Late Fee Calculation in SedonaOffice

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Late fees in SedonaOffice can be recalculated each time statements are run (regardless of whether the statement is run on an individual customer, or for the whole database). The late fee calculation fields will default in based on your AR setup tables, and can be edited.

The late fee calculation is as follows –
Late Fee = Invoice Total * Annual Interest Rate / 365 * # Days Overdue.

In other words, the Invoice total multiplied by the annual percentage rate gives us the total late fee for a full year, which is then divided by 365 to get the late fee charge per day. That charge is then multiplied by the number of days the invoice has been past due, to reach the total late fee charge for the invoice.

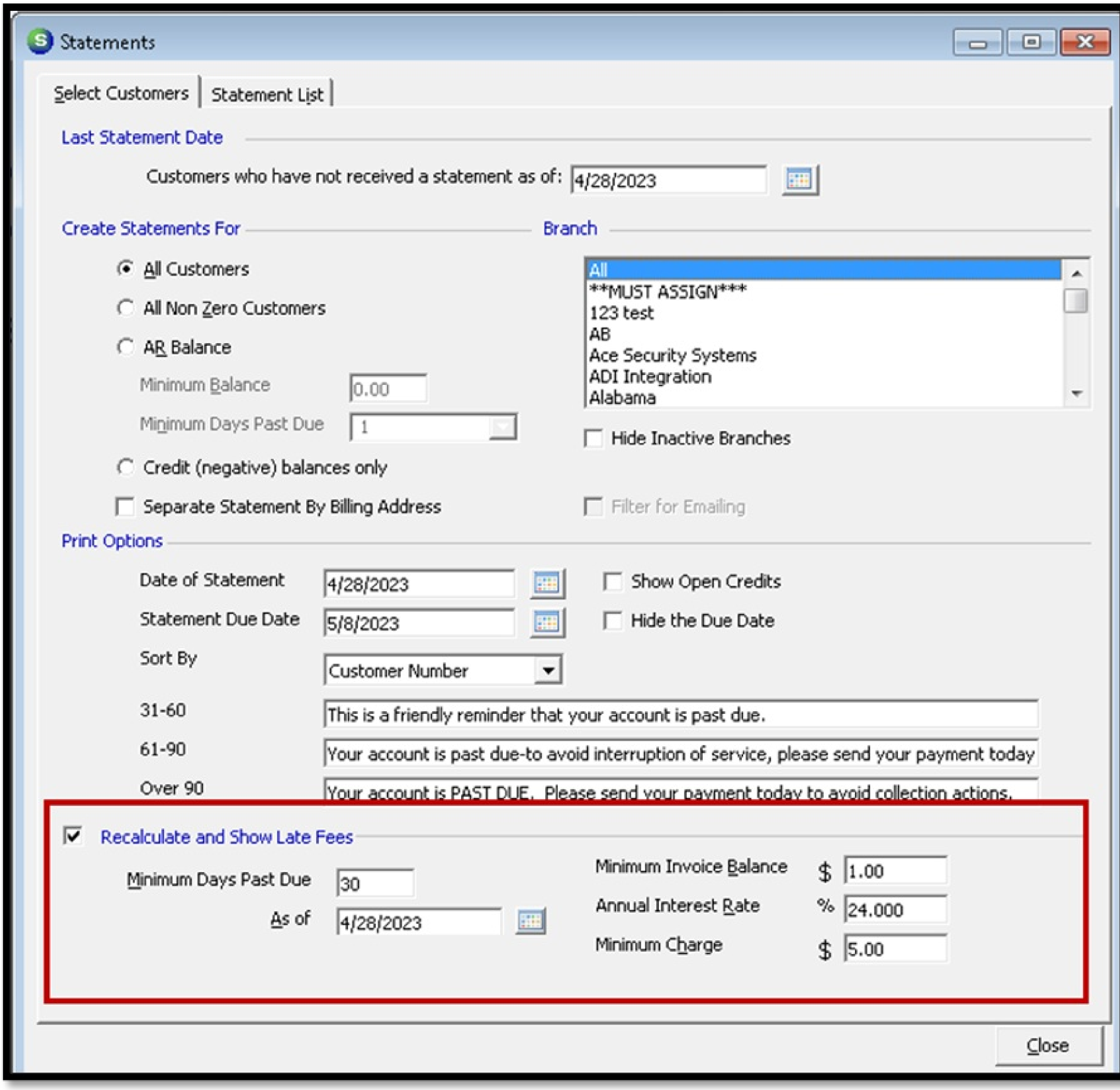
Late fees for all invoices for the customer are then added together.

If the sum of all invoice late fees is greater than the stipulated minimum charge, the sum total becomes the customer's late fee.
If the sum of all invoice late fees is less than the stipulated minimum charge, the minimum charge is used instead.

Example:
An invoice with a total due of $53.68 is 104 days overdue with an annual interest rate of 24%. The minimum late fee charge in this example is 5.00. In this case:
53.68*.24 = 12.88 (per year)
12.88/365 = .035 (per day)
.035 x 104 days overdue = late fee of 3.67

If this was the only past due invoice for the customer, this late fee would not meet the 5.00 minimum. The customer would receive a late fee of 5.00 instead.

If the customer had another past due invoice that had a calculated late fee of 3.03, the two calculated late fees would be added together, for a total of 6.70. This is above the 5.00 minimum, so the customer would receive a late fee of 6.70.


Statements
Select Customers
Statement List
Last Statement Date
Customers who have not received a statement as of:
4/28/2023
Create Statements For
Branch
All Customers
All Non Zero Customers
AR Balance
Minimum Balance
0.00
Minimum Days Past Due
1
Credit (negative) balances only
Separate Statement By Billing Address
All
MUST ASSIGN*
123 test
AB
Ace Security Systems
ADI Integration
Alabama
Hide Inactive Branches
Filter for Emailing
Print Options
Date of Statement
4/28/2023
Statement Due Date
5/8/2023
Sort By
Customer Number
Show Open Credits
Hide the Due Date
31-60
This is a friendly reminder that your account is past due.
61-90
Your account is past due-to avoid interruption of service, please send your payment today
Over 90
Your account is PAST DUE. Please send your payment today to avoid collection actions.
Recalculate and Show Late Fees
Minimum Days Past Due
30
As of
4/28/2023
Minimum Invoice Balance
$
1.00
Annual Interest Rate
%
24.000
Minimum Charge
$
5.00
Close