

Sales Credit Memo Process – Microsoft Dynamics NAV

An enhancement has been added to reduce manual calculations when creating credit memos.

This can be done either:

- **Without Exploding the Kit** → crediting the parent item as a whole.
- **With Exploding the Kit** → crediting each child/individual item inside the kit.

SECTION 1: 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.

7. Once all information is filled in, click **Send Approval Request**.
8. 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**.
 - o Select the invoice.
 - o Only the parent item will appear.
5. Click the **Explode Kit** button.
 - o All child items inside the kit will now display.
 - o The parent item amount will change to **zero**.
 - o Each child item will show its own **price, quantity, and details**.

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Sales Credit Memo

General

Lines

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	Origin
Item	FR451	CA001	15	3-PCS SECTIONAL SOFA-FOG	0.00	0.00	0.00			0.00		NONTAX	0.00	
Item	FR451-1	CA001	15	RAF Chair	155.00	155.00	2,325.00			0.00		NONTAX	2,325.00	
Item	FR451-2	CA001	15	LAP SOFA W/USB PORTS	125.00	125.00	1,875.00			0.00		NONTAX	1,875.00	
Item	FR451-3	CA001	15	COCKTAIL OTTOMAN	87.00	87.00	1,305.00			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

Bill to: ***TESTING-DO NOT DELETE OR PICK***
 Contact: DANNY

Foreign Trade

Customer Statistics

Customer No: TEST
 Balance (\$): 37,612.50
 Sales: 315,473.00
 Outstanding Ord.: 0.00
 Shipped Not Inv.: 0.00
 Outstanding Inv.: 1,386.00
 Service: 0.00
 Outstanding Ser.: 0.00
 Serv. Shipped Not Inv.: 0.00
 Outstanding Ser.: 0.00
 Total (\$): 354,483.00
 Credit Limit (\$): 0.00
 Overdue Amount: 37,612.50
 Total Sales (\$): 0.00
 Invoiced Prepay: 0.00

Customer Details

Actions

Ca.: TEST
 Ph.: 909-444-3078
 Em.: id@poundex.com.poun...
 Fax.: 909-444-3088
 Cre.: 0.00
 Ar.: 0.00
 Pa.: COD-CHECK
 Co.: 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**

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Sales Credit Memo

General

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Item	FR451	CA001	15	3-PCS SECTIONAL SOFA-FOG	0.00	0.00	0.00			0.00		NONTAX	0.00	
Item	FR451-1	CA001	15	RAF Chair	124.00	124.00	1,860.00	RETURN	20% restocking fee	80.00		NONTAX	1,860.00	
Item	FR451-2	DAMAGED	15	LAP SOFA W/USB PORTS	62.50	62.50	937.50	SCRAP	Customer will keep the product. Credit...	50.00		NONTAX	937.50	
Item	FR451-3	CA001	15	COCKTAIL OTTOMAN	66.66	66.66	1,000.00	RETURN	20% restocking fee	80.00		NONTAX	1,000.00	

Subtotal Excl. Tax (USD): 3,841.50 Total Excl. Tax (USD): 3,841.50
 Inv. Discount Amount Excl. Tax (USD): 0.00 Total Tax (USD): 0.00
 Invoice Discount %: 0 Total Incl. Tax (USD): 3,841.50

Credit Memo Details

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Customer Details

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 Em.: id@poundex.com.poun...
 Fax.: 909-444-3088
 Cre.: 0.00
 Ar.: 0.00
 Pa.: COD-CHECK
 Co.: DANNY

Notes

Click here to create a new note.
 There is nothing to show in this view.

- Once details are updated, click **Send Approval Request**.

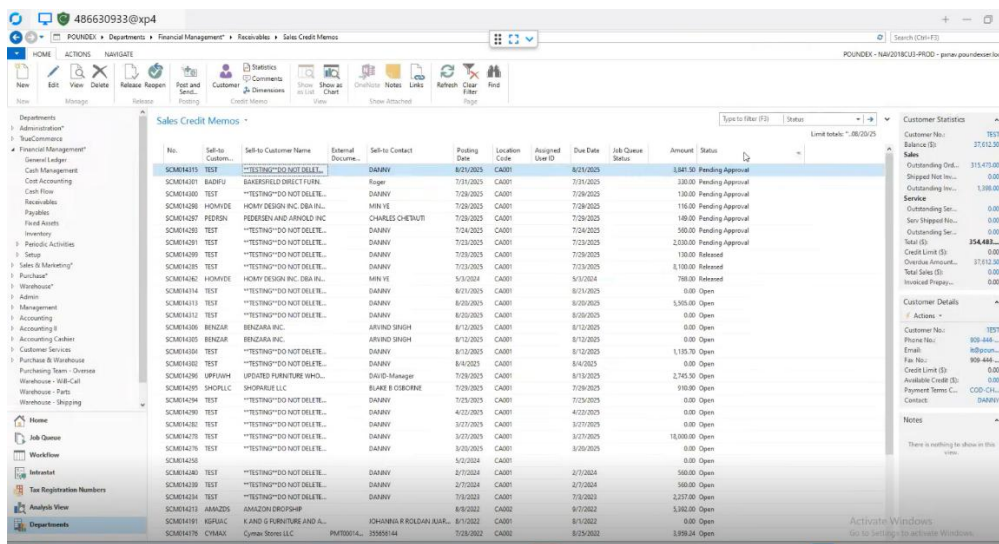
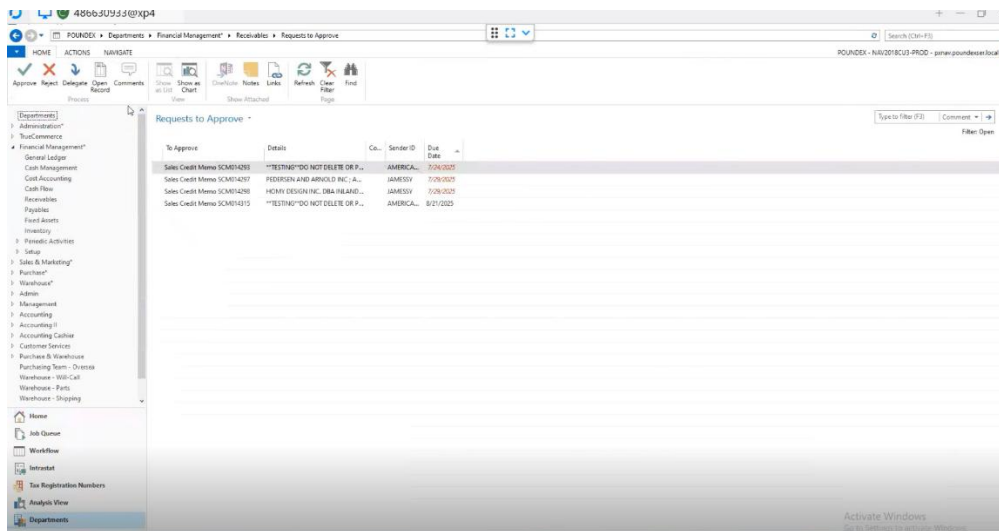
SECTION 2: Cashier Actions (Approver Role)

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
Customer No: 000-444-1878
Salesperson: 000-444-1888
Date: 8/21/2025

Item	Qty	Description	Unit Price	Amount
15	15	3-PCS SECTIONAL SOFA/POD	124.00	1,860.00
15	15	LAP SOFA W/GRIP PORTS	62.30	934.50
15	15	COUCHING OTTOMAN	65.00	975.00

Total Amount: \$3,841.50

Customer Details:
Customer: TEST
Address: 000-444-1878
Phone: 000-444-1888
Email: 000-444-1888
Fax: 000-444-1888
City: 000-444-1888
State: 000-444-1888
Zip: 000-444-1888
Country: 000-444-1888

Post-Credit Memo Checks

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

Customer Ledger Entries

Posting Date	Doc. Type	Document No.	Customer No.	Description	Original Amount	Amount	Amount (\$)	Remaining Amount	Remaining Amt. (\$)	Due Date	Payment Method	Open	Reference No.	Payment Method
8/21/2025	Credit Memo	PCRM001	TEST	Credit Memo SCRM04315	3,841.50	3,841.50	3,841.50	3,841.50	3,841.50	8/21/2025				
8/18/2025	Credit Memo	PCRM002	TEST	Credit Memo SCRM04307	1,235.50	1,235.50	1,235.50	1,235.50	1,235.50	8/18/2025				
8/13/2025	Invoice	PSI0131	TEST	Order S1000000	5,900.00	5,900.00	5,900.00	5,900.00	5,900.00	8/13/2025				
8/13/2025	Invoice	PSI0132	TEST	Order S1000000	5,900.00	5,900.00	5,900.00	5,900.00	5,900.00	8/13/2025				
8/13/2025	Invoice	PSI0133	TEST	Order S1000000	1,825.00	1,825.00	1,825.00	1,825.00	1,825.00	8/13/2025				
7/23/2025	Credit Memo	PCRM003	TEST	Credit Memo SCRM04302	279.00	279.00	279.00	279.00	279.00	7/23/2025				
7/13/2025	Invoice	PSI0134	TEST	Order S1000000	880.00	880.00	880.00	880.00	880.00	7/13/2025				
4/23/2025	Credit Memo	PCRM004	TEST	Credit Memo SCRM04299	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	4/23/2025				
4/16/2025	Credit Memo	PCRM005	TEST	Credit Memo SCRM04288	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	4/16/2025				
4/16/2025	Credit Memo	PCRM006	TEST	Credit Memo SCRM04287	4,100.00	4,100.00	4,100.00	4,100.00	4,100.00	4/16/2025				
4/15/2025	Credit Memo	PCRM007	TEST	Credit Memo SCRM04286	42,000.00	42,000.00	42,000.00	42,000.00	42,000.00	4/15/2025				
4/3/2025	Credit Memo	PCRM008	TEST	Credit Memo SCRM04284	800.00	800.00	800.00	800.00	800.00	4/3/2025				
3/27/2025	Credit Memo	PCRM009	TEST	Credit Memo SCRM04281	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	3/27/2025				
3/27/2025	Invoice	PSI0135	TEST	Order S1000000	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3/27/2025				
3/27/2025	Credit Memo	PCRM010	TEST	Credit Memo SCRM04280	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	3/27/2025				
3/27/2025	Invoice	PSI0136	TEST	Order S1000000	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	3/27/2025				
3/27/2025	Invoice	PSI0137	TEST	Order S1000000	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	3/27/2025				
3/27/2025	Invoice	PSI0138	TEST	Order S1000000	61,000.00	61,000.00	61,000.00	61,000.00	61,000.00	3/27/2025				
3/27/2025	Invoice	PSI0139	TEST	Order S1000000	9,000.00	9,000.00	9,000.00	9,000.00	9,000.00	3/27/2025				
3/27/2025	Credit Memo	PCRM011	TEST	Order S1000000	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	3/27/2025				
3/27/2025	Invoice	PSI0140	TEST	Order S1000000	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	3/27/2025				
3/27/2025	Invoice	PSI0141	TEST	Order S1000000	9,000.00	9,000.00	9,000.00	9,000.00	9,000.00	3/27/2025				
3/20/2025	Credit Memo	PCRM012	TEST	Credit Memo SCRM04281	494.00	494.00	494.00	494.00	494.00	3/20/2025				
3/20/2025	Credit Memo	PCRM013	TEST	Credit Memo SCRM04282	499.00	499.00	499.00	499.00	499.00	3/20/2025				
3/4/2025	Invoice	PSI0142	TEST	Order S1000000	628.00	628.00	628.00	628.00	628.00	3/4/2025				
2/26/2025	Invoice	PSI0143	TEST	Order S1000000	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2/26/2025				
2/26/2025	Invoice	PSI0144	TEST	Order S1000000	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2/26/2025				

- 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**.

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Item Ledger Entries

Show results: Where Item No. is F8451-1

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-Invent.)	Open	Order Type
	8/25/2025	Sale	Sales Crd.	PSCM072.. TEST	F8451-1	F8451-1	RAF C4405		CA001	15	15	15	5,880.00	150.00	0.00	<input checked="" type="checkbox"/>	
	8/18/2025	Site				F8451-1	RAF C4405		CA001	5	5	5	-187.50	50.00	0.00	<input checked="" type="checkbox"/>	
	8/18/2025	Assembly Consumption				F8451-1	RAF C4405		CA001	-15	-15	0	0.00	-150.00	0.00	<input type="checkbox"/>	Assembly
	8/18/2025	Assembly Consumption				F8451-1	RAF C4405		CA001	-10	-10	0	0.00	-100.00	0.00	<input type="checkbox"/>	Assembly
	8/18/2025	Assembly Consumption				F8451-1	RAF C4405		CA001	-5	-5	0	0.00	-50.00	0.00	<input type="checkbox"/>	Assembly
	8/18/2025	Purchase	Purchase R.	PR07028 1PERFC		F8451-1	RAF C4405		CA001	100	100	70	0.00	1,000.00	0.00	<input checked="" type="checkbox"/>	

Activate Windows
Go to Settings to activate Windows.