

# Billing Account

Contents from David email.

A Payment applied to a BillingAccount should still be applied to an Invoice. If a Payment comes in before the Invoice, then the Invoice should be "applied" to the Payment when it comes in, or as they come in.

A BillingAccount is essentially nothing. Just forget that it exists in relation to regular Invoice and Payment processes. With or without a BillingAccount those operate and flow the same.

A BillingAccount simply allows for more organization of Invoices and Payments related to things like the following (which is not an exhaustive list by any means):

- keep track of "credit" available to a customer for purchase on account
- keep track of Payments in advance
- keep track of a sub-set of Payments and Invoices for a specific client, ie allow them to have multiple billings accounts
- allow multiple authorized parties to bill against the same account which one party is responsible for paying

Perhaps the best way to see how these might work is just to look at the data structure, and to do so with no assumptions but rather focusing on finding questions instead of answers, and then once those questions are laid out (perhaps on paper if need be) then find the answers to the bigger picture.

I haven't reviewed the implementation of all of these things in detail to verify they are working like this, other than review here and there of commits and work done. If anything is assuming that Payments assigned to a BillingAccount are never assigned to Invoices, then that needs to be corrected. I'm not sure what that would even mean because in order for books to balance and for Payments and Invoices to be "closed", they have to be assigned.

## Credit Limit:

A field on a BillingAccount entity records the value of Line of Credit issued to a Party billingAccount. If a Payment is received before Invoice or is a Customer Deposit, such payment can be applied to a BillingAccount. When a Payment is applied to a BillingAccount there should be a record in PaymentApplication, but if the PaymentApplication record(s) doesn't have the invoiceId field populated it should not be considered applied to an Invoice and therefore "consumed".

**Q: Will ofbiz stop User from taking a order for value more then available Line Of Credit?**

**Q: Does applying a Payment to Billing Account increase avilable Line Of Credit?**