

# Automatic Payment Program in SAP – Customize Payment Program

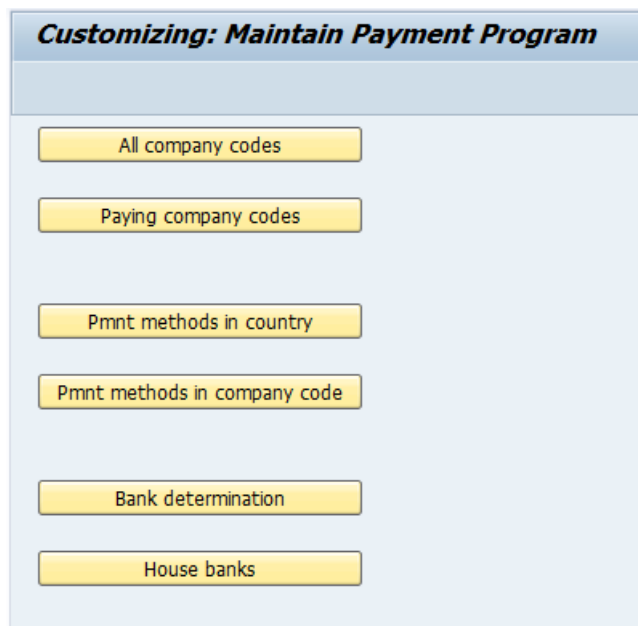
In this [SAP FICO tutorial](#) you will learn how to configure automatic payment program in SAP using tcode FBZP and how to run payment program for clearing open items.

## Automatic Payment Program Run in SAP FICO :

Automatic Payment Program (APP) Run in SAP FICO is one of the important functionalities of [AP systems](#) that used to issue checks automatically and receive incoming payments.

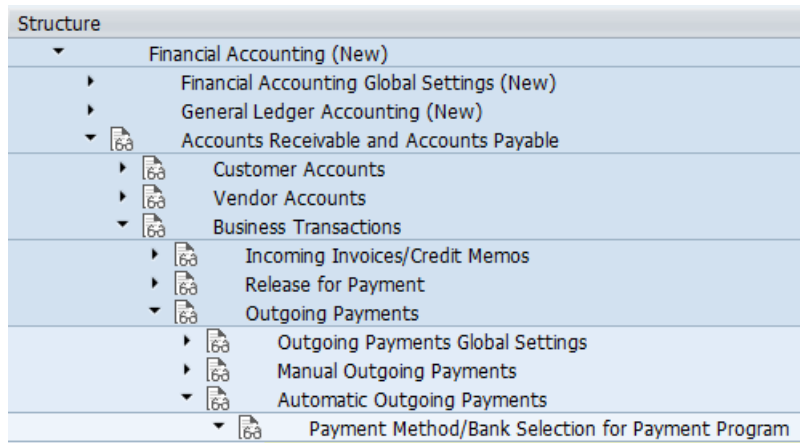
In SAP, Automatic payment program (APP) involves the following configuration steps

1. Setup all company codes for payment transactions
2. Setup all paying company codes for payment transactions
3. Setup payment methods per country for payment transactions
4. Setup payment methods per company code for payment transactions
5. Setup bank determination for payment transactions
6. Setup house banks.



### Navigation path

SAP R/3 Role Menu	Automatic Payment Program Run
Transaction code	FBZP
IMG menu path	SPRO > IMG > <a href="#">Financial Accounting</a> (New) > Accounts receivable (A/R) & <a href="#">Accounts payable</a> (A/P) > Business transactions > Outgoing payments > Automatic outgoing payments > Payment methods/bank selection > setup payment program

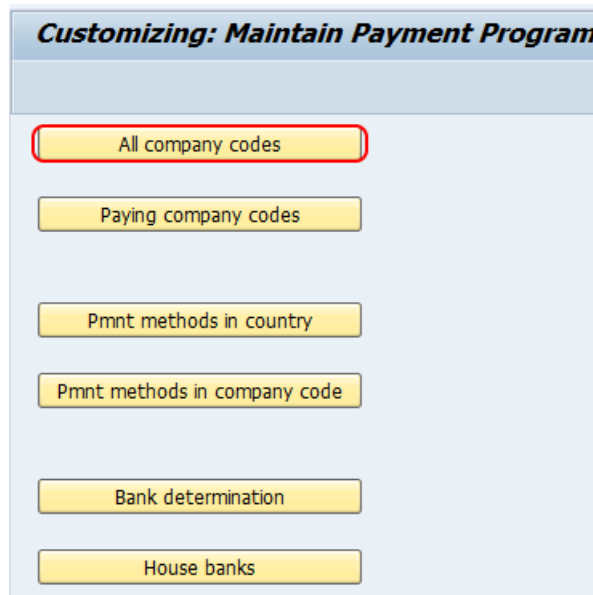


Enter SAP T-code “FBZP” in command field and execute.



## Step 1 : – Setup all company codes

On customizing: maintain payment program screen, click on “All company codes” to setup all company codes for payment transactions.



On change view company codes overview screen, click on new entries button to set up all company code for automatic payment transactions.



On new entries screen update the following details.

1. **Company Code** : – Update the company code: TK01

2. **Sending company code** : – Update the sending company code, this is optional field. This is the company code which is known to the vendor as sending the payments to them.
3. **Paying company code** : – Update the paying company code: TK01. This is the company code which is known to the vendor as paying company to them.
4. Choose separate payment per business area check box if you want to run payment separately for each **business area**.
5. Update the tolerance days for payable by which cash discount period for the due date for net payment.
6. If you want process maximum cash discount irrespective to **payment terms**, choose this option.
7. If you want to make payments for special G/L transactions like down payment, advance to vendors, update the special G/L indicator from the given list.

**New Entries: Details of Added Entries**

Company Code TK01 Paying company code

**Control data**

Sending company code

Paying company code TK01 i

Separate payment per business area

Pyt meth suppl.

**Cash discount and tolerances**

Tolerance days for payable

Outgoing prmt with cash disc.from  %

Max.cash discount

**Vendors**

Sp. G/L transactions to be paid

Sp. G/L trans. for exception list

**Customers**

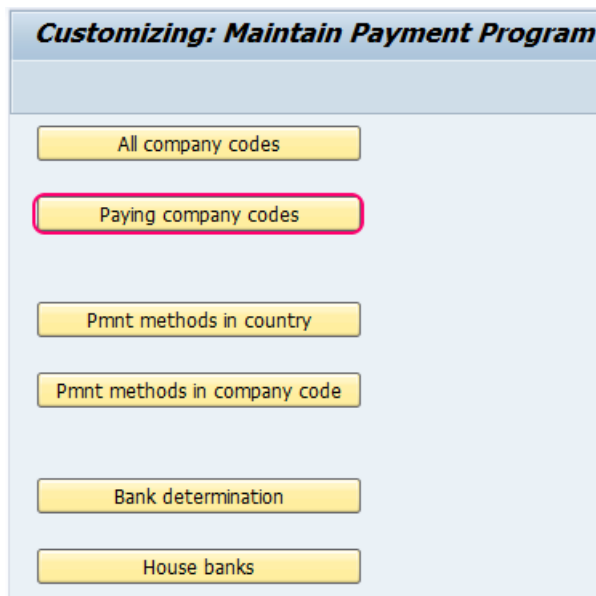
Sp. G/L transactions to be paid

Sp. G/L trans. for exception list

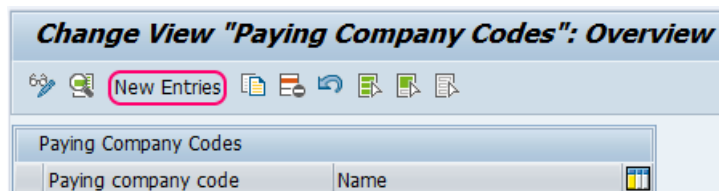
Click on save button and save the configured company codes payment transactions details.

## Step 2 : – Set up all paying company codes

Go back to main Automatic payment program configuration screen i.e. customizing: maintain payment program, click on paying company codes.



On change view paying company codes overview screen, click on new entries button.



On new entries screen, update the following details.

1. **Paying co.code** : – Update the payment company code: TK01
2. **Minimum amount for incoming payment**: – Update the accepted minimum incoming payment: 1000
3. **Minimum amount for outgoing payment**: – Update the minimum outgoing payment: 1000
4. **No exchange rate difference**: – If you don't want to consider the exchange rate difference while making payment, choose this option.
5. **Separate payment for each ref** : – Check this option if you want to pay separately as per invoice wise.
6. **Bill/exch paymt** : – Select this option if the payment is made through bills of exchange.
7. **Form for the payment advice** : – Choose the payment advice form from the list, press F4 and choose form as per your requirements.
8. **Sender details** : – Update the details of sender that prints on form i.e. Text Id, Letter header, footer, etc.

**New Entries: Details of Added Entries**

Paying co. code TK01 TK Software limited Company Codes

**Control Data**

Minimum amount for incoming payment	1.000,00	INR
Minimum amount for outgoing payment	1.000,00	INR

No exchange rate differences  
 No Exch.Rate Diffs. (Part Payments)  
 Separate payment for each ref.  
 Bill/exch pymt  
 Direct Debit Pre-notifications

**Specifications for SEPA Payments**

Creditor Identification Number

**Forms**

Forms

Form for the Payment Advice	SAPscript	F110_IN_AVIS
EDI accompanying sheet form	SAPscript	<input type="text"/>

**Sender Details**

Sender Details for SAPscript Forms

Click on save button and save the configured paying company codes details.

### Step 3 : – Set up payment methods in country

Go back to main automatic payment program run screen, click on payment methods in country.

On change view payment methods/overview screen, click on position button and update country key IN and press enter. Now the list of defined payment methods for country IN displays on top of the screen. To define new payment method for country as per the requirements of project, click on new entries button.

**Change View "Payment Method/Country": Overview**

New Entries BC Set: Change Field Values

**Dialog Structure**

- Payment Method/Count
  - Currencies Allowed
  - Permitted Destinatio
  - Note to Payee by Or

**Payment Method/Country**

Co...	Name	Pmt me...	Name
IN	India	B	Check payment
		C	Check payment
		G	Payment method for Check
		M	Cheque
		N	NEFT Transfer
		T	Bank Transfer

On new entries screen, update the following details.

- Country** : – Update the country key that you like to configure payment method.
- Pymt method** : – Update the key that identifies as payment method for country in SAP.
- Description** : – Update the descriptive text of payment method.
- Payment Method** : – Choose the payment type i.e. Outgoing payments or incoming payments.

5. **Payment Method classification** : – Choose the type of payment method i.e. bank transfer.
6. Choose the option allowed for personal payments if the company wants this payment method for paying personal payments.
7. **Posting details** : – Specify the document type for payment and clearing document type.

**New Entries: Details of Added Entries**

Country: IN India

Pymt Method: I

Description: IMPS - Immed. Payment Service

Description: Immediate Payment Service

Payment method for:

- Outgoing payments
- Incoming payments

Payment method classification:

- Bank transf
- Check
- Bill/ex
- Check/bill/ex.

Post office curr.acct method?       Bill of exch. accepted  
 Allowed for personnel payments       ISR Payment Procedure  
 Create bill/exch.before due date       EU Internal Transfer

Required master record specifications:

- Street,P.O.box or P.O.box pst code
- Bank details
- Account Number Required

Posting details:

Document type for payment: ZF

Clearing document type: AB

Sp.G/L ind.b/ex. / b/ex.pmnt req.

Update all the details as per the requirements of project and click on save button and save the configured payment method in country details.

## Step 4 : – Set up payment methods in company code

On customizing: Maintain payment program screen, click on payment methods in company code.

On change view maintenance of company code data for a payment method overview screen, click on **new entries** button for maintaining the payment method for company codes.

**Change View "Maintenance of Company Code Data for a Payment Method": 0**

New Entries

CoCd	Name	City	Pmt ...	Name

On new new entries payment method for company code screen, update the following details.

1. **Paying co. code** : – Update the paying company code: TK01
2. **Pymt Method** : – Update the payment method : I (IMPS)
3. **Amount Limits** : – Update the minimum and maximum amount for payment transactions.
4. **Payment per due day** : – Choose this option if the company wanted to make payment as per due date.
5. **Foreign Payment/ foreign currency payments** : – Choose the option as per requirements if the organization wants to

allow all types of foreign currencies, foreign banks, etc.

**New Entries: Details of Added Entries**

Paying co. code: TK01 TK Software limited Pymt meth. in ctry

Pymt Method: I IMPS - Immed. Payment Service

**Amount limits**

Minimum amount	100,00	INR
Maximum amount	1.000.000,00	INR
Distribution amnt		INR

**Grouping of items**

- Single payment for marked item
- Payment per due day
- Extended Individual Payment

**Foreign payments/foreign currency payments**

- Foreign business partner allowed
- Foreign currency allowed
- Cust/vendor bank abroad allowed?

**Bank selection control**

- No optimization
- Optimize by bank group
- Optimize by postal code

**Form Data**

**Forms**

Form for the Payment Medium	SAPscript	F110_PRENUM_CHK
Next form	SAPscript	

**Drawer on the form**

SAP

**Sorting of the**

Correspondence	<input type="checkbox"/>
Line items	<input type="checkbox"/>

After maintaining all the required details of payment methods for company code, click on save button to save the configured details.

## Step 5 : – Set up Bank Determination

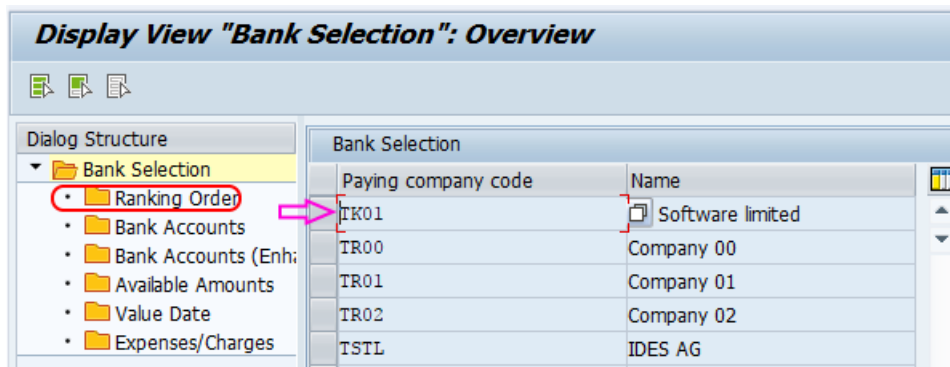
From the main configuration automatic payment program screen, click on bank determination option. Bank determination involves the following configuration steps

- Ranking Order
- Bank Accounts
- Available Amounts
- Value Date
- Expenses/Charges

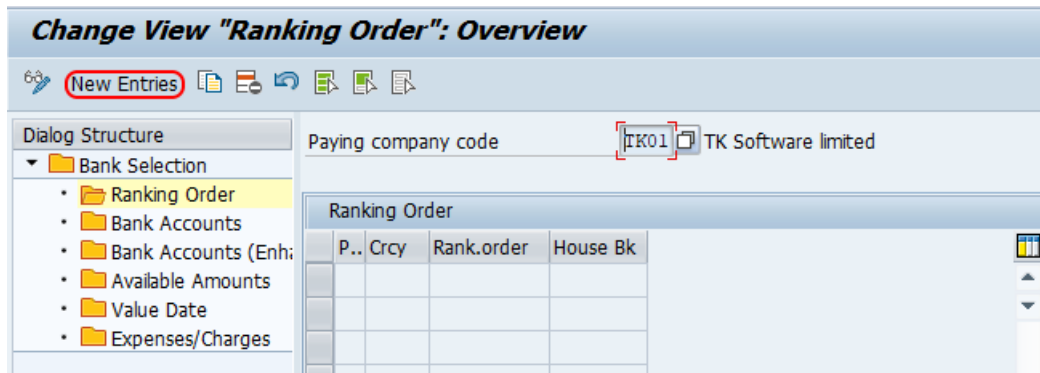
### a. Ranking Order

On display view bank selection screen, choose position button and update your company code in the given field. So your paying company code displays on top of the screen.

Now choose paying company code “TK01” and double click on ranking order.



On change view ranking order overview screen, click on new entries.



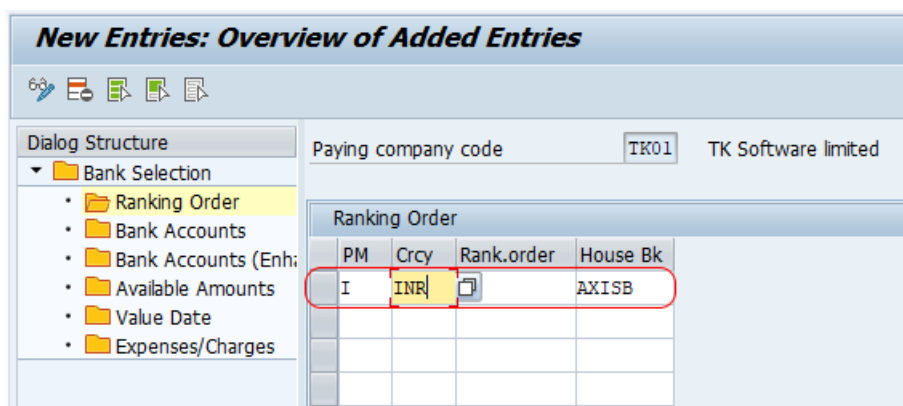
On new entries rank order screen, update the following details.

**PM** : – Update the paying method of the company as I

**Currency** : – Update the currency as INR

**Rank Order** : – Update the ranking order for making the payments bank wise: 1

**House bank** : – Update the house bank key: AXISB.

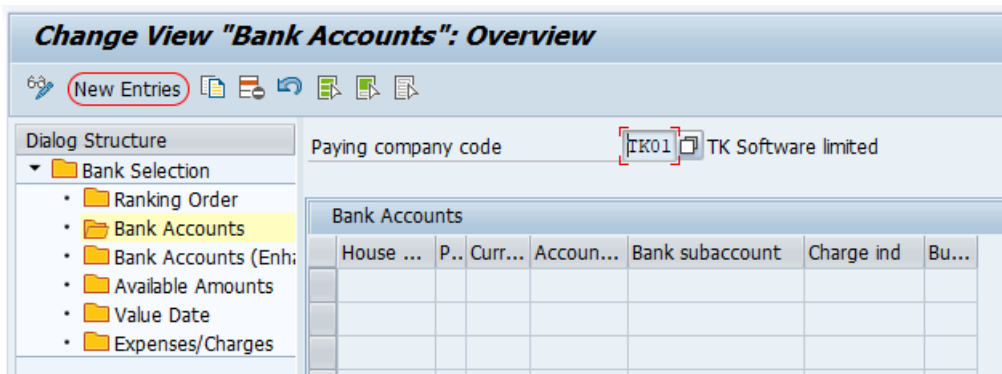


Click on save button and save bank rank order details.

## b. Bank Accounts

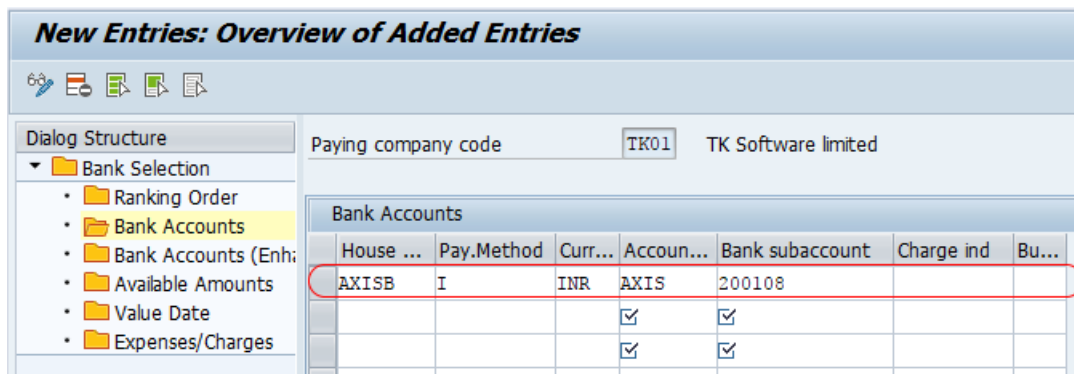
Double click on bank accounts column and click on new entries button.





On new entries bank accounts screen, update the following details.

- **House bank** : – Enter house bank key : AXISB
- **Pay.Method** : Update payment method as: I
- **Currency** : – Update currency key as INR.
- **Account ID** : – Update account ID as AXIS
- **Bank subaccount**: – Update the G/L account of bank (we have created 200108 for axis bank current A/C).

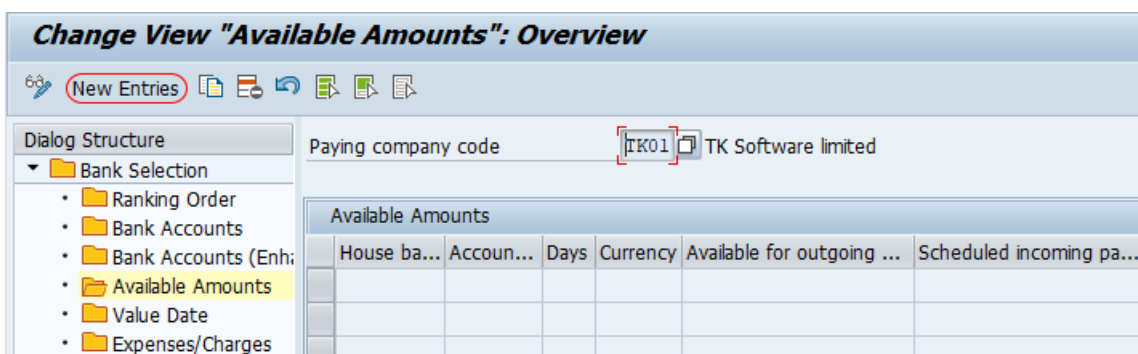


After maintaining all the required details, click on save button and save configured bank accounts in SAP.

Double click on available amounts and click on new entries button for maintaining the amounts details.

**c. Available Amounts**

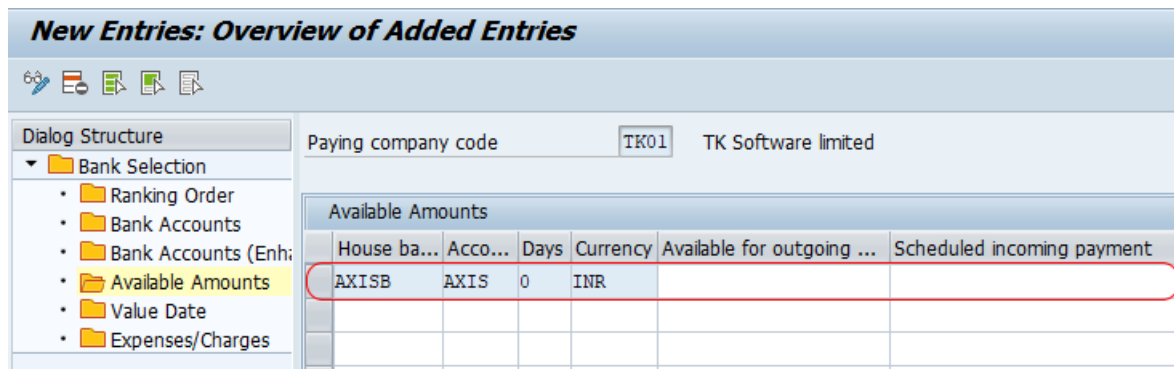
Double click on available amounts column and click on new entries button.



On new entries available amounts screen, update the following details.

- **House bank** – Update the house bank: AXISB
- **Account id** : – Update the account id: AXIS
- **Days** : – This is an optional configuration.

- Update available for outgoing payment for the account and scheduled incoming payments. This is used for only evaluation.



Click on save button and save the configured details.

## Step 6 : – House Banks

Here you can create house bank as per requirements of project. It provides the detailed information of bank for incoming and outgoing payments. Click on new entries button and create new house banks as per [client](#) requirements. Refer how to [create house banks in SAP](#).

We have successfully configured automatic payment program in SAP. To run automatic payment program you must have open items in the vendor account with due and the system considers to run automatic payment program in SAP.

### SAP FICO Training

- [SAP FICO Tutorials](#)

### SAP FICO - Introduction

- [SAP Financial Accounting](#)

- [What is SAP FICO](#)

- [What is client in SAP](#)

### SAP FICO - Enterprise Structure

- [Define Company in SAP](#)

- [Define Company Code in SAP](#)

- [Assign company code to company in SAP](#)

- [Define business area and consolidation business area in SAP](#)

- [Assign business area to consolidated business area in SAP](#)

- [Define credit control area in SAP](#)

- [Assign company code to credit control area in SAP](#)

- [Define functional area in SAP](#)

- [Maintain Financial Management Area in SAP](#)

- [Assign financial management area to company code in SAP](#)

‡ How to create segments in SAP

## SAP FICO - Global Parameters

‡ What is Chart of accounts and how to create COA in SAP?

‡ Assign company code to chart of accounts

‡ What is Fiscal year in SAP?

‡ How to maintain fiscal year variant

‡ Assign company code to fiscal year variant

‡ Define account group in SAP

‡ Define retained earnings account

‡ Define posting period variant (PPV)

‡ Assign variants to company code in SAP

‡ Open and closing posting period variants

‡ Define field status variant and field status groups in FICO

‡ Assign company code to field status variant

‡ Define Tolerance group for G/L accounts

‡ Define Tolerance group for employees

‡ Check company code global parameters

## SAP FICO - Foreign Currency Transactions

‡ Check exchange rate types

‡ Define translation ratios for currency translation

‡ How to maintain exchange rates in SAP

‡ Define accounts for exchange rate differences

‡ Define foreign currency valuation methods

‡ Define accounting principles and assign to ledger group

‡ Define valuation areas and assign to accounting principles

## SAP FICO - New G/L Accounting

‡ How to activate new G/L accounting?

‡ Define ledgers for general ledger accounting

‡ Define currencies for leading currency

‡ Define & Activate Non-Leading Ledgers

‡ Define Zero-balance clearing account

‡ Define interest calculation types

‡ Define interest indicator

## SAP FICO - Accounts Receivable

## SAP FICO - Accounts Receivable

- Define account group for customers
- Maintain number ranges for customer account groups
- Assign number ranges to customer account groups
- Define risk categories
- Define tolerance group for Customers
- Create sundry debtors accounts
- Define Customer Master Record

## SAP FICO - Accounts Payable

- What is Accounts Payable in SAP?
- Define vendor account groups
- Maintain number range intervals for vendor accounts
- Assign number ranges to vendor account groups
- Create payment terms
- Define accounts for cash discount taken
- Define Vendor reconciliation account
- Create vendor code

## SAP FICO - Tax on Sales and Purchases

- What is Sales tax and Purchase tax in SAP?
- Define tax calculation procedures
- Assign country to calculation procedure
- Assign tax codes for non taxable transactions
- Maintain tax codes for sales and purchases
- Define tax accounts in SAP

## SAP FICO - Bank Accounting

- What is Bank Accounting in SAP?
- Define bank key
- Define house bank in SAP
- Create check lots
- Automatic payment program

## SAP FICO - Asset Accounting

- What is Asset Accounting in SAP?
- Define Chart of Depreciation
- Assign chart of depreciation to company code

‡ Specify Account Determination

‡ Number range intervals for Assets

‡ Maintain Asset Classes

‡ Define tax accounts in SAP

## SAP Controlling Training

‡ SAP CO Tutorials

## SAP TCodes

‡ SAP TCodes

‡ SAP FI TCodes