

1,000 credit Sale

<u>Sale Side</u>	<u>AR</u>
	1,000
<u>Cost Side</u>	

<u>Merchandise Inventory</u>
300

<u>Sales</u>	1,000
<u>COGS</u>	300

Net Sales
Income Stmt

Sales Discounts

NORMAL a
debit balance contra
Revenue A cct
to Sales

Buyer Pays w/ Discount Period

<u>CASH</u>	<u>AR</u>
980	1,000

<u>Sales</u>	<u>Sales Discounts</u>
	20

Net Sales

Buyer Pays AFTER Discount Period

<u>CASH</u>	<u>AR</u>
1,000	1,000