

# **Promotional Give-Aways**

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# Introduction

The **Give this Item** feature allows you to keep proper accounting for items given away for promotional reasons. In giving items away, there are no particular tax benefits, unlike in donating items, which are tracked in the **Donate this Item** feature.

# Setup

1. Go to Administrative > System Options and scroll down to POS Options.

	System Options		J
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۵	POSOptions		1
	CancelAreYouSure	False	
	CashDrawerButton	Enable	
	CashDrawerWhen	Always	4
	Enable_New_Customer_POS	True	l
	Fast_Customer_Add	False	ľ
	GiveAwayPercentThreshold	•	
PO	)S Options		
			1
		OK Cancel	
			۲.

- 2. Find and enter a value in the **Give-AwayPercentThreshold** option. This option sets the most a giveaway can be as a percentage of the sale. For example, if this threshold is set at 20 percent, and you sell a \$100 item, the value of the give-away cannot exceed \$20. If this threshold is exceeded at POS, an override will be required.
- 3. Also in System Options=>POS, scroll down to **ValidateReturnWithGive-Away** to set the level of security needed to permit give-away returns.
- 4. Scroll down to System Options=>Receipt Options and indicate whether the percent threshold should be shown in **ShowDiscountPercentThreshold**.
- 5. Scroll down to **System Options** ► **Wording Options** and indicate how you want give-aways to be described on receipts.

# **Point of Sale**

To give away an item:

- 1. Conduct a sale from the POS screen as usual.
- 2. Create sale item lines as usual.
- 3. To indicate an item is to be given away, in the line item, select More....



4. From the **More...** sub-menu, select **Give-Away**. The item will appear with its retail cost as usual and the sales price as \$0.

Associat	e 1 Ow	ner, Tom (	n) -	Share			Why In					Park
Ustome	seph Carra	no		Eind	Notes /	P	Mako syment (1)	Sell Item	Sell Gift Certificate	Special Order	Repair Intake	Start Ov
tratfo	rd, CT 066 7-9876	15		New Cust	Wish List	P	ic <u>k</u> Up / Finish	Misc Charge	Sell / Activate Card	Appraisal Intake	Custom Job Intake	Open Drawe
2 Not	E-mail 4575 4	4850	03/2012	No Name	Ship		Cancel Order	Trade / Buy	Return / Adjust	No Sale Tracking	3/8/2014 12:18 PM	Receipt
ne	Stock#	QTY				Description				Retai Disc 5	il US 1	Price ax/Net
00	1-200-00017		Photo	Lady's	Yellow 14	rat Contemporary Fashion Ring				\$1,0	005.00	\$1,005.00
			File is								0.00%	\$60.30
			missing	1							\$0.00	\$1,065.30
2 00	1-200-00021		Photo	Lady's	Yellow 14	rat Antique Fashion Ring With One Emerald Cut Tourmaline				\$:	375.00	\$0.00
1	Delete Mor	•	File is Missing	2						<ul> <li>()</li> </ul>	0.00%	\$0.00
			Imaanie	Give Av	unu						50.00	50.00
Cash	Gift Cert	Credit Memo	Tender		Amount				Done	Sut	Total	\$1,005.00
Cash	Gift Cert	Credit Memo House	Tender		Amount				Done	Sul Sales	Total Ta <u>x</u>	\$1,005.00 \$60.30
Cash Check	Gift Cert Tender/ Reward Card	Credit Memo House Account	Tender		Amount				Done Save to	Sales Ter	Total Ta <u>x</u> 🗹 Total sdered	\$1,005.00 \$60.30 \$1,065.30 \$0,00

- 5. Continue the transaction as usual.
- 6. Depending on system options, the receipt will indicate that the item is a give-away. This may be pertinent if the item is brought back for return.

EDGE Tech REC Support #001 3 Corporate Drive 378/20 Shelton, CT 06484 You wer (877) 844-0002 Tom ( Sold To: #001-00003	CEIPT 1-00038 IIII IIIIIII 14 5:42 PM e assisted by Dwner (#1)	EDGE Sup <sup>3 Corpor Suite Shelton, (877) 8/ Sold To:</sup>	Tech         Stol           port         #00           ate Drive         368           215         368           CT 06484         Tom 0           #001-00003         3	re Copy 01-00038 11111 111111 2014 5:42 PM Dwner (#1) 100
Mr. Joseph Carrano 342 West Carlson Ave Stratford, CT 06615 203 567-9876		Mr. Joseph Carr 342 West Carlso Stratford, CT 06 203 567-9876	rano on Ave 615	
00-00017 Lady's Yellow 14 Karat Contemporary	\$1,005.00	200-00017	Lady's Yellow 14 Karat Contemporary Fashion Ring	\$1,005.00
00-00021 Lady's Yellow 14 Karat Antique	\$0.00	200-00021 	Lady's Yellow 14 Karat Antique Fashion Ring With One Emerald Cut Tourmaline	\$0.00
SubTotal CT State Sales Tax Total	\$1,005.00 \$60.30 \$1,065.30		SubTotal CT State Sales Tax. Total.	. \$1,005.00 . \$60.30 . \$1,065.30

#### NOTE!

Items sold as Donated can only be used alone or with other items to be donated. See the tip sheet TIP-20014-026, Donating an Item, for more information.

TIP!

For reports on promotional give-away activities, go to Reports=>Inventory=>Give-Aways.

# **Other Considerations**

### QuickBooks

For those using integrated accounting with QuickBooks, assign the Give-Away feature to an appropriate expense account with the guidance of your accountant. Accounts are changed in Administrative ▶ QuickBooks ▶ Setup QuickBooks Integration ▶ Accounts.

When an item is given away, the appropriate inventory asset account is reduced and the assigned giveaway expense account is increased.

### Reports

Reports concerning give-aways are as follows.

**Give-Away Report**: Found under **Reports**  $\blacktriangleright$  **Management**  $\triangleright$  **Give-Away**, this is an analytical Give-Away report that shows the relationship between the give-away and the item sold with it.

**Commission Report**: Found under **Reports**  $\triangleright$  **Management**  $\triangleright$  **Commission**, this report concerns commissions, but notice the **Count Give-Away as a Penalty for % of Profit** option in the filter window. The option, if checked, indicates that give-aways will affect the associate's commission. If it is not checked, give-aways will not penalize the associate's commission.

Commission Report	
Sale Number	Old Sale#
Sale Date	Last Week (5/11/2014 to 5/17/2014)
Sold To	
Sold By	▼
Store	Station Calculate Commission using Sale Line Cost
Item Number	
	V Show Margin
	V Show Item
	Show Customer
	V Show Commission
	Multi Line Descriptions
	Count Give-Away as a Penalty for % of Profit
Presets	OK Cancel

This can only be calculated if the associate is set up for commission based on percent of profit. If the associate is set up for commission based on percent of profit, and the box is checked, then the penalty for the give-away will be the commission percentage times the give-away item's cost, not price.

If the associate is set up for percent of retail, then the commission calculated will always be zero anyway, as the sale price for a give-away is zero.

#### NOTE!

# In all report filters, there is now a new item status, give-away, that can be included or excluded on any inventory report or filter using letter code "G."

## **Gift Receipts**

Give-Aways can be put on gift receipts like any other item. The gift receipt list selector DOES show give-away in the beginning of the description. If you wish to exclude it, there will be no indication that it was free on the receipt.