



MODEL INVOICE & GUIDELINES

Included:

Overview

Dos and Don'ts Checklist

Two Invoice Samples

Sample Invoice Log

1. Overview

A business makes its profits by receiving money for selling a product or providing a service. This is where the right invoice can make all the difference. An invoice must, among other things, detail how much is owed, to and from whom, for what services, and when and how the sale was made or service provided. It must convey all of this information clearly and systematically, leaving little room for mistake or confusion; in other words, the invoice must maximize payment while minimizing opportunities for misunderstanding or error.

A correctly drafted invoice provides for much more than easy collection—it stores critical business data, notifies the customer, and conveys important tax information. The right invoice will allow you to track customer data and create a repository of critical product information—from sales to volume, and from problems to trends.

Your invoice must include essential information in a simple and straightforward manner. The enclosed document should prove useful to your business and, if you follow the suggestions provided, can set you on the path to creating the right invoice for your business. Your company can get more for its products and services while reducing potential losses, a result that translates into increased profits and better business relationships all around.

2. Dos & Don'ts Checklist

- Keep an invoice log to track outgoing invoices and incoming payments. Poor recordkeeping could cost your company thousands of dollars.
- Establish a system for processing payments and tracking invoices. Designate one employee to record all of the company's transactions, even if duplicate records are kept in another department or with a second employee.
- Review your invoicing and accounting regularly. Errors caught early are easier to correct.
- If a customer's payment is not received by the due date, send a written notice of this overdue amount immediately. A delay in notification only delays the eventual payment.
- Keep copies of every invoice at your place of business as records of the transactions.
- Include specific instructions and contact information on the invoice. The easier it is to follow or interpret, the faster you'll get your money.
- All of your correspondence with customers (including late payment notices) should be kept in an organized and accessible file. If a dispute does occur, this will be useful in supporting your case.
- Using language like "Payable Upon Receipt" or "Due 30 Days After Receipt" can be problematic, because you will not know when the invoice was received. It is better to include a due date, or to make the due date a specific number of days after the date on the invoice (as in the example provided).

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Form Sample

COMPANY LOGO		Order Number: _____		
COMPANY NAME COMPANY ADDRESS		Invoice Date: _____		
		Tracking Number: _____		
		Ship Date: _____		
INVOICE				
Customer Name: _____		Staff: _____		
Address: _____		Dept: _____		
Telephone: () - Fax: -		Invoice Date: _____, 20__		
Email: _____				
Item #	Product Description	Qty.	Price per Unit	Cost

SAMPLE