Dishonoured Rent (Direct Debits) in REST Professional

Overview

If a tenant's bank account has insufficient funds to cover one or more direct debits, you will be notified by the bank that the payment has been dishonoured. To action this dishonour in REST you will need to cancel the receipt that includes the dishonoured direct debit transaction.

Note: If there are any debit transactions on the receipt that were successful, they will need to be receipted again in Rent Receipts. i.e. Total debit was $375 made up of $350 rent and $25 water usage. If the $350 rent dishonours the total receipt will need to be reversed and the $25 water usage receipted again.

This document will cover:

- ☐ How to Reverse a Direct Debit Receipt
- ☐ How to Reverse a Direct Debit Receipt from a Previous Period (Rent Only)
- ☐ How to Reverse a Direct Debit Receipt from a Previous Period (Including Invoices)
- ☐ How to Deal with Insufficient Funds to Reverse a Receipt

How to Reverse the Direct Debit Receipt

1. Go to **Transactions > Cancel Transactions > Receipt Reversal**
2. Enter the receipt number that was allocated (this can be found on your tenant ledger) and press enter. The receipt details will appear. Click **YES** to confirm cancellation and enter the reason for the cancellation

3. The following screen will prompt that this is a direct debit paying tenant. It asks would you like to set the direct debit end date for this contact to yesterday to avoid further debits against the contacts bank account. Say **NO** to this.
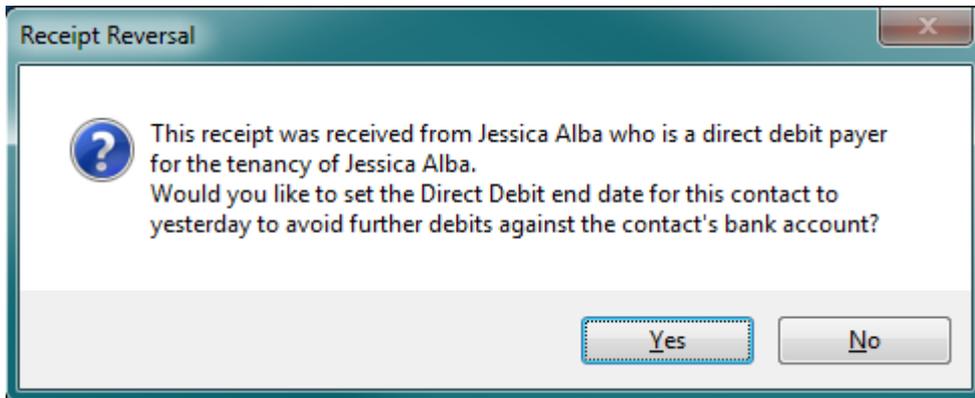
NOTE: If you select **Yes** the cancellation will prompt you to set the direct debit end date for the contact to yesterday's date and will not allow you to process another direct debit receipt until you remove the debit end date. If you select No it will allow you to process the Direct Debit again against the tenant and process a new receipt.

How to Reverse a Direct Debit Receipt from a Previous Period (Rent Only)

1. Go to **Transactions > Cancel Transactions > Reverse Receipt from Previous Period**
2. Enter the receipt number and press **Enter**
3. REST will prompt then with a message about cancelling a receipt from a previous period, please read carefully and then click **OK**
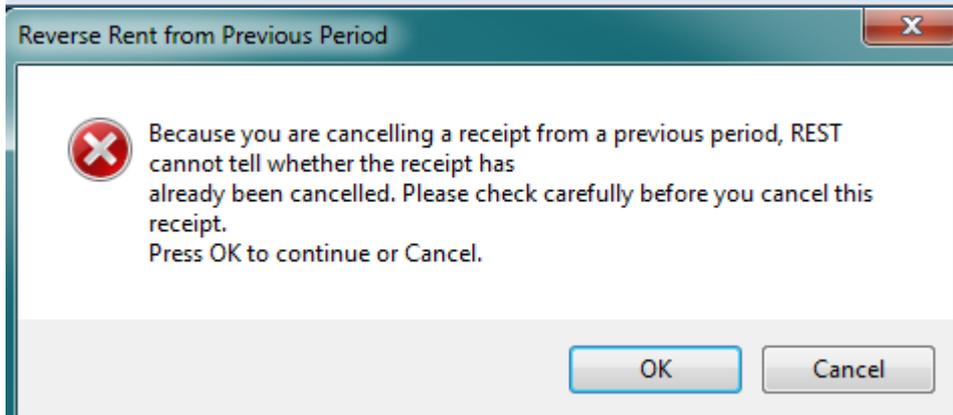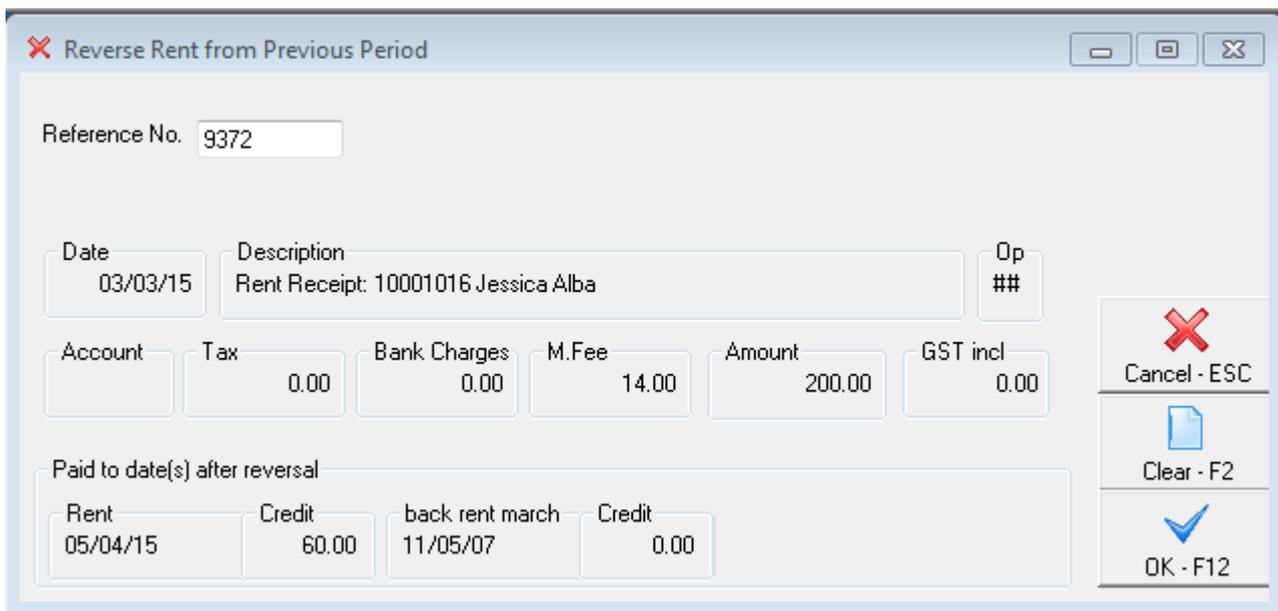
4. Another prompt will then appear to ensure you check the tenant's paid to date and credit after the reversal click on **OK**

NOTE: Check the tenant ledger to make sure that the paid to date and in hand amount is correct as this can sometimes be incorrect if reversing a receipt after a rent increase or vacate dates etc. has been entered and applied.

How to Reverse a Direct Debit Receipt from a Previous Period (Including invoices)

When a payment has dishonoured from a previous period, that includes an invoice, a manual reversal of the previous period receipt is required. Please refer to the document **"How to Reverse a Receipt from a Previous Period"** for step by step instructions.

How to deal with insufficient funds to reverse a Receipt

In the event that the owner has been paid out and has insufficient funds to reverse the receipt, you will need to wait until there are sufficient funds to deal with this in REST. Funds may become available:

- By retrieving the funds from the owner (this would be sundry receipted into the property using account code N/A once received) and then reverse the original receipt that was dishonoured.
- The Tenant pays a further rent payment. Receipt the rent as normal, and then reverse the original receipt that was dishonoured.

The most likely outcome will be that you will wait until the tenant has paid their rent again. Once monies are receipted, reverse the original receipt that was dishonoured as per the above instructions.

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