

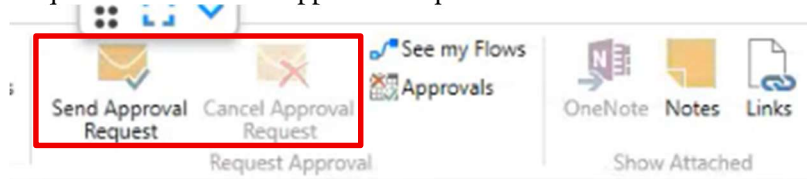
Sales Credit Memo Process – Microsoft Dynamics NAV

An enhancement has been added to reduce manual calculations when creating credit memos and configure which users will need to go through the approval process

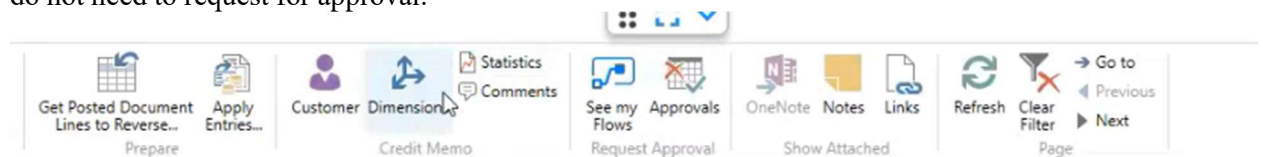
1. Configure users the require approval on the Sales Credit Memo
2. Sales Credit Memo Process can be done either:
 - a. **Without Exploding the Kit** → crediting the parent item as a whole.
 - b. **With Exploding the Kit** → crediting each child/individual item inside the kit.

SECTION 1: Add users to be part of Approval Process

- Users with the “Use Approval” setting enabled (Checked) will have the buttons “Send Approval Request” and “Cancel Approval Request” in the sales credit memo screen.



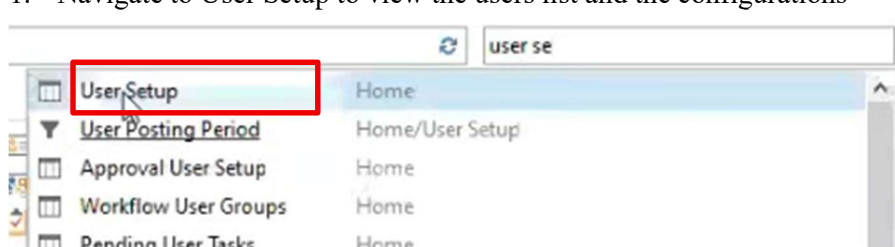
- Users with the “Use Approval” setting disabled (Unchecked) will not have the buttons “Send Approval Request” and “Cancel Approval Request” in the sales credit memo screen. These users do not need to request for approval.



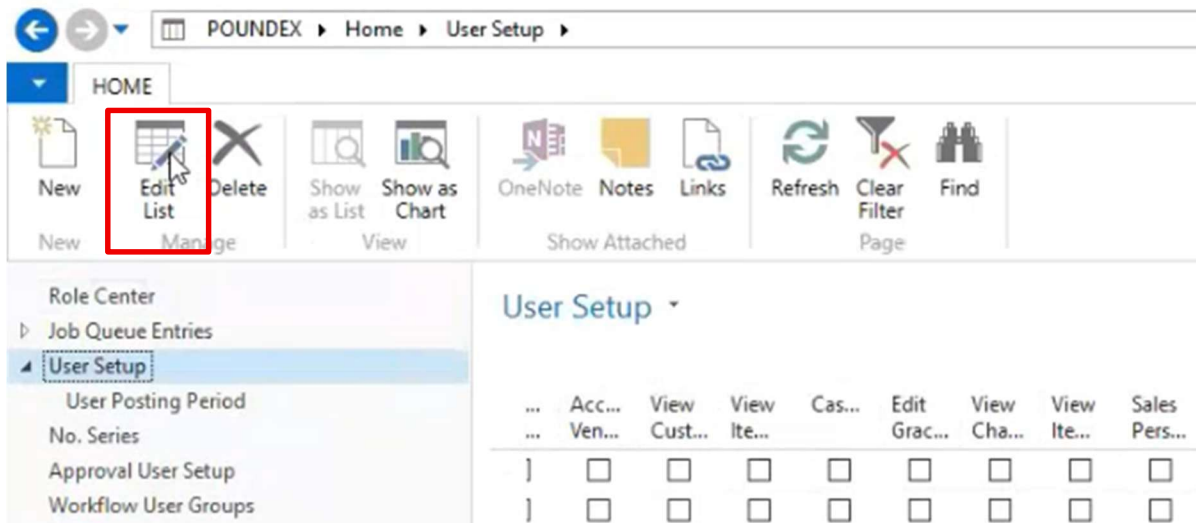
- Below steps should be taken to enable a user to go through the approval process.

Steps:

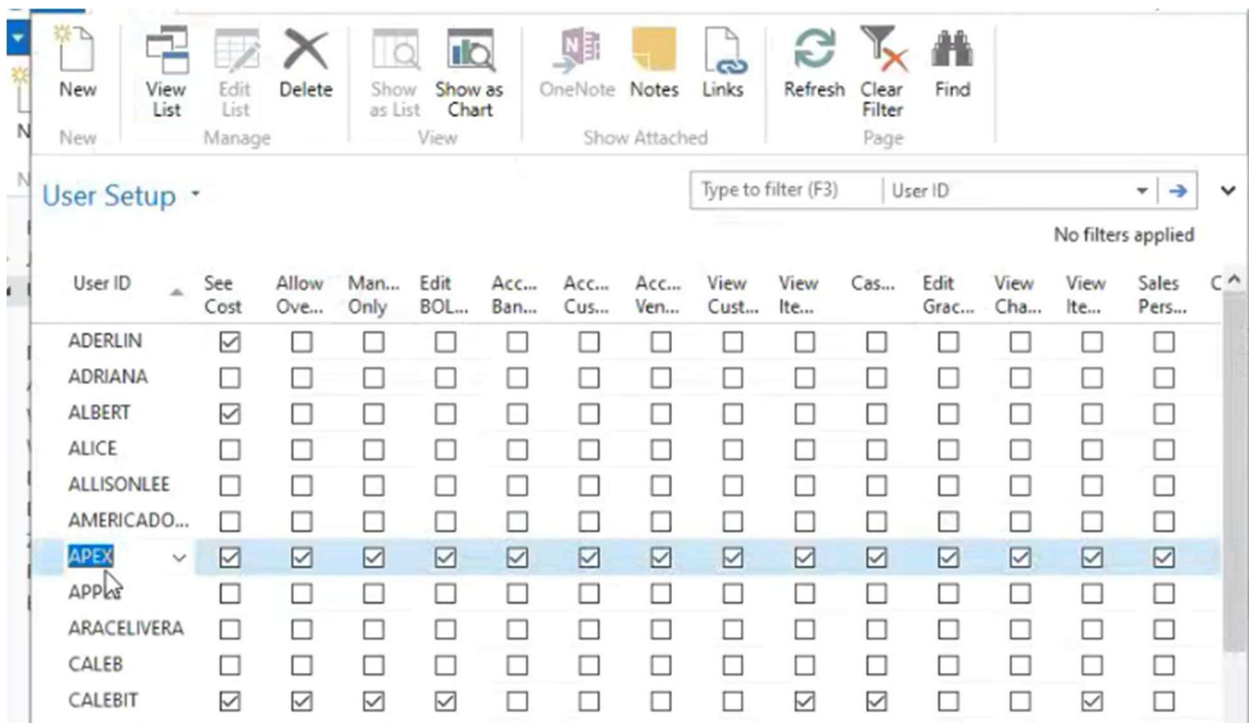
1. Navigate to User Setup to view the users list and the configurations



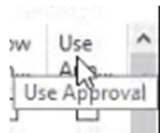
2. Click Edit List icon



3. Select the user who needs to be part of the approval process



4. Scroll to the right end to view the column “Use Approval”



5. Enable the checkbox for the selected user.
6. Click Close Button.

SECTION 2: CSR Actions

After logging in NAV, you can create a Sales Credit Memo in one of the following two ways:

- **Method A: From the Customer Page (Quick Access – Auto-filled Customer Info)**

- **Method B: From the Sales Credit Memo Page**

1. Creating a Sales Credit Memo (Without Exploding the Kit)

1. In the **Search Bar** at the top of NAV, type “**Customers**”.
2. Click on **Customers** from the dropdown.
 - This will open the complete list of customers.
3. Find and select the customer you need to create the credit memo for.
4. At the top of the page, click the **Sales Credit Memo** button.
 - A new blank credit memo will open.
5. In the Sales Credit Memo page, click **Get Posted Document Lines to Reverse**.
 - Select the invoice that needs to be credited.
 - The invoice details will automatically appear on the credit memo.
 - At this stage, you will only see the parent item (the kit), not the child items inside it.
6. Fill in the required details:
 - **Return Reason** → choose why the customer is returning the item.

Note: Return Reason Code

Options: **RETURN** or **SCRAP**.

If **Return** is chosen → item goes to location **CA001**.

If **Scrap** is chosen → item goes to the default **Damage Location**

- **Additional Notes** → Free-text field to add comments/details for that line item.
- **Credit Adjustment Amount / %**

Note: Enter the percentage of credit you want to give (e.g., 10%).

The system automatically calculates the adjustment based on the **Original Amount** (unit price). Example: If the original price = \$399 and Credit Adjustment % = 10%, the Unit Price will automatically update to \$39.90.

This adjusted price will also reflect in the **Amount Including Tax** field. A tooltip is available to explain this field on hover.

The screenshot shows the 'Sales Credit Memo' form. The main table has columns: No., Location Code, Quantity, Description, Unit Price, Line Amount, Return Reason Code, Additional Notes, Credit Adj. %, Line Discount %, Tax Group Code, Amount Including Tax, and Original Unit Price. A line item is visible with a quantity of 19, a unit price of 295.00, and a line amount of 4,404.00. The form also includes sections for Credit Memo Details, Billing, and Customer Statistics.

7. Once all information is filled in,
 - Click **Post Credit Memo** if the current user does not have **Use Approval** enabled in the user setup.
 - Click **Send Approval Request** for approval if the current user has **Use Approval** enabled in the user setup. The system will confirm that your request has been sent for approval.

2. Creating a Sales Credit Memo (With Exploding the Kit)

If you need to credit **specific items within a kit** instead of the whole kit, use the **Explode Kit** function.

1. Search for and open the **Customer**.
2. Click **Sales Credit Memo**.
3. A new credit memo form opens.
4. Click **Get Posted Document Lines to Reverse**.
 - Select the invoice.
 - Only the parent item will appear.
5. Click the **Explode Kit** button.
 - All child items inside the kit will now display.
 - The parent item amount will change to **zero**.
 - Each child item will show its own **price, quantity, and details**.

486630933@xp4

Sales Credit Memo

General

Invoice No. P52131598

Type	No.	Location Code	Quantity	Description	Unit Price Excl. Tax	Unit Price (Discounted)	Line Amount Excl. Tax	Return Reason Code	Additional Notes	Credit Adj. %	Line Discount %	Tax Group Code	Amount Including Tax	Origins
Item	F8451	CA001	15	RAAF CHAISE	155.00	155.00	2,325.00			0.00	0.00	NONTAX	2,325.00	
Item	F8451-2	CA001	15	LAF SORA W/USB PORTS	125.00	125.00	1,875.00			0.00	0.00	NONTAX	1,875.00	
Item	F8451-3	CA001	15	COCKTAIL OTTOMAN	87.00	87.00	1,305.00			0.00	0.00	NONTAX	1,305.00	

Subtotal Excl. Tax (USD): 5,505.00 Total Excl. Tax (USD): 5,505.00

Inv. Discount Amount Excl. Tax (USD): 0.00 Total Tax (USD): 0.00

Invoice Discount %: 0 Total Incl. Tax (USD): 5,505.00

Credit Memo Details

Billing

BB to: ***TESTING**DO NOT DELETE OR PICK****

Contact: DANNY

Foreign Trade

Customer Statistics

Customer No.: TEST

Balance (\$): 37,612.50

Sales

Outstanding Ord.: 315,473.00

Shipped Not Inv.: 0.00

Outstanding Inv.: 1,366.00

Service

Outstanding Ser.: 0.00

Serv Shipped Not.: 0.00

Outstanding Ser.: 0.00

Total (\$): 354,483.00

Credit Limit (\$): 0.00

Overdue Amount.: 37,612.50

Total Sales (\$): 0.00

Increased Prepay.: 0.00

Customer Details

Co.: TEST

Ph.: 909-444-3878

Em.: @poundes.com: poun...

Fax.: 909-444-3998

Cr.: 0.00

Av.: 0.00

Pa.: COD-CHECK

Ch.: DANNY

Notes

Click here to create a new note.

There is nothing to show in this view.

- For each child item, update:
 - Return Reason Code** (Return → CA001, Scrap → Damage Location).
 - Additional Notes**
 - Credit Adjustment %**
 - Review the **Original Amount**

486630933@xp4

Sales Credit Memo

General

Invoice No. P52131598

Type	No.	Location Code	Quantity	Description	Unit Price Excl. Tax	Unit Price (Discounted)	Line Amount Excl. Tax	Return Reason Code	Additional Notes	Credit Adj. %	Line Discount %	Tax Group Code	Amount Including Tax	Origins
Item	F8451	CA001	15	RAAF CHAISE	155.00	155.00	2,325.00			0.00	0.00	NONTAX	2,325.00	
Item	F8451-2	CA001	15	LAF SORA W/USB PORTS	125.00	125.00	1,875.00			0.00	0.00	NONTAX	1,875.00	
Item	F8451-3	CA001	15	COCKTAIL OTTOMAN	87.00	87.00	1,305.00			0.00	0.00	NONTAX	1,305.00	

Subtotal Excl. Tax (USD): 5,505.00 Total Excl. Tax (USD): 5,505.00

Inv. Discount Amount Excl. Tax (USD): 0.00 Total Tax (USD): 0.00

Invoice Discount %: 0 Total Incl. Tax (USD): 5,505.00

Credit Memo Details

Billing

BB to: ***TESTING**DO NOT DELETE OR PICK****

Contact: DANNY

Foreign Trade

Customer Statistics

Customer No.: TEST

Balance (\$): 37,612.50

Sales

Outstanding Ord.: 315,473.00

Shipped Not Inv.: 0.00

Outstanding Inv.: 1,366.00

Service

Outstanding Ser.: 0.00

Serv Shipped Not.: 0.00

Outstanding Ser.: 0.00

Total (\$): 354,483.00

Credit Limit (\$): 0.00

Overdue Amount.: 37,612.50

Total Sales (\$): 0.00

Increased Prepay.: 0.00

Customer Details

Co.: TEST

Ph.: 909-444-3878

Em.: @poundes.com: poun...

Fax.: 909-444-3998

Cr.: 0.00

Av.: 0.00

Pa.: COD-CHECK

Ch.: DANNY

Notes

Click here to create a new note.

There is nothing to show in this view.

- Once details are updated,
 - Click **Post Credit Memo** if the current user does not have **Use Approval** enabled in the user setup.
 - Click **Send Approval Request** for approval if the current user has **Use Approval** enabled in the user setup. The system will confirm that your request has been sent for approval.

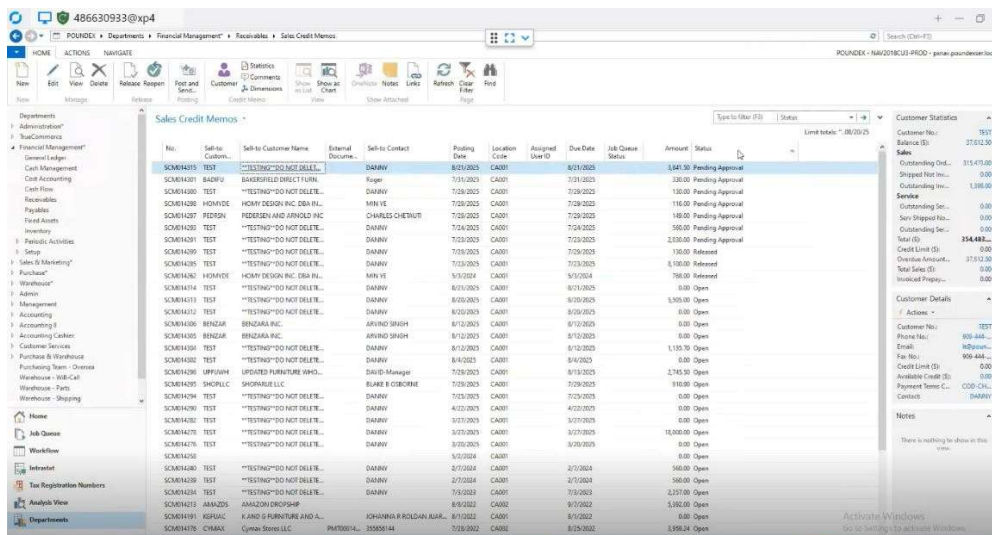
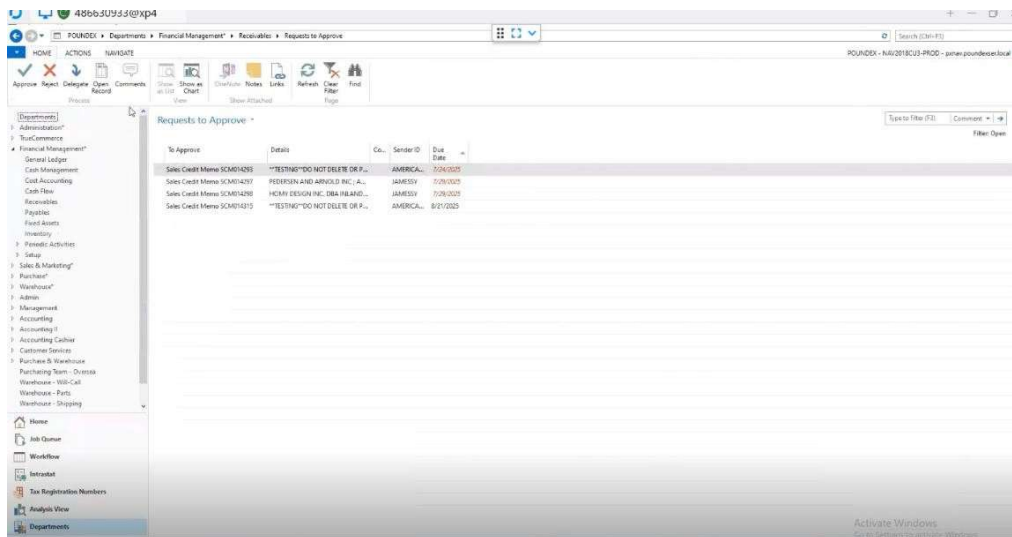
SECTION 3: Cashier Actions (Approver Role)

Check for Approval Request

- Once the CSR submits the approval request, the assigned cashier(s) (e.g., *Linda*) will receive an **email notification**.
- The email will contain:
 - Who created the credit memo
 - A link to directly open the credit memo in NAV

NAV Options:

- Go to **Requests to Approve** → view all pending memos.
- Or open **Sales Credit Memo list** → filter by **Status = Pending Approval**.



Steps to Approve

1. Open the memo.
2. Review details, including return reason, notes, and auto-calculated credit adjustments.
3. Click **Approve** on top Menu.
4. Click **Post Credit Memo** to finalize.

Sales Credit Memo

Customer: TEST
Balance (0): 37,412.50

Item Table:

Type	No.	Location	Quantity	Description	Return Reason Code	Additional Notes	Credit Adj. %	Unit Price Excl. Tax	Unit Price (Discounted)	Line Amount Excl. Tax	Line Discount %	Tax Group Code	Amount Including Tax
Item	FAB01	CARD1	15	3-PC SECTIONAL, SOFA/POG				0.00	0.00	0.00			0.00
Item	FAB01-1	CARD1	15	RAF CHARGE	RETURN	20% Rebate on Fee	0.00	124.00	124.00	1,860.00		NONTAX	1,860.00
Item	FAB01-2	DAMAGES	15	LAP SOFA W/ 200 POUNDS	SCARP	return and keep the product Credit 30 %	30.00	62.50	62.50	937.50		NONTAX	937.50
Item	FAB01-3	CARD1	15	CLOCK/TALE OTTOMAN	RETURN	20% Rebate on Fee	0.00	60.00	60.00	1,080.00		NONTAX	1,080.00

Subtotal Excl. Tax (USD): 3,341.50
Total Excl. Tax (USD): 3,341.50
Inc. Discount Amount Excl. Tax (USD): 0.00
Total Tax (USD): 0.00
Invoice Discount %: 0
Total Inc. Tax (USD): 3,341.50

Credit Memo Details

Billing: **TESTING-DO NOT DELETE OR PICK**
Contact: **DANNY**

Post-Credit Memo Checks

1. Go to the **Customer Screen** → click **Balance** → review **Customer Ledger Entries**.
 - o The posted credit memo will appear here, showing its impact on customer balance.

Customer Ledger Entries

Filter: TEST

Posting Date	Doc. Type	Document No.	Customer No.	Description	Original Amount	Amount	Amount (0)	Remaining Amount	Remaining Amount (0)	Due Date	Payment Method	Reference No.	Payment Method
8/21/2025	Credit Memo	PCRM0001	TEST	Credit Memo SCARF4015	3,341.50	-3,341.50	-3,341.50	3,341.50	3,341.50	8/21/2025			
8/19/2025	Credit Memo	PCRM0002	TEST	Credit Memo SCARF4027	1,225.00	-1,225.00	-1,225.00	1,225.00	1,225.00	8/19/2025			
8/19/2025	Invoice	PI00100009	TEST	Order S1000009	5,305.00	5,305.00	5,305.00	5,305.00	5,305.00	8/19/2025			
8/19/2025	Invoice	PI00100020	TEST	Order S1000020	3,675.00	3,675.00	3,675.00	3,675.00	3,675.00	8/19/2025			
8/19/2025	Invoice	PI00100023	TEST	Order S1000023	5,850.00	5,850.00	5,850.00	5,850.00	5,850.00	8/19/2025			
7/20/2025	Credit Memo	PCRM0003	TEST	Credit Memo SCARF4032	-279.00	-279.00	-279.00	-279.00	-279.00	7/20/2025			
7/1/2025	Invoice	PI00100029	TEST	Order S1000029	889.00	889.00	889.00	889.00	889.00	7/1/2025			
6/22/2025	Credit Memo	PCRM0004	TEST	Credit Memo SCARF4038	5,360.00	-5,360.00	-5,360.00	5,360.00	5,360.00	6/22/2025			
4/14/2025	Credit Memo	PCRM0005	TEST	Credit Memo SCARF4038	-18,000.00	-18,000.00	-18,000.00	18,000.00	18,000.00	4/14/2025			
4/14/2025	Credit Memo	PCRM0006	TEST	Credit Memo SCARF4037	8,100.00	-8,100.00	-8,100.00	8,100.00	8,100.00	4/14/2025			
4/15/2025	Credit Memo	PCRM0007	TEST	Credit Memo SCARF4038	-45,000.00	-45,000.00	-45,000.00	45,000.00	45,000.00	4/15/2025			
4/2/2025	Credit Memo	PCRM0008	TEST	Credit Memo SCARF4034	900.00	-900.00	-900.00	900.00	900.00	4/2/2025			
3/27/2025	Credit Memo	PCRM0009	TEST	Credit Memo SCARF4031	-1,500.00	-1,500.00	-1,500.00	1,500.00	1,500.00	3/27/2025			
3/27/2025	Invoice	PI00100041	TEST	Order S1000041	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3/27/2025			
3/27/2025	Credit Memo	PCRM0010	TEST	Credit Memo SCARF4030	-6,000.00	-6,000.00	-6,000.00	6,000.00	6,000.00	3/27/2025			
3/27/2025	Invoice	PI00100042	TEST	Order S1000042	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	3/27/2025			
3/27/2025	Credit Memo	PCRM0011	TEST	Credit Memo SCARF4029	-18,000.00	-18,000.00	-18,000.00	18,000.00	18,000.00	3/27/2025			
3/27/2025	Invoice	PI00100028	TEST	Order S1000028	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	3/27/2025			
3/27/2025	Invoice	PI00100027	TEST	Order S1000027	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	3/27/2025			
3/27/2025	Credit Memo	PCRM0012	TEST	Credit Memo SCARF4027	-8,000.00	-8,000.00	-8,000.00	8,000.00	8,000.00	3/27/2025			
3/27/2025	Invoice	PI00100025	TEST	Order S1000025	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	3/27/2025			
3/27/2025	Invoice	PI00100024	TEST	Order S1000024	9,000.00	9,000.00	9,000.00	9,000.00	9,000.00	3/27/2025			
3/26/2025	Credit Memo	PCRM0013	TEST	Credit Memo SCARF4031	-650.00	-650.00	-650.00	650.00	650.00	3/26/2025			
3/26/2025	Credit Memo	PCRM0014	TEST	Credit Memo SCARF4031	-490.00	-490.00	-490.00	490.00	490.00	3/26/2025			
3/26/2025	Credit Memo	PCRM0015	TEST	Credit Memo SCARF4031	-490.00	-490.00	-490.00	490.00	490.00	3/26/2025			
3/4/2025	Invoice	PI00100011	TEST	Order S1000011	620.00	620.00	620.00	620.00	620.00	3/4/2025			
3/26/2025	Invoice	PI00100008	TEST	Order S1000008	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	3/26/2025			
3/26/2025	Invoice	PI00100010	TEST	Order S1000010	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	3/26/2025			

- Go to the **Items list** → review **Customer Ledger Entries**, check how the return or scrapped items affect inventory

Location → shows where the stock was moved, based on the **Return Reason Code**:

- If **RETURN** was selected → the quantity is updated in **Location CA001**.
- If **SCRAP** was selected → the quantity is updated in the **Damage Location**.
- This gives a clear view of how the return or scrap impacted both **item quantity** and **stock location**.

486630933@xp4

Item Ledger Entries

Show results: Where: Item No.: 19451-1

Add Filter

Reason Code	Posting Date	Entry Type	Document Type	Document No.	Source No.	Item No.	Description	Reason Description	Location Code	Quantity	Invoiced Quantity	Remaining Quantity	Sales Amount (Actual)	Cost Amount (Actual)	Cost Amount (Non-Invs)	Open	Order Type
	8/25/2023	Sale	Sales Credit	PSCM0172	1837	19451-1	RAP CHANGE		CA001	15	15	15	1,688.00	188.00	0.00		
	8/16/2023	Sale	Sales Credit	PSCM0172	1837	19451-1	RAP CHANGE		CA001	5	5	5	387.50	80.30	0.00		
	8/16/2023	Assembly Consumption	Posted Ass.	80L318780	19401	19451-1	RAP CHANGE		CA001	-15	-15	0	0.00	-188.00	0.00		Assembly
	8/16/2023	Assembly Consumption	Posted Ass.	80L318778	19401	19451-1	RAP CHANGE		CA001	-10	-10	0	0.00	-100.00	0.00		Assembly
	8/16/2023	Assembly Consumption	Posted Ass.	80L318776	19401	19451-1	RAP CHANGE		CA001	-5	-5	0	0.00	-38.00	0.00		Assembly
	8/16/2023	Purchase	Purchase R.	PR070028	19491C	19451-1	RAP CHANGE		CA001	100	100	70	0.00	1,000.00	0.00		

Activate Windows
Go to Settings to activate Windows.