Fube

GUIDE

How to invoice disbursements and money on account in Fube



> If you handle matters on behalf of your customers, you know the scene: the customer advances you money for the fees, you pay the court fee or the registry fee in their name and, at the end, you draw up the fee note with your fees, the court fee and what they had already given you. The hard part isn't the sum: it's making sure the court fee doesn't carry IVA or withholding, that the money advanced doesn't look like income of yours, and that the customer understands what they still have to pay.

This guide is for law firms, court agents, accountants and any professional who pays for things on behalf of their customers. It walks through the whole flow in Fube: collecting the money on account, paying the fee, drawing up the fee note with the disbursement, deducting the money on account and refunding whatever is left over.

Before you start

- **What counts as a disbursement is for you, or your adviser, to decide.** A disbursement is something you pay in the name and on behalf of the customer, at their request, in their name and for the exact amount. If any of those conditions isn't met, it's an expense of yours that you pass on with IVA. The requirements, with examples, are in **disbursements and money on account: how to invoice them**.
- **The money on account receipt is only for disbursements.** What the customer advances you against your fees is something else, with IVA from the moment you receive it. This is explained in the section ‘Money on account for disbursements or advance on fees’, further down.
- **Where each thing works.** Disbursements can be marked on invoices, simplified invoices, corrective invoices, pro forma invoices, quotes, delivery notes, sales orders, recurring invoices and expenses. Money on account can only be deducted on the full invoice, which is the fee note.

Step 1 · Record the money on account when you receive it

When the customer advances you the money for the fees, record it in **Sales › Money on account**, with the customer, the date received, the amount, the description, the matter or case reference, the payment method and, if you like, some notes.

Fube gives it its own number, which restarts every year —**PF260001**, **PF260002**...—, and a PDF you can give the customer as proof. The PDF states that it **is not an invoice**, that the money is for the disbursements on that matter and that it doesn't cover advances on fees.

That payment isn't income of yours: it doesn't go to Verifactu, it carries no IVA or withholding and it isn't included in the Modelo 130. In the money on account list you can see, for each receipt, the amount received, the amount already deducted in fee notes and the amount still outstanding.

Step 2 · Pay the fee in the customer's name

You pay the court fee, the registry charges or the notary, with the receipt **in the customer's name**. That receipt is the one that later goes with the fee note: save it as a PDF or take a photo of it, because in the next step you attach it to the disbursement line.

If whoever charges you invoices with IVA —the notary, for example—, the disbursement is **the total you paid, IVA included**. That IVA isn't yours: you don't deduct it in your Modelo 303, and on the fee note it isn't added again because it's already included in the amount.

If you also want to keep it in **Expenses**, mark its line as a disbursement, just as in the next step: that way it's recorded as something paid on behalf of a customer, and Fube doesn't count it as a deductible expense, either in the Modelo 130 or in the input IVA on the Modelo 303.

Step 3 · Draw up the fee note with the disbursement

Create the invoice as usual —if it's your first one, follow the guide to **create your first invoice**— with your fees and their IRPF withholding if the customer is a business or professional.

Add a line for the fee, with its exact amount, and in that line's ⋮ menu choose **Mark as disbursement**. The tax cell changes to **Disbursement · no IVA**, and the line is left out of the taxable base: no IVA, no equivalence surcharge, no discounts and no withholding. Its amount only adds to what the customer has to pay. If you pick the wrong line, the same menu has **Remove disbursement**.

To send the receipt with the fee note, save it as a draft and, in the same ⋮ menu of the disbursement line, choose **Attach receipt**: a PDF or an image of up to 10 MB. It stays with the line, and a line can only have one; if you pick the wrong file, use **Remove receipt**. On the invoice page, the **Attachments** section gathers those from the lines and any you add to the whole document —the court filing, the notary's breakdown—, up to ten per invoice. If the invoice has already been issued, upload it there. They aren't part of the invoice: they don't go to Verifactu or into the Facturae.

In the amounts block, a **Disbursements** row appears. In the PDF, disbursements go in their own table, below the line items, headed 'Disbursements · paid in the name and on behalf of the customer, outside the taxable base', and with their own row in the totals.

There's no need to touch the line's withholding: a disbursement never has withholding. If the fee note has another line that shouldn't have withholding either, see **IRPF withholding line by line**.

Step 4 · Deduct the money on account

With the customer selected and the disbursements already added, click **Deduct money on account**, below the lines. Fube suggests that customer's receipts that have a balance. When you choose one, it adds a negative line, 'Money on account PF260001', with the cell **Money on account · already received**.

The amount it suggests is what's left on the receipt, **with a cap**: the disbursements on that fee note. That's why it's best to add the disbursements before deducting.

That line doesn't affect the base, the IVA or the withholding: in the PDF the **Invoice total** stays the same, and what goes down is the amount still to pay. In the amounts and in the PDF you'll first see the **Total with disbursements**, below it the money on account as a negative figure and, at the end, the **Total due**.

Step 5 · Issue and check the figures

A complete example. A fee note with **€1,200** in fees for a business customer, at 21% IVA and with 15% withholding, and a court fee of **€90** marked as a disbursement. The customer had advanced **€500** for the fees, with receipt PF260001. The PDF looks like this:

Description	Amount
Taxable base	€1,200.00
IVA 21% on €1,200.00	€252.00
Invoice total	**€1,452.00**
IRPF withholding 15%	−€180.00
Disbursements · outside the taxable base	€90.00
Total with disbursements	**€1,362.00**
Money on account PF260001	−€90.00
Total due	**€1,272.00**

Note three things:

- The withholding is 15% of **€1,200**, not of €1,290: the disbursement has no withholding.
- Of the €500 on the receipt, **€90** is deducted, which is the total of the disbursements. The fees aren't paid out of the money on account.
- The receipt has **€410** still outstanding.

When you issue it, the fee note goes to Verifactu like any other invoice. The record contains the base and the IVA of your fees; the disbursements and the money on account aren't part of it. Payments and reminders work with the **Total due**.

That's why, with Verifactu, an invoice containing only disbursements can't be issued: the record would be empty. Charge the fees on the fee note for the matter, together with your fees.

When you send the fee note by email, tick **Also attach the document's files** so that the receipt goes with it: the email carries the invoice PDF followed by its attachments, up to 10 MB in total. If your customer uses your customer portal, they'll also see them on the invoice.

Step 6 · Apply or refund what's left over

Whatever is still outstanding on the receipt has two possible outcomes:

- **Another fee note for the same customer with disbursements.** When you click **Deduct money on account** on it, the receipt appears again with its balance.
- **Refund it to the customer.** Record on the receipt what you've refunded, and its outstanding amount goes down by that sum.

A receipt that has already been deducted on a fee note can't be deleted, nor cancelled while it's still deducted: to cancel it, first remove the deduction from the fee note or cancel the fee note. One that hasn't been deducted can be cancelled or deleted; if you've already given it to the customer, it's better to cancel it, so that the number remains on record.

Money on account for disbursements or advance on fees

This is the distinction that matters most, and the one Fube enforces on the fee note:

- **Money on account for disbursements.** Money to pay things in the customer's name. It isn't consideration for your work, it carries no IVA or withholding and it isn't invoiced: it goes on the money on account receipt.
- **Advance on fees.** An advance payment for your work. IVA becomes due when you receive it, on the amount received (article 75.Two of the IVA Act), so it requires a normal **advance invoice**, with its IVA and, if the customer is a business or professional, its withholding. On the final fee note you subtract it with a **normal negative line**, with its IVA: not with 'Deduct money on account'.

That is why the fee note won't let you deduct more from a receipt than its disbursements add up to: whatever was left over for fees would have been an advance payment from the day you received it. How to issue the advance payment invoice is explained in **how to invoice a payment in advance**.

In your tax forms and in Facturae

- **303, 390 and 349.** Disbursements are not included: neither those on your fee notes nor, in your expenses, as input IVA.

- **130.** Disbursements are neither income nor a deductible expense, and the money on account receipt is not income either. What the fee note declares is your fees.
- **347.** The amounts for each customer and each supplier are shown without disbursements, and the money on account deducted on a fee note does not reduce them.
- **Facturae.** If you invoice a public authority, the disbursement goes in the XML as a reimbursable expense and the deducted money on account as a payment on account.
- **The money on account and disbursements book** that the IRPF Regulations require of professionals can be downloaded in Excel from **Reports**, on the **Money on account and disbursements** card, for the period you have selected. It lists, by date, each receipt with the amount received, the amount applied and on which fee notes, the amount refunded and the amount outstanding, and each disbursement with the fee note on which you charged it to the customer. The card only appears if you have at least one money on account receipt. The income and expense books are in **exporting the record books**.

Common mistakes

- **Setting the official fee at 0% IVA instead of marking it as a disbursement.** A line at 0% is still part of the taxable base: it is subject to the document's withholding and counts in your tax forms. Use **Mark as disbursement**.
- **Trying to deduct money on account before adding the disbursements.** The limit is the fee note's disbursements, so without disbursements there is nothing to deduct and **Deduct money on account** appears disabled. Mark the disbursements first and then deduct.
- **Using the receipt for an advance on fees.** The receipt states that it does not cover this, and the fee note won't let you apply it to fees. Issue an advance payment invoice.
- **Recording the official fee invoice as your own expense.** If it is in the customer's name, it isn't yours: if you save it in Expenses, mark its line as a disbursement.

Frequently asked questions

Does a disbursement carry IVA or withholding?

No. Outside the taxable base there is no IVA, no equivalence surcharge and no withholding. Its amount only adds to the total payable. If the original expense included IVA, such as a notary's invoice, that IVA is already included: enter the full amount, exactly as you paid it.

Can I deduct money on account on a simplified invoice or a quote?

No. Money on account can only be deducted on a full invoice. Disbursements can, however, be marked on all other documents.

What happens if the customer advanced more than the official fees cost?

The surplus stays outstanding on the receipt: you can apply it to another fee note with disbursements for the same customer, or refund it and record the refund on the receipt.

How do I get the proof of the official fee to the customer?

Attach it to the disbursement line with **Attach supporting document** and, when sending the fee note by email, tick **Also attach the document's files**. If you create the fee note by converting a quote or a delivery note, its attachments carry over to the invoice.

Is the money on account receipt sent to Verifactu?

No. It is not an invoice, so it does not go to Verifactu or into any tax form. What goes to Verifactu is the fee note, with your fees.

If you'd like to try it with your next matter, you can **start for free** and see what else **Fube's invoicing** can do.

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