Wrong Credit Card used to make a Vendor Payment

Last Modified on 08/06/2025 3:25 pm EDT

Wrong Credit Card used to make a Vendor Payment

This currently needs to be managed through Journal entries.

You will be making a journal entry to offset the payment made on the **incorrect** Credit Card. This will need to be used to offset the payment made when doing the reconciliation process.

The next Journal entry will be made using the correct Credit Card. The Debit will the expense account where the original vendor expense was allocated. The Credit will be to increase the balance due on the **correct** Credit Card.

Example:

Vendor where original payable amount was booked. GL Account: 62010 - Travel

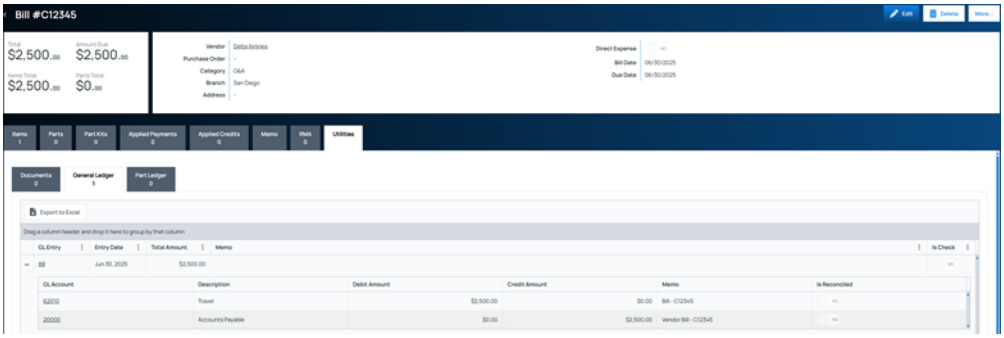
GL Account: 20080 – Discover (This would be the wrong Credit Card used)

GL Account: 20070 – American Express (This is where the payment to Travel should be made)

Original Vendor invoice: Invoice from Delta for 2,500.00

62050 – Travel $2,500.00

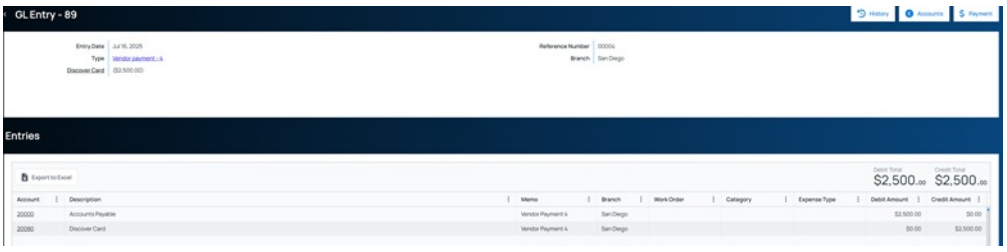
20000 – Accounts Payable $2,500.00



Incorrect payment made using Discover Card

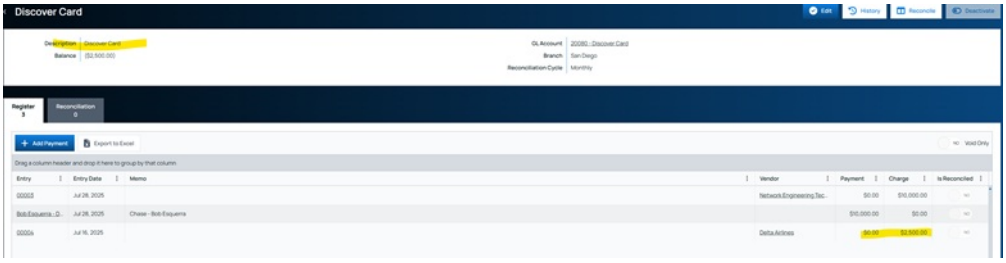
20000 – Accounts Payable $2,500.00

20080 – Discover $2,500.00



Payment needs to be moved from Discover Card to American Express Card

Here is the payment sitting on the wrong Credit Card



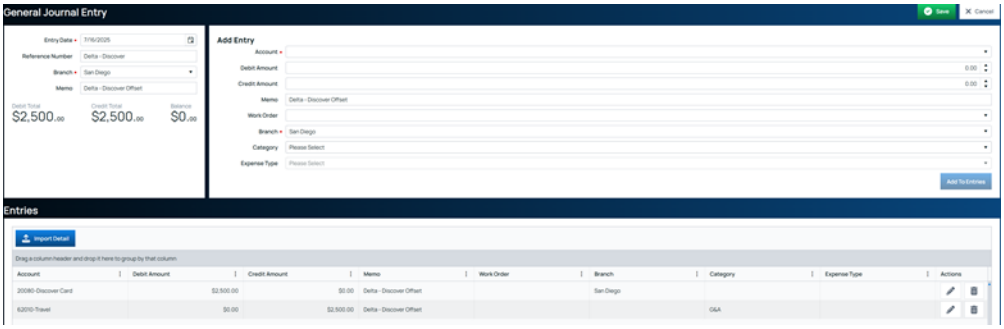
Here is what needs to happen to move an incorrect payment made with the wrong card:

<u>This entry will create an offset to the payment made using the wrong Credit Card. Date of journal entry should be the date of the payment.</u>

<u>Journal Entry 1:</u>

21000 – Discover $2,500.00

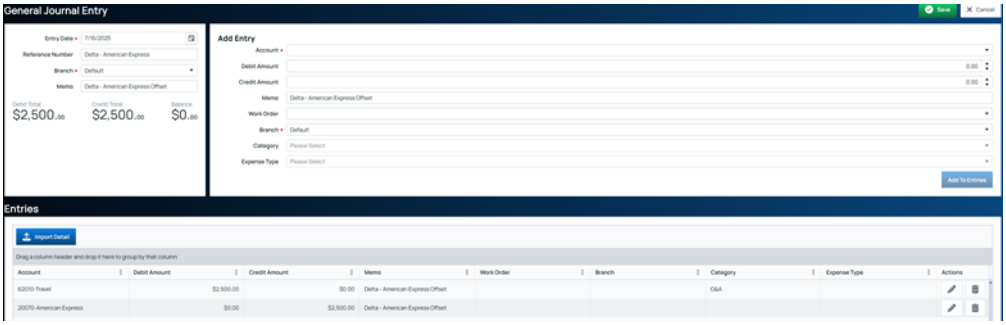
61500 – Travel $2,500.00



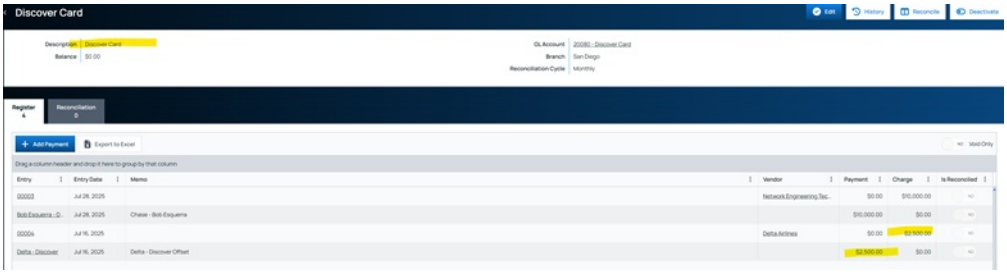
<u>Journal Entry 2:</u>

61500 – Travel $2,500.00

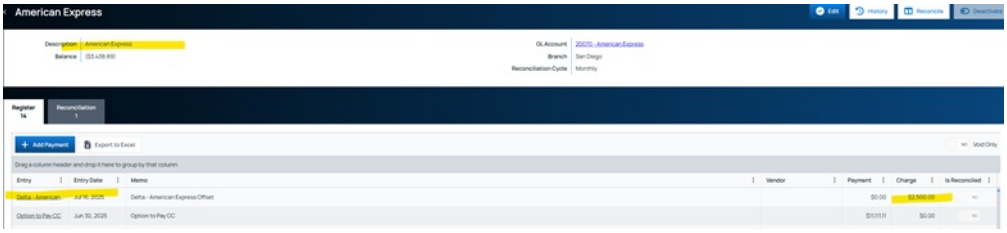
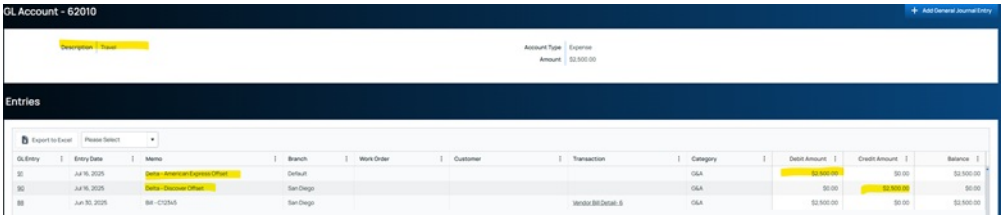
21050 – American Express $2,500.00



Here is what the GL for the incorrect Credit Card used would look like. The Journal Entry and the Charge to the Card will need to be offset when doing the reconciliation. It should have zero effect when cleared. Make sure the total incorrect charge is used in the Journal Entry. These will be offset to Zero.



Here is what will be displayed on the correct Credit Card – American Express



Here is what the Travel GL Account number 62010 would look like: The original invoice from the vendor is displayed along with the two Journal entries that will offset each other.