

# Enterprise - How to Create a Zero Dollar Invoice

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## What is a Zero Dollar Invoice?

The purpose of a zero dollar invoice is to acknowledge and track a specific credit balance or advance payment with a customer.

For example, if you have a client who pays for your services in advance (or contributes some type of goodwill payment before services are procured), you can create a zero dollar invoice to note the payment and then apply the credit balance to future invoices. Or perhaps you run into a scenario with a client where you offer them some exceptional discount; instead of editing an existing invoice or discounting an invoice balance you could create a zero dollar invoice.

*There are two ways to create a zero dollar invoice:*

1. from the [invoice payments section of Enterprise](#)
2. from [the actions menu of the customer record](#)

This article will cover both methods and discuss [how to apply the credit balance to customer invoices](#).

## PART ONE: How to Create Zero Dollar Invoices

**Option 1: From the invoice payments module:**

Within the (1.) invoice payments wizard of Enterprise, select the (2.) create zero dollar invoice icon, or Ctrl+D to create a zero dollar invoice.

1. invoice payments - enter payments

enter payment amounts

Select Session  
▶ Enter Payments  
Post Payments

Find Invoices Quick Pay Lock Box Corrections

Start Date 11/18/ Customer Name kraken Branch Name Unpaid  
End Date Customer ID Inv Number Partially paid  
Inv Amount Inv Balance Paid in full  
Show more options Overpaid  
This Session Only

Search Clear Criteria

Default Pay Date: 2/16/2016

Invoice #	Customer	Date	Total	Balance	Pending Balance	Action	Reason	Check #
▶ 46367	Kraken Calamari	12/15/2015	\$650.00	\$650.00	\$650.00	Payment		

payment summary

Total Payments: 0 Total Pay Amount: \$0.00  
Payments Not Shown: 0

Cancel Next > Finish

2. Create Zero Dollar Invoice (Ctrl + D)

This will open the "add zero dollar invoice" window where you will be required to enter an invoice number (users can make up and use whatever number they'd like!) and specify what customer and department the invoice should be tied to:

**\*Note\*** While users can choose their own invoice number, the system will not allow them to use a number which has already been associated with an invoice.

3. Invoice Number 987777

4. Customer kraken

Customer	Department	CustomerId	Branch Name
Kraken Calamari	Manufacturing	4294999874	Memphis SE
Kraken Calamari	Primary	4295009988	Memphis SE
Kraken Calamari	Sales	4295010076	Memphis SE
Kraken Calamari	Warehouse	4295010485	Memphis SE

Cancel Save

All done? Feel free to jump ahead and check out [how to apply a credit balance to a zero dollar invoice](#).

### Option 2: From the customer actions menu

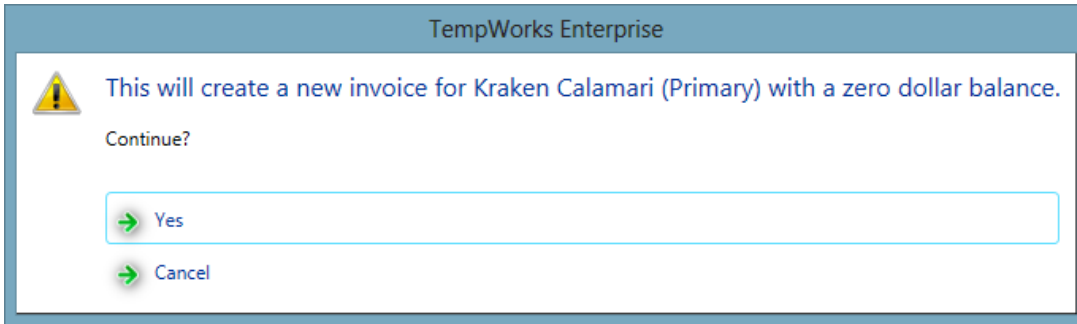
Expanding the actions menu will display an array of options available on this customer record, including the ability to create a zero dollar invoice.

**Kraken Calamari (Primary)**  
9844 John Glenn Blvd. ID: 4295009988  
Eagan, MN 55121

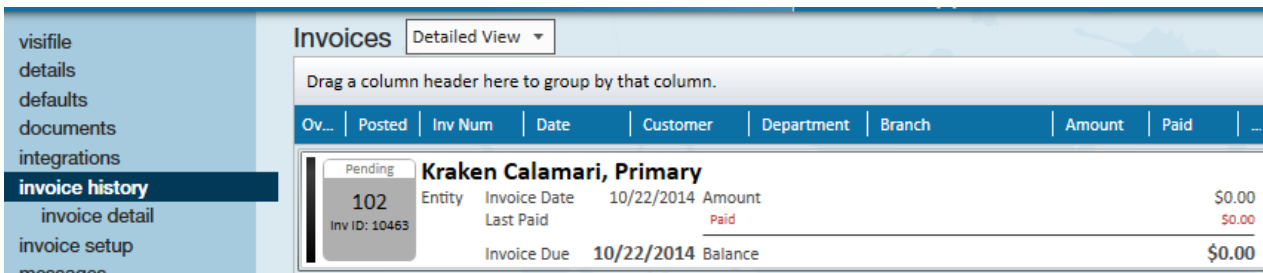
- Add Department
- Add to Hotlist
- Assign Time Clock to Customer
- Change Parent Customer
- Create Zero Dollar Invoice**
- Gross Profit Calculator
- Mass Update Rates
- New Customer Contact
- New Order
- New Task
- Share with Facebook
- Share with Twitter
- View Active Assignments
- View Assignments
- View Orders

Record Actions Form Actions

Selecting this option triggers the following Enterprise popup:



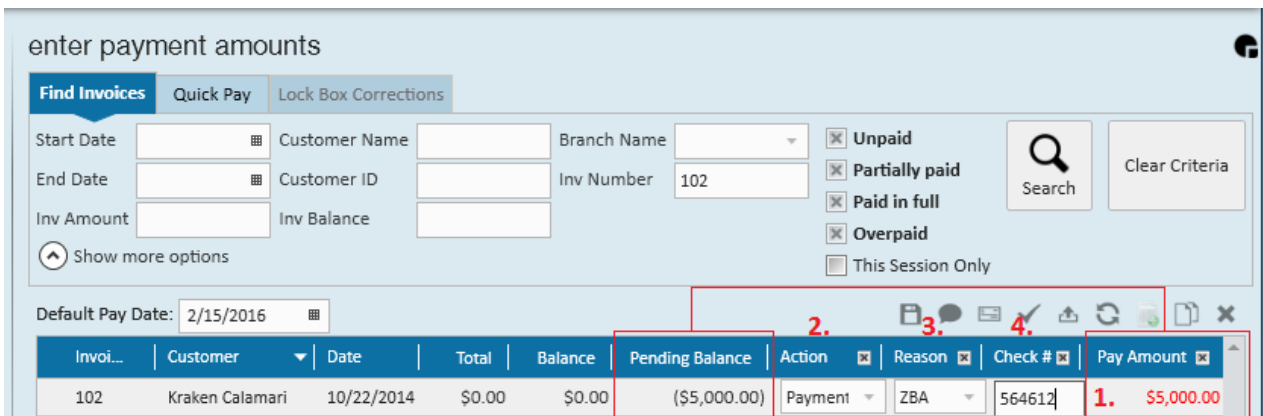
Upon selecting yes, a new zero dollar invoice will be created and is immediately viewable for reference in the invoice history section of the customer record:



## PART TWO: How to Apply a Credit Balance

Once you have located the zero dollar invoice within the invoice payments wizard, complete the following:

- Enter the credit/advance payment in the (1.) pay amount column. This balance will immediately be reflected in the pending balance column.
- Enter the (2.) action as a payment.
- Enter the (3.) reason as ZBA - zero balance adjustment (if this is a true zero dollar invoice, or a goodwill payment in advance) or select another reason that best defines why you are creating a credit for this customer.
- Input the (4.) check number (there may not be a check number for credits, if that is the case, please bypass).



**\*Note\*** If the columns listed in your invoice payments module do not match what is shown above, simply right click anywhere within the (5.) column header and select/de-select to define the columns you would like to display:

The screenshot shows a software window titled "Default Pay Date: 2/15/2016". It contains a table with columns: Invoi..., Customer, Date, Total, Balance, Pen, Batch Id, Reason, Check #, and Pay Amount. A context menu is open over the "Pen" column header, listing options: Invoice #, Customer, Customer ID, Dept, Date, Total, Balance, Pending Balance, Action, Pmt Date, and Reason. The table data includes rows for invoice 102 and several 1024xxx invoices from Kraken Calamari. A "payment summary" section at the bottom shows "Total Pay Amount: \$5,000.00".

## PART 3: Apply the Balance to New Invoices

To apply the balance of the zero dollar invoice/credit to other invoices begin by locating the invoice with the credit (the zero dollar invoice)

In this example, I am going to take (6.) \$1,704 of the \$5,000 total credit from invoice 102 and (7.) apply it to invoice 46188. To do this, I (6.) adjust the balance by inputting a debit amount; this can be entered as -1,704 or (1,704).

This will then immediately update the pending balance to (\$3,296.00), the invoices remaining credit.

To apply this credit, on the line item for invoice 46188 I will (7.) adjust the balance of the invoice by inputting a credit amount of \$1,704 bringing the pending balance to zero.

Note that I intentionally list both of these actions as *adjustments* and not *payments*. The payment was the original \$5,000 paid by the customer - anytime that credit is applied (in a partial or full amount) it should be considered an adjustment so that the payment is not double counted.

The screenshot shows a software window titled "Default Pay Date: 2/16/2016". It contains a table with columns: Invoice #, Customer, Date, Total, Balance, Pending Balance, Action, Reason, Check #, and Pay Amount. The table data includes rows for invoice 46367, 46188, and 102. The "Pending Balance" for invoice 102 is (\$3,296.00), and for invoice 46188, it is \$0.00. The "Action" for invoice 102 is "Adjustm" and for invoice 46188, it is "Adjustment".

## Related Articles