Calculating late charges in Excel

Question: "We have several rental properties, and I track payments, late charges, customer information, etc., on an Excel spreadsheet. Included on the spreadsheet is the date rental payments are received. I would like to create a formula that would add a late fee for any payments that are received after the 10th day of the month due.

"The idea is to keep a running 'balance due' for each customer that would automatically calculate any late charges based on the date payment is received. Ultimately, the 'balance due' will be linked to each customer's monthly invoice. I would appreciate any ideas for how to do this." -- *Anonymous*

Karen January 7, 2005 at 10:54 am

"First, make sure you have a column to calculate the difference between the date due and the date received. That formula should read '=D2-C2,' where D2 is the date received and C2 is the date due. Be sure to format that column as 'Number' when formatting cells.

"Second, the late charges can be calculated using an 'IF' statement. The syntax is '=IF(E2>9, "E2*25",0)' where E2 is the difference between the date received and the date due. To calculate a penalty of $25 per day overdue, the difference should be greater than nine; otherwise, no penalty is calculated.

"Finally, add the cell containing the IF statement to the normal balance due to get the total. For example, the Total Balance Due column would be '=F2+G2' where F is the normal amount due and G is the penalty amount."

    R Sekula December 14, 2016 at 6:47 pm

    I am billing a customer for maintenance fees in the condo unit. The charge is $90.00 monthly. Some are past due constantly and the committee decided we need to add late fees at 1% monthly, 12% annually. I would certainly appreciate your help. Thank you.

    Paul December 30, 2011 at 12:37 pm

    I used this formula while building an amortization sheet, the information on this post was very helpful!