

Payment Terms Tab



This article is for Drake Accounting 2018. To view this article for Drake Accounting 2019, click [here](#).

Up to five payment terms and discounts for early payment can be set up in Drake Accounting. Once these terms have been set up, you can identify the terms that apply to each customer in [Customer Setup](#). Go to **Receivables > Customer Setup**, select the customer, and on the **Customer Info** tab, select the desired terms from the **Terms** drop list field. Terms specific to the customer appear on their invoices.

The screenshot shows the '18 Options' dialog box with the 'Payment Terms' tab selected. The dialog contains five sections, each for a 'Terms Code' (1 through 5). Each section has four input fields: 'Description', 'Discount Percent', 'Discount Days', and 'Due Days'. On the right side of the dialog, there are 'Save' and 'Exit' buttons.

To set up terms, complete the following:

1. Go to **Receivables > Options > Payment Terms**.
2. Complete the following fields:
 - **Description**
 - For **Terms codes 1-5**, enter a description for the term (e.g. 5/10 Net 30).
 - **Discount Percent**
 - For all codes, enter the percentage of discount to be applied to an invoice when the invoice is paid in full within the number of days specified in the **Discount Days** field.
 - **Discount Days**
 - For all codes, enter the number of days after the invoice date that a customer will receive the early payment discount specified in the **Discount Percent** field.
 - **Due Days**
 - For all codes, enter the number of days after the invoice date that an invoice must be paid in full before it is considered delinquent.
 - This value must be equal to or larger than the number in the **Discount Days** field.
3. Click **Save**.

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