How to apply a credit note to an invoice

Finance · https://mountainstream.co/docs/how-to-apply-a-credit-note-to-an-invoice/

Go to [Customer] > Finance > **Invoice Library**

A published credit note appears in the customer's **Invoice Library.**

1. Set the correct date range: include the date of the credit note.
2. Show all transactions: both **invoices and credit notes** are displayed
3. Select both the credit note and invoice.
    - The system will automatically calculate and combine the amounts correctly.
4. Apply the payment: Click **Pay** and **Mark Paid**.

[Screenshot of an invoice library page showing filters for date and status, a list of invoices with checkboxes for selection, and a dropdown menu with options to Mark Paid, Pay Now, or apply to invoice. Total open balance displayed as $924.00.]

5. Enter the payment details (e.g., check number or reference) If the transaction balance = 0, the bank account does not matter, as there will not be any record to reconcile.

[A Remittance Advice popup displays fields for payment amount, date, reference, payment method, and deposit. You can also apply credit note to invoice. The Post Payment Pending and Post Payment Approved buttons appear at the bottom.]

Note that:

1. You are applying a credit—not processing a real payment.
2. The transaction (including the applied credit note) can be exported to **QuickBooks**, **Xero** or your accounting software