

Processing Credit Card Chargebacks

Last Modified on 04/05/2019 2:47 pm EDT

A chargeback typically happens as part of a [product return](#), when a customer disputes the charge. The bank issues funds to the buyer, then levies a fee on the seller. Because the bank has already refunded the customer, you should account for the return *without* issuing a refund (i.e. avoiding a double refund).

1. In the Receipts module, locate the Posted receipt for the transaction.
2. At the detail view, select **Actions > Credit/Adjust Receipt**, then at the confirmation dialog, click **Adjust**.
3. In the new reversal receipt, enter the actual date of the chargeback for the Deposit On date.
4. Click **Save**, but do **not** post the receipt. At the confirmation dialog, click **Not Yet**.
5. Click **Admin Actions** () > **Post Receipt Without Credit Card Processing**, then click **Post**.
6. Navigate to the General Journal module and create a new journal entry to address the chargeback fee:
 - Enter data for the journal entry, as needed.
 - First entry item – Select the bank account that the fee was taken from, with the full amount of the fee set as the **Credit**.
 - Second entry item – Select another account for the fee, with the full amount set as the **Debit**.

Note: This account could be one set specifically for chargebacks, refunds, or fees. Consult with your accountant to ensure you are using the most appropriate account for the situation.

General Journal

Record: 4 of 4 New Edit Delete Print Actions

General Journal: 50013 **Full STEAM return - chargeback fee** **4/5/2019** **PENDING**

Journal Entry Details Notices Emails Docs

General Info Auto-Generated

Type: Journal Entry Reference ID:

Description

Balancing the fee levied during product return

Entry Items Related GJ Entries

GL Account	Office	Department	Order	Line Item Code	Debit	Credit
1 > 1115 Cash Operating	AI					30.00
2 > 4005 Fees and Charges	AI				30.00	

Auto-Reverse this entry on

Out Of Balance **30.00** **30.00** 0.00

Cancel Save

7. Click **Save**, then click **Post**.