

## Handling Discounts

For each discount amount, create a separate item in the **Items and Services** list.

1. Go to the *Lists* dropdown menu and select the *Item List*.
2. Click the *Item* button at the bottom left, and click *New*.
3. Make the type of item a *Discount*.
4. Give the Discount Item a name such as 'Preferred Customer Discount.'
5. Enter the amount of the discount (i.e., 5%, 10%, \$5.00, \$10.00).
6. Enter a *Discount Account* (most likely an income account).

After creating the discount item, it will be available in all Invoices. As a default on the invoice, when a discount item is inserted, it discounts only the line item directly above the discount item. To discount the entire invoice, insert a *Subtotal Item* in the line above the discount item.