

How to Define Credit Control Area in SAP

In this [SAP tutorials](#) you will learn what is credit control area and how to define credit control area in SAP FICO step by step with real time scenario.

How to create credit control area in SAP

Important SAP configurations to refer:

- Define risk category
- Maintain fiscal year variant
- Define credit groups

What is Credit Control Area?

Credit control area in SAP is an organizational element that controls and monitors credit limits of customers.

A credit control area can consists one or more company codes, but you can not assign company code to more than one credit control area in SAP.

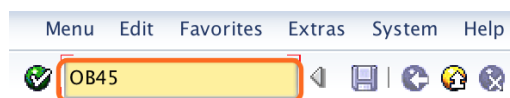
Scenario: – We need to define the following configuration.

Credit Control	Description
T120	Credit Control Area for TK Software

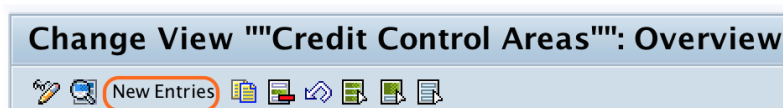
Credit control area configurations are generally shared by SAP SD consultants and SAP FICO consultants. Some of the configurations are implemented by SD consultants, so it is considered as mix of SAP FI and SD consultant.

- Navigation: – [SPRO](#) – [IMG](#) – Enterprise Structure – Definition – [Financial Accounting](#) – Define Credit Control Area
- [Transaction code](#): – [OB45](#)
- Database Table: – [T014](#), [T014T](#)

Step 1) Enter T-Code “OB45” in the SAP command field and enter.



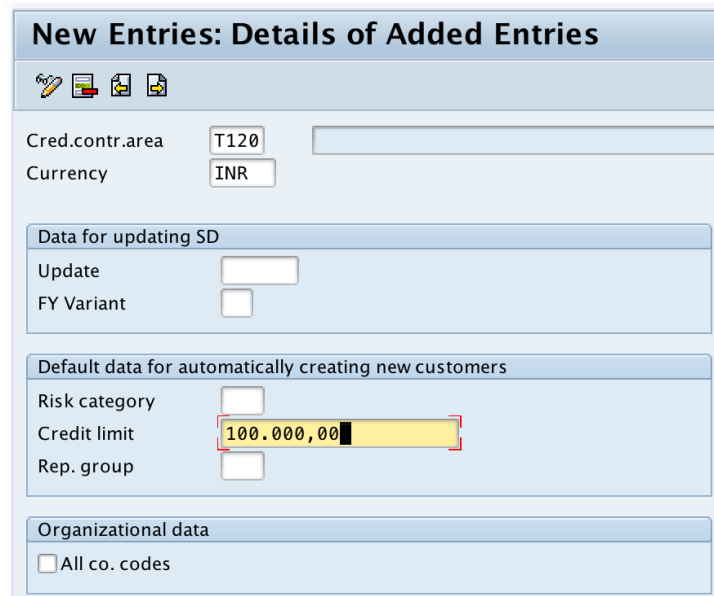
Step 2) On change view “credit control areas” overview screen, click on “New Entries” button to configure new credit control area as per company requirements.



Step 3) On new entries credit control area screen, update the following details.

- **Cred.control.area:** – Give the four digits alphanumeric key that identifies credit control area in SAP.
- **Description:** – Update the descriptive text of credit control area. Now this field remains blank, it allows you to update description after saving this key.
- **Currency:** – Give the currency key
- **Fiscal year variant:** – Update the **fiscal year variant** key.
- **Risk Category:** – It is required to define the risk category of different nature and assign them to credit control area.
- **Credit Limit:** – Under this field, you need to maintain credit limits for customers.
- **Organizational data:** – If you choose all company codes options, than this credit control area is applicable for company codes.

After updating the required details, click on save button to save the configured detail.



New Entries: Details of Added Entries

Cred.contr.area

Currency

Data for updating SD

Update

FY Variant

Default data for automatically creating new customers

Risk category

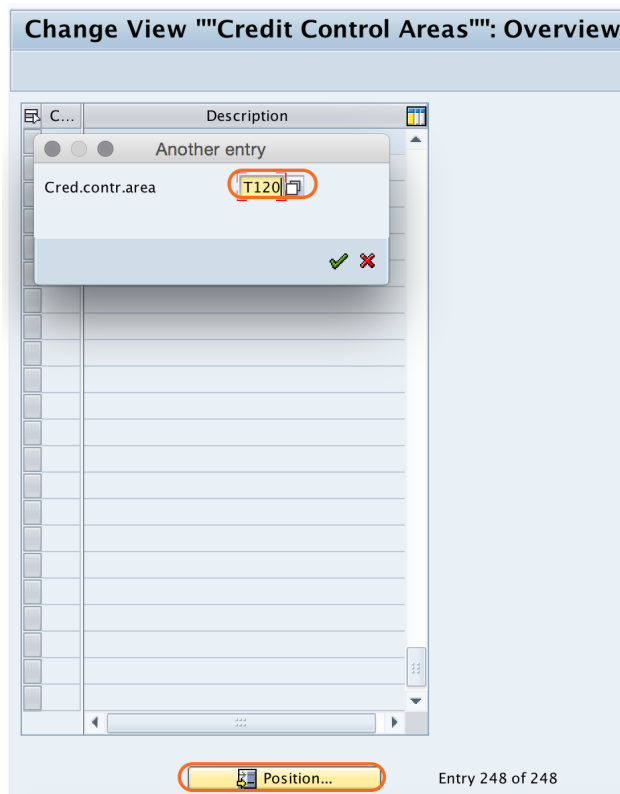
Credit limit

Rep. group

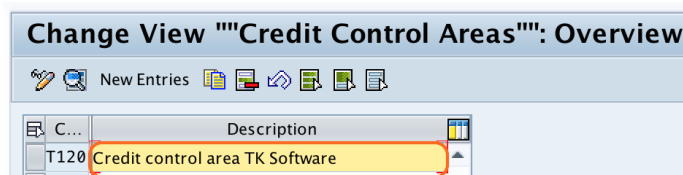
Organizational data

All co. codes

Step 4) Now go back to main credit control area screen, click on position button and give credit control key. So your credit control area key display at the top of window screen.



Step 5) Update the descriptive text of credit control area and click on save button to save the details.



Successfully we have defined credit control area in [SAP](#). Next configuration step is assignment of credit control area to [company code 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

‡ 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

- 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