one of our Sage 100 team members at 800.232.8913.

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