

## How to Process Centrelink Payments in REST Professional

### Overview

There will be instances when the Australian Government body Centrelink will directly deposit monies into your Trust Account on behalf of one of your tenants.

As part of this service, Centrelink stipulates (and enforces) that the owner or agent of the rented property must pay the \$0.99 transfer fee for each electronic transfer/direct deposit payment made into your Trust Account.

This \$0.99 transfer fee cannot be charged back to the tenant. You should also note that all Centrelink payments/transfers into your Trust Account would always have this fee already deducted.

This document will cover:

- Creating a Centrelink Account Code
- Receipting the Centrelink Payment
- Create a Disbursement for the 99c Fee

### Creating a Centrelink Account Code

Each month this fee will appear on the Owner's monthly statement as a disbursement, and at the end of the financial year this fee will be reflected on the Owner's Income & Expenditure report as an expense.

Before you process the Centrelink Fee for the first time you will need to check whether an Expenditure Chart of Accounts Code has been set up in REST to reflect this ongoing disbursement charge to the owner. You can check this by going to Reports > Other > Chart of Accounts and click on Preview-F11.

If an Expenditure Account Code for the Centrelink Fee does not appear on your chart of accounts code list then you will need to add this chart of account code in REST.

REST assigns code numbers between 200 and 499 to reflect types of expenses for an owner, and therefore you must use a number between these ranges to reflect this Centrelink Fee.

1. Go to Files > Chart of Accounts
2. Click on the Add Mode-F4
3. In the 'Account Code' field type in your chosen chart of account code number. This number must be between 200 and 499 that has not already been allocated
4. In the Long field type the following: Centrelink Fee
5. In Account type choose EXPENDITURE from the drop down menu
6. Click OK-F12 to save this account code

Account Details

Account Code 204 ADD MODE

General

Description

Long Centrelink Fee

Short

Details

Account type EXPENDITURE Include in default budget

Cancel - ESC

Clear - F2

Delete - F3

Add Mode - F4

Search - F7

OK - F12

## Receipting the Centrelink Payment

When Centrelink payments are deposited into your Trust Account the rent amounts shown are always \$0.99 less than the tenant's rent, as Centrelink automatically deducts the fee prior to transferring the monies into your account.

The issue for the REST user is how to reflect the lesser amount in the REST database without creating a reconciliation error, yet be able to move the paid to dates for the tenant forward without creating a credit or 'in hand' amount on the tenant's ledger.

To overcome these issues you will need to complete the following two steps, to ensure that

your Trust Account remains balanced, and the tenant ledgers appear correctly.

- Receipt the full rent amount against the tenant
- Do a quick disbursement from the owners property using your newly created account code for the amount of \$0.99c payable to Centrelink (see below)

1. Go Transactions > Rent Receipts and enter the tenant alpha index

- Rent: Enter the full amount of rent (i.e. For a rent of \$300.00 where you have received \$299.01 enter the rent amount for \$300.00)

2. Click OK-F12

3. The banking details screen will now appear. Complete the details and select direct deposit as the payment method

4. Click OK-F12

The screenshot shows a software window titled "Rent Receipts - [Last Receipt:00004938 ] - [Printing: OFF]". The window contains several input fields and a table. On the left, there are fields for "Manual Rec No", "Tenant" (with "ANISTON" entered), and a numeric field with "1051". A yellow box highlights "Tenant details" for "Jennifer Aniston & Vince Vaughn" at "4/40 Gibson Street, NORTH SYDNEY NSW 2060". On the right, a "Receipt total" box shows "\$300.00". Below this is a vertical toolbar with icons and labels: "Cancel - ESC", "Action - F1", "Clear - F2", "Comment - F4", "Code search - F5" (with "123" entered), "Status - F6", "Prop search - F7", and "OK - F12". The main area features a table with columns: "Rent", "Amount", "Paid to", "Credit", "Arrears", and "Due to". The "Rent" row shows "300.00 W1", "25/02/13", "0.00", "300.00" (highlighted in red), and "04/03/13". Below the table are tabs for "Rent", "Invoices \$6.00", "Other Payments", and "Invoice Credit". At the bottom, there is an "Amount paid" section with a field containing "300" and a sub-table with columns "New date", "Credit", and "Arrears", showing "04/03/13", "0.00", and "0.00" respectively.

## Create a Disbursement for the 99c Fee

1. Go to Transactions > Quick Disbursements and enter the Property alpha index
  - Incl GST – Enter the amount of the fee (i.e. 0.99c) and enter in the GST if this is applicable
  - Cheque Number – Use the self-presenting cheque number 999999
  - Pay to – Enter the Payee as Centrelink
  - Description – Centrelink Rent Payment Fee
  - Account Code – Enter the account code you have setup to use for this purpose
2. Click OK-F12

The screenshot shows a software window titled "Disbursements" with the following fields and values:

- Property: GIBSON40/1
- Exp. limit: 500.00
- Property details (OWNER: DOUGLAS): 1/40 Gibson Street, NORTH SYDNEY NSW 2060
- Michael Douglas & Catherine Zeta-Jones, Mr Douglas & Ms Zeta-Jones, 07 7456 8796, 07 7456 8967 Michael, 07 7456 8966
- Balance: 1139.75, Outstand. due: 0.00, Bal. after out.: 1139.75, Disbs paid: 0.00, Prop. disbs: 0.00
- Incl GST: \$0.99, GST: \$0.00, Excl GST: \$.99
- Cheque number: 999999
- Pay to: Centrelink
- Description: Centrelink Rent Payment Fee
- Account code: 418, Centrelink Fee

On the right side of the window, there are four buttons: "Cancel - ESC" (with a red X icon), "Action - F1" (with a green checkmark icon), "Clear - F2" (with a blue document icon), and "OK - F12" (with a blue checkmark icon).

 The total rent entered of \$300.00 less the .99c disbursement created will total \$299.01 which is the same as what appears on your bank statement paid by Centrelink.

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