

How to Write Off Bad Debt in Sage 100

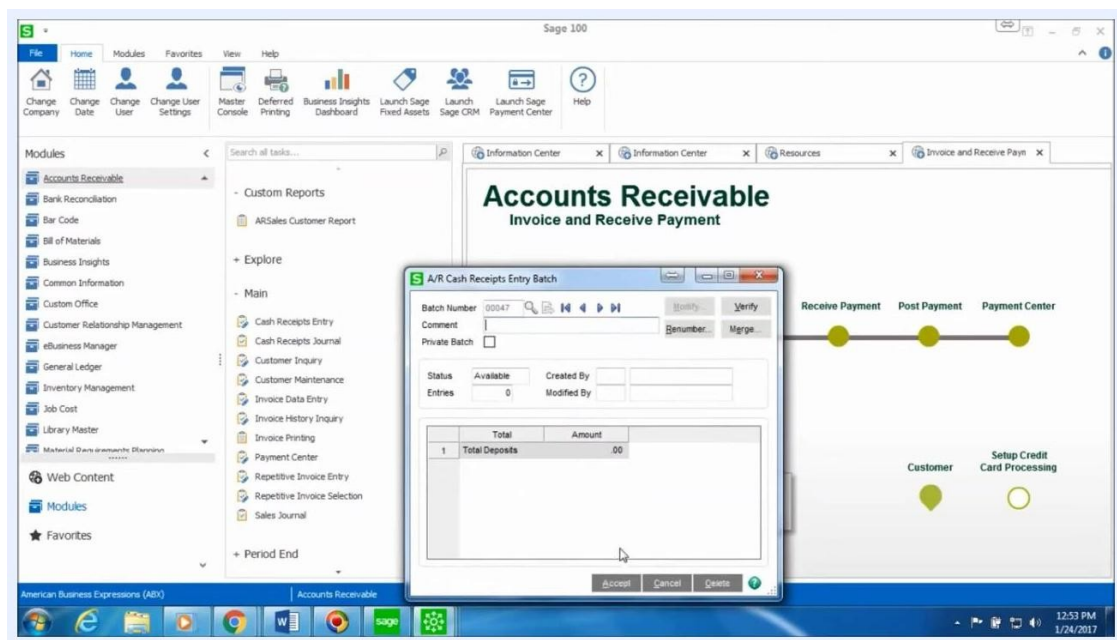
When a customer invoice becomes uncollectible, you can write off the bad debt directly in the Accounts Receivable module of Sage 100. This guide walks you through creating a cash receipts batch, applying the write-off to the correct invoice, posting the entry to the correct bad debt GL account, and verifying that the write-off was recorded correctly on the customer account.

Prerequisites

- Access to the **Accounts Receivable** module in Sage 100.
- The customer account and specific invoice you intend to write off.
- The GL account number designated for bad debt expense (e.g., **61500-01-000-000-000**).

Step 1: Open the Accounts Receivable module

Open Sage 100 and make sure you are on the main dashboard. In the left navigation pane, select **Accounts Receivable**. This displays the module's main options, including Cash Receipts Entry, Customer Inquiry, and Customer Maintenance.

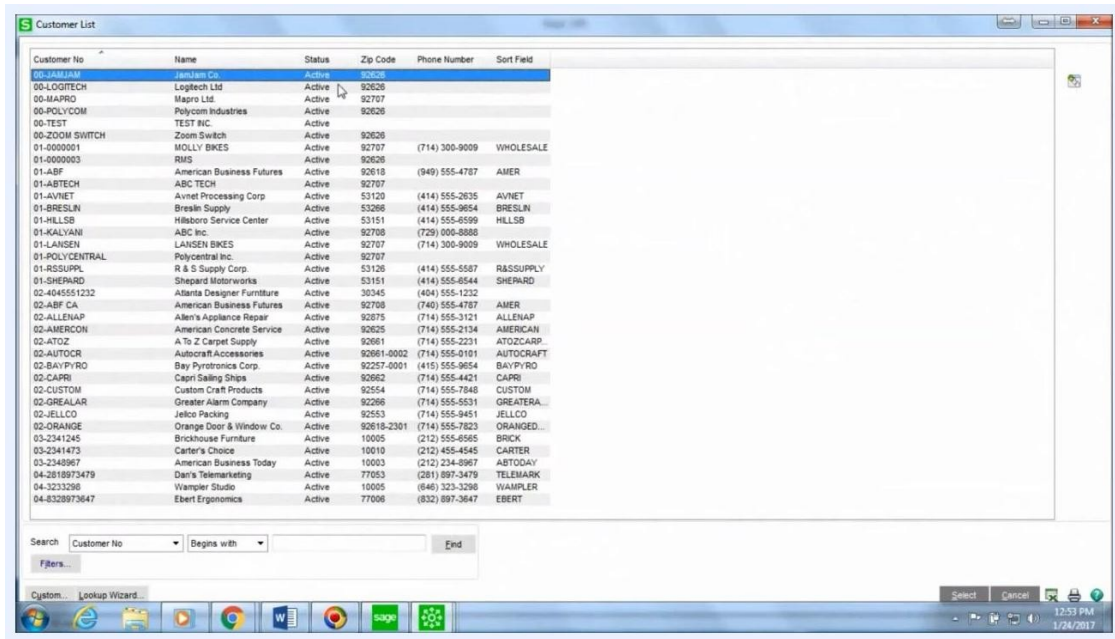


Sage 100 main dashboard with the Accounts Receivable module selected, showing options such as Cash Receipts Entry, Customer Inquiry, and Customer Maintenance

Step 2: Start a new cash receipts entry batch

In the **Main** section under Accounts Receivable, click **Cash Receipts Entry**.

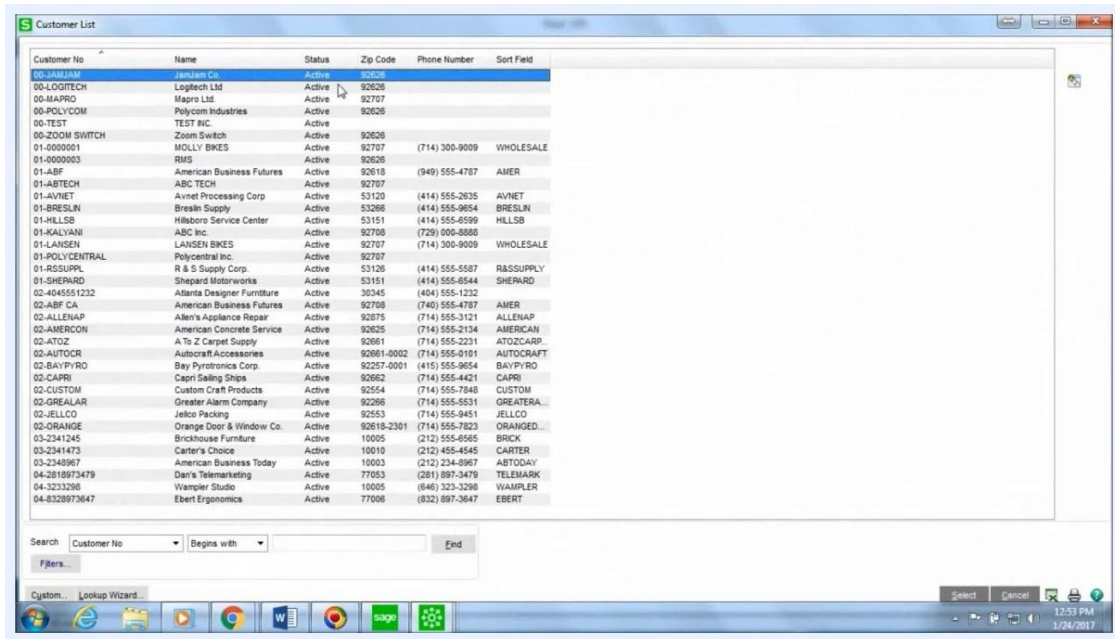
In the **A/R Cash Receipts Entry Batch** window, click the **Next Batch Number** field (for example, 00047), optionally enter a comment for reference, and click **Accept** to proceed.



A/R Cash Receipts Entry Batch window showing the batch number, comment field, and Accept button

Step 3: Create a new cash receipts deposit

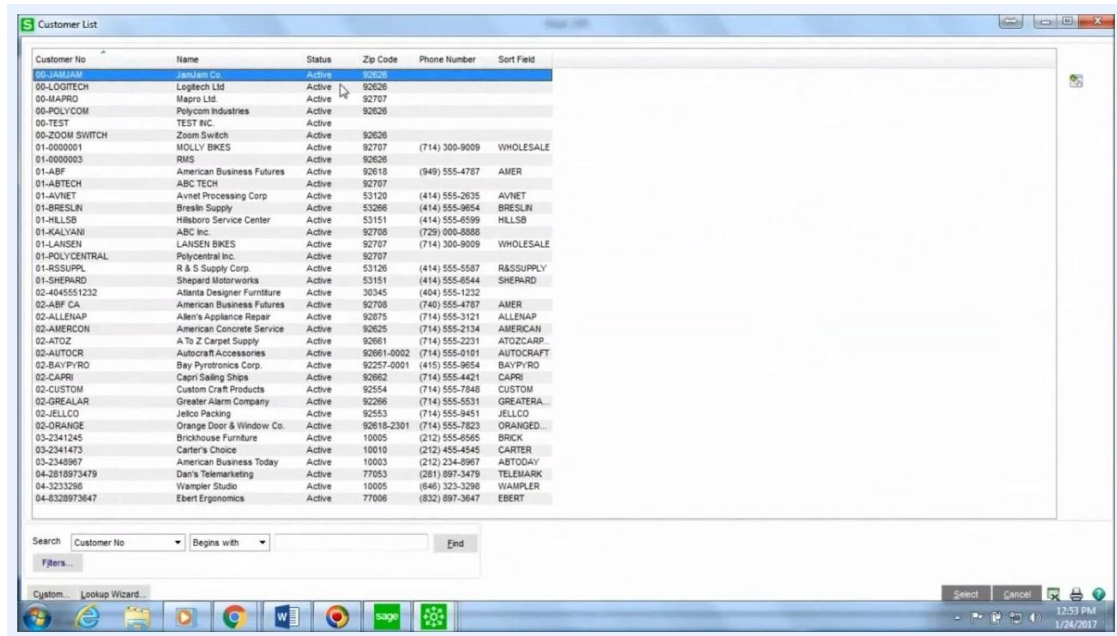
In the **Cash Receipts Deposit** window, click the **Next Deposit Number** field (for example, 00069) and enter a description such as **Writeoff**. Make sure both the **Cash Deposit Amount** and **Credit Card Deposit Amount** are set to **0.00**, since no actual payment is being received. Click **Accept** to continue.



Cash Receipts Deposit window showing the deposit number, description "Writeoff," bank code, deposit date, and zeroed deposit amounts

Step 4: Select the customer for the write-off

In the customer lookup window, search for and select the customer associated with the invoice you are writing off. In this example, the customer is **Polycom Industries** (Customer No: 00-POLYCOM).



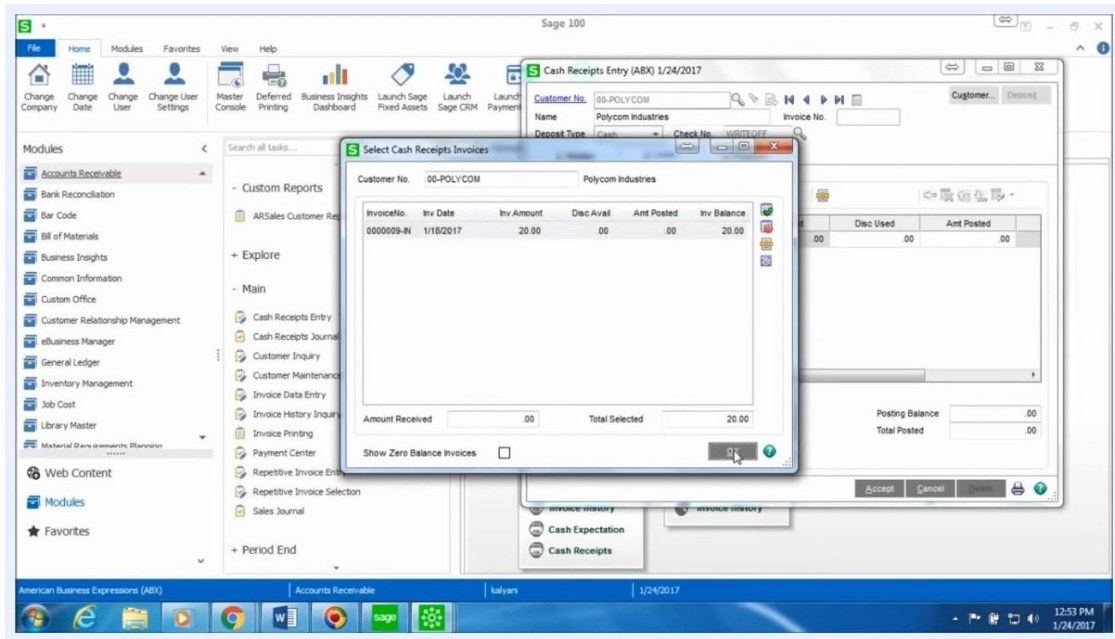
Customer List window showing various customers, with Polycom Industries highlighted

Step 5: Enter write-off details in Cash Receipts Entry

In the **Cash Receipts Entry** window, confirm that the **Customer No** field shows 00-POLYCOM. Set the **Deposit Type** to **Cash**, and in the **Check No.** field, enter **WRITE OFF**. Leave the **Amount Received** field on the Header tab set to **0.00**, since this entry does not represent an actual cash payment.

Step 6: Select the invoice to write off

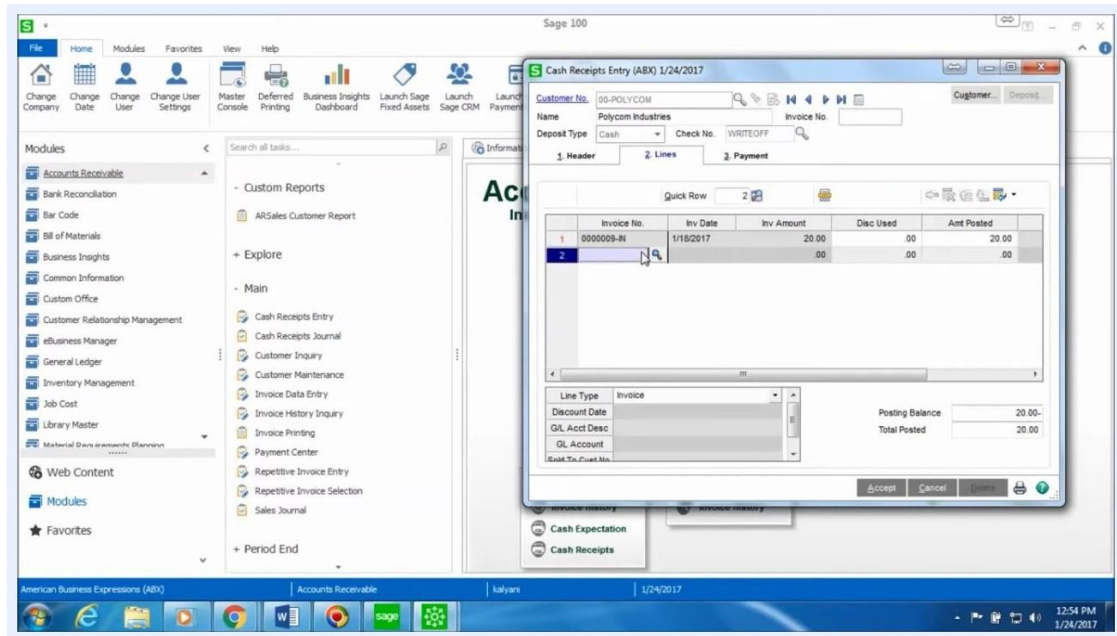
Go to the **Lines** tab. In the first line, click the lookup icon under **Invoice No.** to open the **Select Cash Receipts Invoices** window. Choose the invoice you want to write off (for example, Invoice No: 0000009-N, Inv Date: 1/18/2017, Inv Amount: 20.00), then click **OK**.



Select Cash Receipts Invoices window showing Polycom Industries, Invoice No 0000009-N, Inv Amount \$20.00, with the OK button highlighted

Step 7: Enter the write-off amount

In the **Amt Posted** field for the selected invoice, enter the full amount you want to write off (for example, **20.00**). Confirm that the **Posting Balance** and **Total Posted** fields reflect this write-off amount.

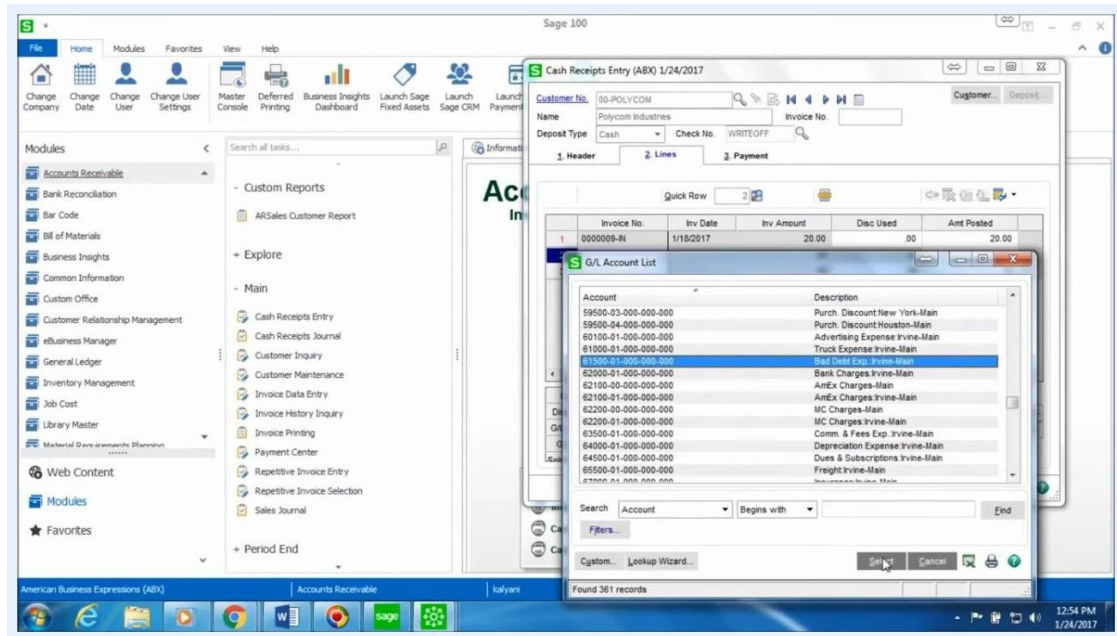


Cash Receipts Entry window showing the invoice line with Invoice No 0000009-N, Inv Amount \$20.00, and Amt Posted \$20.00

Step 8: Select the bad debt GL account and post the entry

Move to the next line in the **Cash Receipts Entry** window and change the **Line Type** to **GL Account**. In the **G/L Account List** window, search for and select the appropriate bad debt expense account (for example, **61500-01-000-000-000**, Description: **Bad Debt Exp.: Irvine-Main**), then click **Select** to confirm.

Enter the write-off amount as a negative value (for example, **-20.00**) in the **Amt Posted** field for the GL account line. Confirm that the posting balance is zero, which indicates the entry is balanced. Click **Accept** to save the entry.



Cash Receipts Entry window with the G/L Account List open, Bad Debt Exp.: Irvine-Main account highlighted, and invoice write-off details visible

Step 9: Print and preview the Cash Receipts Journal

To post the entry, click the **printer icon** at the bottom right of the Cash Receipts Entry window. In the print dialog, select the batch to print (for example, Batch Number: 00047) and click **Proceed**. Choose to **Preview** the Cash Receipts Journal.

Review the generated report, which displays the amount being written off, the customer and company details (**Polycom Industries**, Customer No: 00-POLYCOM), and the invoice number, GL account, and check number (**WRITE OFF**).

Cash Receipts Journal
Register Number: CR-000039
Batch Number: 00047

American Business Express

Cash Deposits
Customer Number\Name

Invoice Number	Comment	Amount Applied	Discount Date	Discount Amount	Invoice Balance	Credit A/R
Bank: A Wells Fargo Bank - Checking Batch Number: 00047 Deposit Date: 6/1/2020 Deposit Number: 00069 Deposit Amount:						
00-POLYCOM Polycom Industries						
0000009-IN		20.00		0.00	0.00	20.00
GL: 61500-01-000-000-000		20.00-				
	Posting Total:	0.00		0.00		20.00
	00-POLYCOM Total:	0.00		0.00		20.00
	Division 00 Total:	0.00		0.00		20.00
	Deposit 00069 Total:	0.00		0.00		20.00
	6/1/2020 Total:					

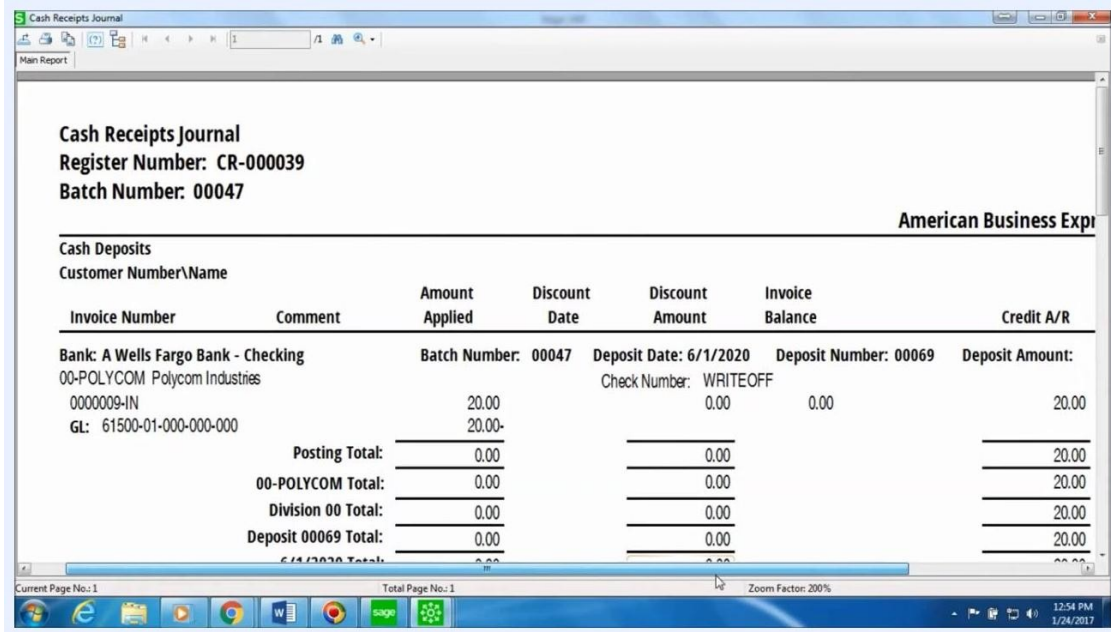
Check Number: WRITEOFF

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Cash Receipts Journal report showing Register Number CR-000039, Batch Number 00047, Polycom Industries, Invoice 0000009-IN, GL 61500-01-000-000-000, Check Number WRITE OFF, and the write-off amount

Step 10: Review the Accounts Receivable Recap report

After closing the Cash Receipts Journal preview, the **Accounts Receivable Recap By Division** report appears. Review it to see the debits and credits for the accounts involved, including **Accounts Receivable: Irvine-Main** and **Bad Debt Exp.: Irvine-Main**. Confirm the division totals show the write-off posted correctly, for example a debit of 20.00 to Bad Debt Expense and a credit of 20.00 to Accounts Receivable.



The screenshot displays the 'Cash Receipts Journal' window. At the top, it shows 'Register Number: CR-000039' and 'Batch Number: 00047'. Below this, the 'Cash Deposits' section is visible, listing 'Customer Number\Name' as '00-POLYCOM Polycom Industries'. The table below shows a 'Bank: A Wells Fargo Bank - Checking' entry with a 'Deposit Date' of 6/1/2020 and a 'Deposit Amount' of 20.00. The 'Posting Total' row shows a debit of 20.00 to 'Bad Debt Exp.' and a credit of 20.00 to 'Accounts Receivable'. The 'Division 00 Total' row shows a debit of 20.00 to 'Bad Debt Exp.' and a credit of 20.00 to 'Accounts Receivable'. The 'Deposit 00069 Total' row shows a debit of 20.00 to 'Bad Debt Exp.' and a credit of 20.00 to 'Accounts Receivable'.

Invoice Number	Comment	Amount Applied	Discount Date	Discount Amount	Invoice Balance	Credit A/R
Bank: A Wells Fargo Bank - Checking						
00-POLYCOM Polycom Industries						
0000009-IN		20.00		0.00	0.00	20.00
GL: 61500-01-000-000-000		20.00-				
Posting Total:		0.00		0.00		20.00
00-POLYCOM Total:		0.00		0.00		20.00
Division 00 Total:		0.00		0.00		20.00
Deposit 00069 Total:		0.00		0.00		20.00

Accounts Receivable Recap By Division report showing GL accounts, descriptions, and debit/credit amounts for the write-off

Step 11: Update the Cash Receipts Journal

When prompted, click **Yes** to update the Cash Receipts Journal and finalize the posting of the write-off entry.

Step 12: Verify the write-off in Customer Maintenance

Return to the **Main** section of the Accounts Receivable module and click **Customer Maintenance**. Search for and select the customer (for example, **00-POLYCOM**, Polycom Industries), then go to the **Transactions** tab.

Verify that an entry appears with the amount shown as negative (for example, **-20.00**), that the **Check No.** field displays **WRITE OFF**, and that the correct invoice number is referenced. This confirms the write-off has been recorded correctly for the customer and invoice.

G/L Account	Description	Debit	Credit
11000-01-000-000-000	Accounts Receivable:Irvine-Mai	20.00	
61500-01-000-000-000	Bad Debt Exp.:Irvine-Main		20.00
Division 00 Total:		20.00	

Customer Maintenance window, Transactions tab, showing a negative payment entry for invoice 0000009, check number WRITE OFF, and the correct amounts

Summary

You have now learned how to write off bad debt in Sage 100 by creating a zero-dollar cash receipts batch, applying the write-off to the invoice, offsetting it against a bad debt expense GL account, posting the Cash Receipts Journal, and confirming the write-off on the customer's transaction history.