

# Preferences - Patronage

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Preferences for Patronage can be found at *Accounting / Patronage / Setup / Preferences*.

## General

Preferences

General Printer Cross References

**Patronage Minimum**

Minimum Check (dropdown)  
Min Check Amount: 0.00

**Backup Withholding**

Invalid TIN: 000-00-0000  
Backup Withholding %: 28  
☐ Withhold on Cash Portion only

**Canadian Income Tax**

Canadian Income Tax %:   
US Foreign Tax %:   
Canadian Income Tax Exempt:   
<US Foreign Tax Account>:

Cash to Primary Req %: 0  
<AR Balance Product>:

☐ Use Multiple Stock Classes To Calculate Required Amount

Required Equity Amount:   
Current Year Deferral:   
Secondary Stock Classes:

☐ Patronage Checks - Defer/Payout

Pay:  % Of Equity From:   
Member Loan Stock Class:   
Minimum Activity Amount:   
☐ Do Not Defer

	Transaction	Comment
1	Add to Eq...	
2	Payout St...	
3	Transfer...	
4	Pay Dem...	
5	Pay Dem...	
6	Pay Dem...	

OK Cancel

- **Patronage Minimum** – Select from one of the following options:
  - **Minimum Patronage** – If selected, the minimum Patronage Earned amount is entered in the *Minimum* field, on the *Patronage Checks* window, found at *Accounting / Patronage / Pay*.
  - **Minimum Check** – If selected, the minimum Check Amount is entered in the *Minimum* field, on the *Patronage Checks* window, found at *Accounting / Patronage / Pay*. Patronage earned dollars are allocated first, then a check is issued for any Patron whose check amount meets the minimum amount entered.
  - **Minimum Amount/Minimum Check** – This option may only be used if Patronage Checks are processed at *Pay / Patronage Checks* and Deferred Payments are not included in the payout. When selected, first

the Patronage amount is checked to ensure the *Minimum Amount* is met. If so, the process continues and the check is issued. If the *Minimum Patronage* amount is not met, the amount calculated is compared to the *Min Check Amount* entered. If the amount exceeds the minimum check amount, then a check is processed.

- **Min Check Amount** – If *Minimum Patronage/Minimum Check* is selected in the *Patronage Minimum* drop-down, enter a minimum check amount.
- **Backup Withholding** – Enter the *Invalid TIN ID* used to indicate Patrons who did not provide a valid Tax ID. In the *Backup Withholding %* field, indicate the amount to be withheld from those Patrons' checks. Optionally, select *Withhold on Cash Portion only* to calculate the backup withholding taxes on the cash portion of the Patronage paid versus the earned amount.
- **Canadian Income Tax %** – If Canadian income tax is to be withheld, indicate the percentage to be used for the withholding.
- **Canadian Income Tax Exempt** – If any amount of the Patronage paid is exempt from Canadian income tax, enter the exempt dollar amount.
- **US Foreign Tax %** – Enter a percent to calculate the US Foreign Tax amount. The amount is included in the \$ *Withheld* column on the PreCheck Run report.
- **US Foreign Tax Account** – Indicate the G/L account for the journal entry posting the tax amount from the Patronage Check.
- **Cash to Primary Req %** – To enable splitting the cash portion of the payout between the check and required stock, enter the percentage for the required stock. Entering an amount in this field always deducts from the cash portion and forces a required stock at the *Patronage Checks* window.
- **AR Balance Product** – When Patronage Checks are processed at *Pay / Patronage Checks*, a deduction may be made from the Patronage Check to apply to the Customer's Accounts Receivable balance. To use this option, enter the Product to be used when the Credit Invoice is generated by the deduction.
- **Use Multiple Stock Classes To Calculate Required Amount** – Selecting this option allows a *Required Equity Amount* and a *Current Year Deferral* to be defined. Additionally, a *Secondary Stock Class* may also be defined.
  - **Required Equity Amount** – Enter an amount when using multiple Stock Classes to calculate the required equity amount to be used in the calculation.
  - **Current Year Deferral** – From the drop-down, select the *Stock Class* for the current year deferral.
  - **Secondary Stock Classes** – If secondary Stock Classes are to be used in the calculation of the required amount, select the Stock Classes.
- **Patronage Checks - Defer/Payout** – When selected, Stock Certificates are created before a Patronage payout begins. When *Do Not Defer* is checked, any Patrons under the minimum activity will not be shown on the Precheck run and will not have any patronage deferred when running checks at *Pay / Patronage Checks*.
  - **Pay X% of Equity From** – Enter the percentage to be paid and select the Stock Class to use when calculating the percentage.

- **Member Loan Stock Class** – Select the Stock Class representing the member loan. When the Patronage payout is processed, this year's activity sends deferred amounts to the Member Loan or payout Stock Class.
- **Minimum Activity Amount** – Enter the minimum amount of activity. Patrons with less than this specified amount will have no new amounts deferred to this year's certificate but may still receive a check for the payout percent of previous years' certificates.
- **Transaction/Comment** – Comments entered here are saved to Stock History for the specified transactions and print on the *Dem* and *Note 2* style of the Patronage Activity report.

## Printer

Preferences

General **Printer** Cross References

Patronage Check Printer

ACH Pay Stub Printer

☐ Print Location Heading on Checks

☐ Print SSN on Checks

☒ Print Total Equity on Checks

☒ Print Check Number on Precheck Run

☒ Print Check Number on Check Stub

Label for Total Equity Value

Top Margin Adjustment

Detailed Patronage Check Format

Non-qualified document explanation: ☐ Print company heading on non-qualified document

(0 of 255)

Check Message

Check Message - Line 1  
 Due to the (Business Name) Bankruptcy, XYZ has decided to write down a percentage of our Patron Members deferred equity. This stub

Check Message - Line 2  
 serves as your notice of your share of this write down. Please consult with your tax advisor on the proper tax reporting requirements.

OK Cancel

- **Patronage Check Printer** – Indicate which printer to use to print Patronage checks.
- **ACH Pay Stub Printer** – Indicate which printer to use to print ACH pay stubs.
- **Print Location Heading on Checks** – Select this option if the checks have no preprinted company or location name in the upper-left hand corner. When selected, the Accounting module's default Location prints in the

upper-left corner of all checks printed in the Patronage module.

- **Print Options** – Optionally check any of these options to *Print SSN on Checks*, *Print Total Equity on Checks*, *Print Check Number on Precheck Run*, and/or *Print Check Number on Check Stub*.
- **Label for Total Equity Value** – A custom label for the Total Equity value can be entered here. If blank, the label appears as *Total Equity* on the check stub.
- **Top Margin Adjustment** – This field defaults as blank, that represents a default setting of 385 (approximately 1/4"). This number may be changed if necessary. Any number entered that is greater than 385 shifts the check printing down and any value less than 385 shifts the printing up.
- **Detailed Patronage Check Format** – Indicate which format to use from the drop-down. If *Format 1* is selected, the check stub prints the original check form. Selecting *Format 2* splits *Qualified* and *Non-Qualified* into separate areas on the check stub.
- **Check Message** – The *Check Message* will display on *Line 1* and *Line 2* of the check. This is what will print on the check stub.
- **Non-qualified document explanation** – Up to 255 characters can be entered in this field to provide additional details regarding the non-qualified document.
- **Print company heading on non-qualified document** – If the company heading should be printed on a non-qualified document, check this option.

## Cross References

Preferences

General Printer **Cross References**

**Stock Class Cross References**

User Defined #1 example 1

User Defined #2

User Defined #3

User Defined #4

User Defined #5

User Defined #6

Cross Reference

Cross Reference

Stock Class Classifications

**Patron Cross Reference**

User Defined #1 example 2

User Defined #2

User Defined #3

Cross Reference

Cross Reference

OK Cancel

- **Stock Class Cross References** – Used to establish Stock Class filtering options on selection windows.

**Note:** *Cross Reference 1* and *Cross Reference 2* are no longer used.

- **User Defined #1 - User Defined #6** – These 10-character limit alpha/numeric text boxes define the labels for Stock Class filtering options. To activate this option, select a *User Defined* checkbox on the *Edit a Stock Class* window at *Patronage / Setup/ Stock Classes*.

**Edit a Stock Class**

General Defaults

Name: 2017

<G/L Acct>: 3030000-00

Class ID:

Additional Payout Class:

☐ One Certificate per Patron for This Class

☐ Auto Number Last Stock:

☐ Non-Qualified

☒ Print on Check Stub

☒ Include in Total Equity

Maximum Number of Shares: 0

Issued:

Remaining:

Calculate

Classifications

User Defined example 1 ☒

Save Cancel

- **Stock Class Classifications** – This opens the *Stock Class Classification Setup* window where Classifications can be added, edited, or deleted.
  - **Patron Cross Reference** – Used to establish Patron filtering options.
- Note:** *Cross Reference 1* and *Cross Reference 2* are no longer used.
- **User Defined #1, User Defined #2, User Defined #3** – These 10-character limit alpha/numeric text boxes define the labels for Patron filtering options. To activate this option, select a *User Defined* checkbox on the *Edit a Patron* window at *Patronage / File Folder / Patrons*.

**Edit a Patron - 000001 Steve Sprout**

Profile Stock Certificates Stock History 1099 Totals/Dues Activity Captured Totals Miscellaneous Info

ID: 000001 ☐ Grower Location: 00MAIN

First Name: Steve Last Name: Sprout

Address 1:

Address 2: 1091 Clousson Road

Address 3:

City: Armstrong State: IA Zip: 51514

Phone 1: 712-868-7872

Phone 2:

Notes:

Inactive ☐

Classifications Attributes

☒ Active Patron

Birth Date: 01/01/2056

SSN/Tax ID: 321-01-5961

User Defined example 2 ☒

Save Cancel

