[COMPANY NAME]

[ADDRESS]

[CITY, STATE, ZIP CODE]

[DATE]

**Subject: Formal Dispute of Deductions from Payment**

Dear [Recipient’s Name],

I am writing to formally dispute the deductions made from the payment associated with [INVOICE NUMBER/ACCOUNT REFERENCE]. Upon reviewing the payment details, it appears that a deduction of [AMOUNT] was made, which we believe to be incorrect or unjustified.

**Details of the Payment and Deduction**

* **Invoice Number**: [INVOICE NUMBER]
* **Original Amount Due**: [AMOUNT]
* **Amount Paid**: [AMOUNT PAID]
* **Deduction Amount**: [DEDUCTION AMOUNT]
* **Reason Provided (if any)**: [*Reason or “No reason provided”*]

**Basis of the Dispute**

Under the terms of our agreement, [*reference relevant section or terms*], such deductions are not authorized or applicable to this transaction. If there is a valid basis for the deduction, please provide detailed documentation and evidence supporting it.

**Requested Action**

We respectfully request that you:

1. Provide a full explanation of the deduction, along with any relevant documentation.
2. Refund the deducted amount if no valid justification is provided.

We would appreciate your response to this matter by [*Response Deadline, e.g., 7 business days from the date of this letter*]. For any further clarification, you may contact me directly at [Email Address/Phone Number].

Thank you for your prompt attention to this matter. We hope to resolve this issue amicably and swiftly.

Yours sincerely,

……………………………………………………….

[NAME]

[TITLE/POSITION]