

Integrating Oracle[®] Receivables with Taxware[®] Sales/Use Tax System

Release 11i

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ORACLE[®]

Integrating Oracle® Receivables with Taxware® Sales/Use Tax System Release 11i

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Preface

Welcome to Release 11*i* of the *Integrating Oracle Receivables with Taxware Sales/Use Tax System* implementation guide.

This manual provides you with all the information you need to integrate Oracle Receivables and Oracle Order Management with Taxware. It is organized for easy access to the following information:

- Implementation procedures
- Day to day operations
- Reconciliation, support, and audit procedures
- Technical reference material
- Commonly asked questions

This preface explains how this guide is organized and introduces other sources of information that can help you.

Audience for This Guide

This guide assumes you have a working knowledge of the following:

- The principles and customary practices of your business area.
- Oracle Receivables

If you have never used Oracle Receivables, we suggest you attend one or more of the Oracle Receivables training classes available through Oracle University.

- Taxware Sales/Use Tax System
- The Oracle Applications graphical user interface.

To learn more about the Oracle Applications graphical user interface, read the *Oracle Applications User Guide*.

See Other Information Sources for more information about Oracle Applications product information.

How To Use This Manual

This guide is the primary source of information about integrating Taxware with Oracle Receivables and Oracle Order Management. It contains overviews as well as task and reference information. This manual includes the following chapters:

- Chapter 1 describes the installation and implementation steps required to integrate Taxware with Oracle Receivables and Oracle Order Management.
- Chapter 2 describes the normal operation of Oracle Receivables and Oracle Order Management when the Taxware products are implemented.
- Chapter 3 provides an overview of the various accounting and business processes required for the Taxware integration.
- Chapter 4 describes the internal communication parameters between Oracle and Taxware, the Oracle tax view functions that support this communication, and how to extend the integration using user descriptive flexfields, Oracle Receivables fields, and the PL/SQL functions. Additionally, this chapter includes some commonly asked questions about using Taxware with Oracle Receivables.

Assumptions

This guide assumes that you will consult with qualified tax professionals when setting up your system. The examples in this guide are for illustrative purposes only; your specific implementation may be different. This guide also assumes you are familiar with Oracle Receivables. If you have never used Oracle Receivables, we suggest you attend one or more of the Oracle Receivables training classes available through Oracle Education. For more information about Oracle Receivables and Oracle training, refer to the Other Information Sources section below.

This guide also assumes that you are familiar with the Oracle Applications graphical user interface. To learn more about the Oracle Applications graphical user interface, read the *Oracle Applications User Guide*.

Other Information Sources

You can choose from many sources of information, including online documentation, training, and support services, to increase your knowledge and understanding of Oracle Receivables.

If this manual refers you to other Oracle Applications documentation, use only the Release 11i versions of those manuals unless we specify otherwise.

Online Documentation

All Oracle Applications documentation is available online in either HTML or PDF format (or both). The technical reference guides are available in paper format only. Note that the HTML documentation is translated into over twenty languages. This guide is available in PDF format only.

Related User Guides

Oracle Receivables shares business and setup information with other Oracle Applications products. Therefore, you may want to refer to other user guides when you set up and use Oracle Receivables.

You can read the guides online by choosing Library from the expandable menu on your HTML help window, by reading from the Oracle Applications Document Library CD included in your media

pack, or by using a Web browser with a URL that your system administrator provides.

If you require printed guides, you can purchase them from the Oracle store at <http://oraclestore.oracle.com>.

User Guides Related to All Products

Oracle Applications User Guide

This guide explains how to navigate the system, enter data, and query information, and introduces other basic features of the GUI available with this release of Oracle Receivables (and any other Oracle Applications product).

You can also access this user guide online by choosing “Getting Started and Using Oracle Applications” from the Oracle Applications help system.

Oracle Alert User Guide

Use this guide to define periodic and event alerts that monitor the status of your Oracle Applications data.

Oracle Applications Implementation Wizard User Guide

If you are implementing more than one Oracle product, you can use the Oracle Applications Implementation Wizard to coordinate your setup activities. This guide describes how to use the wizard.

Oracle Applications Developer’s Guide

This guide contains the coding standards followed by the Oracle Applications development staff. It describes the Oracle Application Object Library components needed to implement the Oracle Applications user interface described in the *Oracle Applications User Interface Standards*. It also provides information to help you build your custom Oracle Developer forms so that they integrate with Oracle Applications.

Oracle Applications User Interface Standards

This guide contains the user interface (UI) standards followed by the Oracle Applications development staff. It describes the UI for the

Oracle Applications products and how to apply this UI to the design of an application built by using Oracle Forms.

User Guides Related to This Product

Oracle Receivables Tax Manual

This manual provides everything you need to know about calculating tax within Oracle Receivables, Oracle Order Management, Oracle Sales, and Oracle iStore. It includes information about implementation procedures, setup forms and windows, the Oracle Receivables tax calculation process, tax reports and listings, and tax-specific open interfaces.

Oracle General Ledger User Guide

Use this manual when you plan and define your chart of accounts, accounting period types and accounting calendar, functional currency, and set of books. It also describes how to define journal entry sources and categories so you can create journal entries for your general ledger. If you use multiple currencies, use this manual when you define additional rate types and enter daily rates.

Oracle Cash Management User Guide

This manual provides information about using Oracle Cash Management to clear your receipts, as well as reconciling bank statements with your outstanding balances, transactions, and receipts.

Oracle Purchasing User Guide

If you install Oracle Purchasing, refer to this user guide to read about entering and managing the purchase orders to which you match invoices.

Oracle Inventory User Guide

This manual explains how to define your items, units of measure classes, units of measure, and unit of measure conversions for use in measuring amounts for your units of production items, as well as other information about setting up and using Oracle Inventory.

Oracle HRMS User Guide

This manual explains how to enter your employees, so you can enter expense reports for them. It also explains how to set up organizations and site locations.

Country-Specific Manuals

Use these manuals to meet statutory requirements and common business practices in your country or region. They also describe additional features added to Oracle Receivables to meet those requirements. Look for a user guide appropriate to your country; for example, see the *Oracle Financials for the Czech Republic User Guide* for more information about using this software in the Czech Republic.

Multiple Reporting Currencies in Oracle Applications

If you use the Multiple Reporting Currencies feature to report and maintain accounting records in more than one currency, refer to this manual before implementing Oracle Receivables. The manual details additional steps and setup considerations for implementing Oracle Receivables with this feature.

Multiple Organizations in Oracle Applications

If you use the Oracle Applications Multiple Organization Support feature to use multiple sets of books for one Oracle Receivables installation, use this guide to learn how to set up and use Oracle Receivables with this feature.

Oracle Receivables User Guide

This user guide explains how to create and maintain transactions, enter and apply receipts, and enter customer information in Oracle Receivables. It also describes the Oracle Receivables open interfaces, such as AutoLockbox which lets you create and apply receipts and AutoInvoice which you can use to import and validate transactions from other systems.

Oracle Applications Flexfields Guide

This guide provides flexfields planning, setup, and reference information for the Oracle Receivables implementation team as well as for users responsible for the ongoing maintenance of Oracle

Applications product data. This guide also provides information on creating custom reports on flexfields data.

Installation and System Administration Guides

Oracle Applications Concepts

This guide provides an introduction to the concepts, features, technology stack, architecture, and terminology for Oracle Applications Release 11*i*. It provides a useful first book to read before an installation of Oracle Applications. This guide also introduces the concepts behind, and major issues, for Applications-wide features such as Business Intelligence (BIS), languages and character sets, and self-service applications.

Installing Oracle Applications

This guide provides instructions for managing the installation of Oracle Applications products. In Release 11*i*, much of the installation process is handled using Oracle One-Hour Install, which minimizes the time it takes to install Oracle Applications and the Oracle 8*i* Server technology stack by automating many of the required steps. This guide contains instructions for using Oracle One-Hour Install and lists the tasks you need to perform to finish your installation. You should use this guide in conjunction with individual product user guides and implementation guides.

Upgrading Oracle Applications

Refer to this guide if you are upgrading your Oracle Applications Release 10.7 or Release 11.0 products to Release 11*i*. This guide describes the upgrade process in general and lists database upgrade and product-specific upgrade tasks. You must be at either Release 10.7 (NCA, SmartClient, or character mode) or Release 11.0 to upgrade to Release 11*i*. You cannot upgrade to Release 11*i* directly from releases prior to 10.7.

Using the AD Utilities

Use this guide to help you run the various AD utilities, such as AutoInstall, AutoPatch, AD Administration, AD Controller, Relink, and others. It contains how-to steps, screenshots, and other information that you need to run the AD utilities.

Oracle Applications Product Update Notes

Use this guide as a reference if you are responsible for upgrading an installation of Oracle Applications. It provides a history of the changes to individual Oracle Applications products between Release 11.0 and Release 11i. It includes new features and enhancements and changes made to database objects, profile options, and seed data for this interval.

Oracle Applications System Administrator's Guide

This guide provides planning and reference information for the Oracle Applications System Administrator. It contains information on how to define security, customize menus and online help, and manage processing.

Oracle Receivables Applications Technical Reference Manual

The *Oracle Receivables Applications Technical Reference Manual* contains database diagrams and a detailed description of Oracle Receivables and related applications database tables, forms, reports, and programs. This information helps you convert data from your existing applications, integrate Oracle Receivables with non-Oracle applications, and write custom reports for Oracle Receivables.

You can order a technical reference manual for any product you have licensed. Technical reference manuals are available in paper format only.

Oracle Workflow Guide

This guide explains how to define new workflow business processes as well as customize existing Oracle Applications-embedded workflow processes. You also use this guide to complete the setup steps necessary for any Oracle Applications product that includes workflow-enabled processes.

Training and Support

Training

We offer a complete set of training courses to help you and your staff master Oracle Applications. We can help you develop a training plan that provides thorough training for both your project team and your

end users. We will work with you to organize courses appropriate to your job or area of responsibility.

Training professionals can show you how to plan your training throughout the implementation process so that the right amount of information is delivered to key people when they need it the most. You can attend courses at any one of our many Educational Centers, or you can arrange for our trainers to teach at your facility. We also offer Net classes, where training is delivered over the Internet, and many multimedia-based courses on CD. In addition, we can tailor standard courses or develop custom courses to meet your needs.

Support

From on-site support to central support, our team of experienced professionals provides the help and information you need to keep Oracle Receivables working for you. This team includes your Technical Representative, Account Manager, and Oracle's large staff of consultants and support specialists with expertise in your business area, managing an Oracle server, and your hardware and software environment.

Do Not Use Database Tools to Modify Oracle Applications Data

We **STRONGLY RECOMMEND** that you never use SQL*Plus, Oracle Data Browser, database triggers, or any other tool to modify Oracle Applications tables, unless we tell you to do so in our guides.

Oracle provides powerful tools you can use to create, store, change, retrieve, and maintain information in an Oracle database. But if you use Oracle tools such as SQL*Plus to modify Oracle Applications data, you risk destroying the integrity of your data and you lose the ability to audit changes to your data.

Because Oracle Applications tables are interrelated, any change you make using an Oracle Applications form can update many tables at once. But when you modify Oracle Applications data using anything other than Oracle Applications forms, you might change a row in one table without making corresponding changes in related tables. If your tables get out of synchronization with each other, you risk retrieving erroneous information and unpredictable results throughout Oracle Applications.

When you use Oracle Applications forms to modify your data, Oracle Applications automatically checks that your changes are valid. Oracle

Applications also keeps track of who changes information. But if you enter information into database tables using database tools, you may store invalid information. You also lose the ability to track who has changed your information because SQL*Plus and other database tools do not keep a record of changes.

About Oracle

Oracle Corporation develops and markets an integrated line of software products for database management, applications development, decision support and office automation, as well as Oracle Applications. Oracle Applications provides the E-business Suite, a fully integrated suite of more than 70 software modules for financial management, Internet procurement, business intelligence, supply chain management, manufacturing, project systems, human resources and sales and service management.

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Oracle is the world's leading supplier of software for information management, and the world's second largest software company. Oracle offers its database, tools, and application products, along with related consulting, education and support services, in over 145 countries around the world.

Your Feedback

Thank you for using Oracle Receivables and this implementation manual.

We value your comments and feedback. This manual contains a Reader's Comment Form you can use to explain what you like or dislike about Oracle Receivables or this manual. Mail your comments to the following address or call us directly at (650) 506-7000.

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Or, send electronic mail to appsdoc@us.oracle.com.

CHAPTER

1

Implementing the Taxware Sales/Use Tax System

This chapter describes the installation and implementation steps required to integrate the Taxware Sales/Use Tax System with Oracle Receivables and Oracle Order Management.

Implementing the Taxware Sales/Use Tax System

Oracle Receivables provides a Tax Vendor Extension to integrate external tax calculation programs with Oracle Applications. This Extension lets you provide for complex tax calculation needs while retaining the full power of Receivables to create and store all other tax data.

The Tax Extension is called whenever a tax rate is calculated by the Receivables Tax Engine. When implemented, the Tax Extension will return a tax rate or amount from the vendor program. Receivables will use this information to create the appropriate tax line(s) and related accounting information.

Note: If your Receivables installation uses multiple organizations (multi-org), the profile option Tax: Use Tax Vendor lets your system administrator control which users can call an installed third party application for tax calculations. The default value is Yes; this indicates that a user can call a third party application to calculate tax. See: Overview of Receivables Profile Options in the *Oracle Receivables User Guide*.

Scope

This implementation guide is for the integration of the tax vendor extension with the Release 11i version of Oracle Receivables. The tax vendor extensions have been implemented using Taxware's Sales/Use Tax System.



Attention: The Taxware integration is only supported for US state and local taxes. Do not implement this integration for Canada or any other country. For more information on international tax handling (including Canadian taxes), please refer to the *Oracle Receivables Tax Manual*.

Related Documents

This integration guide is a supplement to the *Oracle Receivables Tax Manual*. When implementing Taxware Sales/Use Tax System with Oracle Receivables, you should first review and perform the steps described in the Implementing US Sales Tax essay in the *Oracle Receivables Tax Manual*. Only after all the steps in the Implementing US Sales Tax essay have been completed should you then execute the additional steps required for Taxware integration.

Sales Tax Rate Interface

Both Oracle Order Management and Oracle Receivables provide an interface to load tax rates, zip code ranges, and location names from data files supplied by external vendors. This information is used by the Receivables Customers windows to validate addresses and create compiled sales tax data whenever an address is updated or created.

Receivables provides a sample Taxware SQL*Loader control file called aravp.ctl. This file will load state, county, city, zip range, jurisdiction codes, tax rates, and jurisdiction code data from the Taxware TMD datafile into the Oracle table AR_TAX_INTERFACE. Once loaded, the jurisdiction code data will be automatically used by the Taxware views. For more information, see: Sales Tax Rate Interface in the *Oracle Receivables Tax Manual*.

Tax Database Views and Functions

Receivables provides database views to control which database columns are passed into the Tax Engine to calculate tax for your transaction lines. The database views call PL/SQL functions to provide a consistent and flexible access to vendor-specific data.

Generic Tax Extension

The Tax Extension is called whenever a tax rate is calculated by the Receivables Tax Engine. Tax rates are calculated in the following windows, concurrent programs, and reports:

- Adjustments windows
- AutoInvoice
- Copy Transactions window
- Credit Transactions window
- Quote window (Oracle Sales)
- Sales Orders window (Oracle Order Management)
- Sales Order Acknowledgment Report
- Transactions window
- Web Customer Orders

The Tax Extension can be implemented to generate single or multiple tax lines for every invoice line. Receivables stores each tax line in the RA_CUSTOMER_TRX_LINES table.

Integration With Oracle Order Management

The Receivables Tax Extension is fully integrated with Oracle Order Management. At the time of order entry, the tax amount for an order or line is calculated by calling the Receivables Tax Engine. Consequently, if you have installed a Tax Vendor, it will be called to calculate tax on the order in the same way as on the invoice.

Note: Tax on an order is for information only and will be recalculated at the time of invoice creation. This is necessary because tax rates change over time and there could be a significant difference in the rates between the order date and the invoice date.

Integration With Oracle Sales

The Taxware Sales Use Tax System is fully integrated with Oracle Sales. When you enter a quote, the tax amount for the quotation is calculated by calling the Receivable Tax Engine. Consequently, if you have installed a Tax Vendor, it will be called to calculate tax on quotes in the same way as on invoices and sales orders.

Integration With Oracle Web Customers

The Taxware Sales Use Tax System is fully integrated with Oracle Web Customers. When you submit an order to Oracle Order Management, the tax amount for the order is calculated by calling the Receivables Tax Engine. Consequently, if you have installed a Tax Vendor, it will be called to calculate tax on on-line sales orders the same way as on invoices, sales orders, and quotes.

Note: Tax on an order, quote, or an on-line order is for information only and will be recalculated at the time of invoice creation. This is necessary because tax rates change over time and there could be a significant difference in the tax rates between the order date and the invoice date.

Preparing Receivables

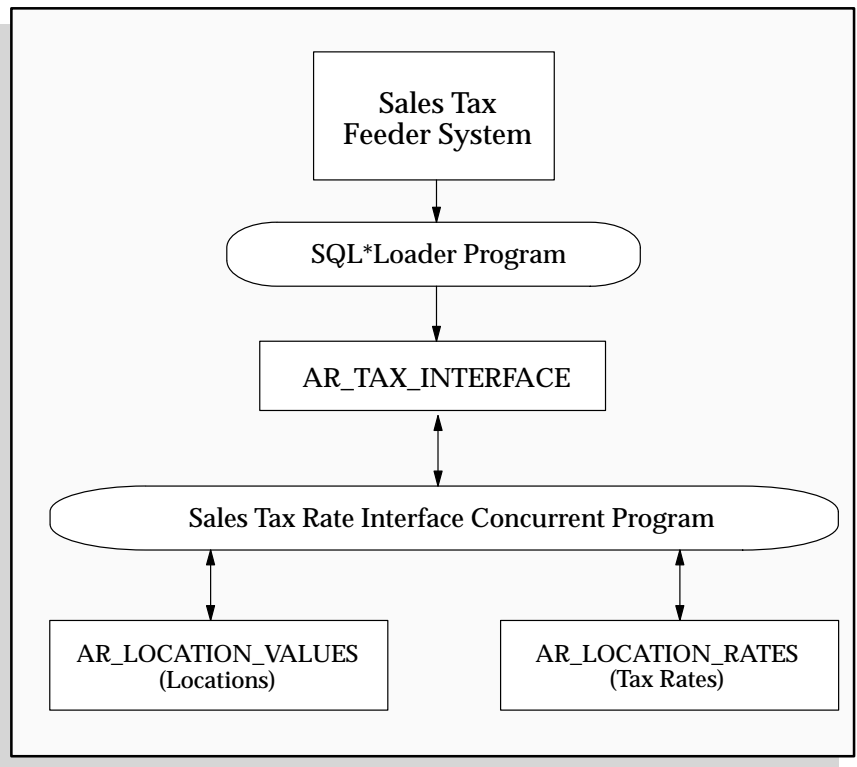
The tax extension is a PL/SQL procedure that is called by the Oracle Tax Engine every time a tax rate is calculated within Receivables or Oracle Order Management.

Load External Tax Information

Receivables provides a sample Taxware SQL*Loader control file, \$AR_TOP/bin/aravp.ctl, to load new locations and tax rates from the TMD datafile supplied by Taxware. These programs let you load multiple tax rates for the same location, which may cover different date ranges and postal codes. The following diagram shows how your Tax Vendor's data is imported into the Receivables tax tables.

Note: Receivables provides six possible Sales Tax Location Flexfield structures. The sample Taxware SQL*Loader file, aravp.ctl, only supports the structure State.County.City. If you select another structure, you will need to modify the SQL*Loader file.

Figure 1 – 1 Sales Tax Rate Interface

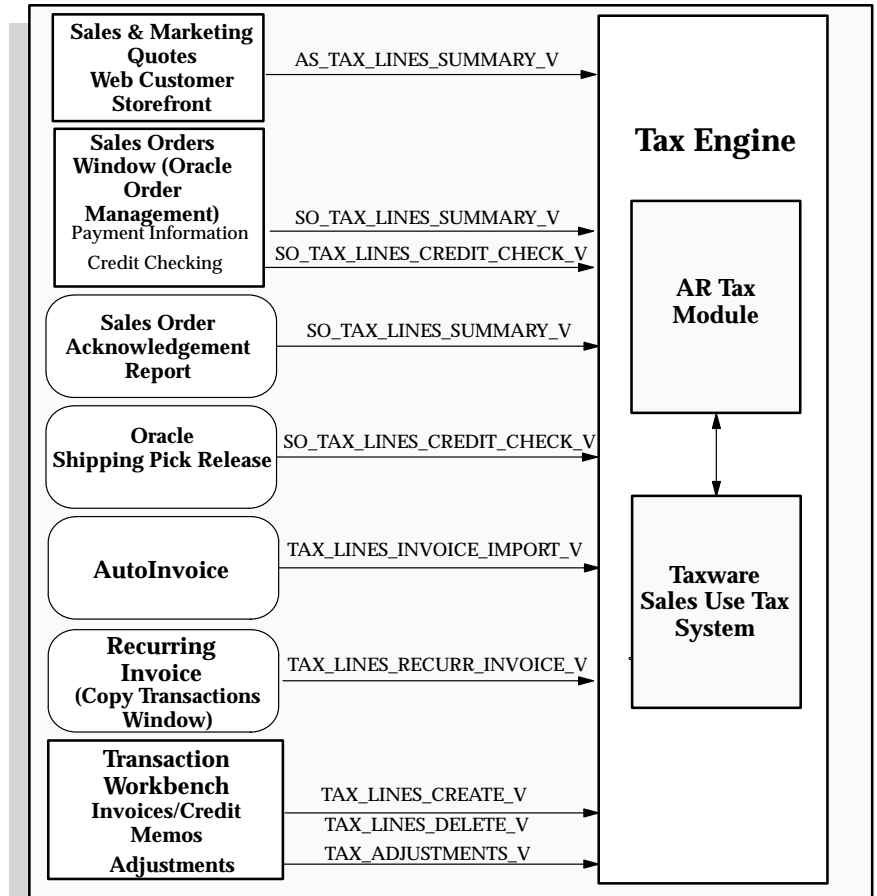


Receivables provides database views to pass tax information to the Tax Engine. You can use these views to control which database columns are passed into the Tax Engine for every transaction line that you tax. The following views have been defined:

- **SO_TAX_LINES_SUMMARY_V**
Used by the Order Management Sales Orders window.
- **SO_TAX_LINES_CREDIT_CHECK_V**
Used by the Order Management Sales Orders window.
- **AS_TAX_LINES_SUMMARY_V**
Used by the Oracle Sales and Marketing Quote Workbench.
- **TAX_LINES_INVOICE_IMPORT_V**
Used by the Receivables AutoInvoice program.
- **TAX_LINES_RECURRENCE_INVOICE_V**
Used by the Receivables Recurring Invoice program (Copy Transactions window).
- **TAX_LINES_CREATE_V**
Used by the Receivables Transactions Workbench.
- **TAX_LINES_DELETE_V**
Used by the Receivables Transactions Workbench.
- **TAX_ADJUSTMENTS_V**
Used by the Receivables Transactions Workbench.

For more information, please refer to the *Oracle Receivables Applications Technical Reference Manual* and the *Oracle Order Management/Shipping Applications Technical Reference Manual*.

Figure 1 – 2 Sales Using the Tax Engine to Calculate Tax



Receivables Tax Engine

The Tax Engine uses the information passed by the database views to calculate tax, regardless of whether an external Tax Vendor is installed. Both the Tax Extension and the AR Tax Module are components of the Tax Engine and are called every time the Tax Engine is requested to calculate tax.

If an external tax vendor is installed, the Tax Engine will use the tax rate or amount returned by the Tax Extension to override the rate or amount calculated by the AR Tax Module. The following table highlights key columns used by your tax vendor.

View Column Name	Description
TRX_NUMBER	Transaction Number
TRX_DATE	Transaction Date
BILL_TO_CUSTOMER_NAME	Bill-to customer name
SHIP_FROM_ADDRESS_CODE	Jurisdiction code for Ship From Address
SHIP_TO_ADDRESS_CODE	Jurisdiction code for Ship-To Address
PART_NUMBER	Inventory Part Number

Table 1 – 1 Columns used by your tax vendor.

Tax Jurisdictions

Within the United States, a tax rate is calculated from Ship-To, Ship From, Point of Order Origin, and Point of Order Acceptance. To implement the Tax Extension using each of these addresses, you need to store the latter three values in descriptive flexfields at the appropriate level: Invoice Line or Header, or Order Line or Header.

If you use AutoInvoice to import orders from Oracle Order Management, AutoInvoice will populate the item line Transaction Flexfield with packing slip information. This can be used to source the Ship From site use and address for each order. For more information, please refer to Integrating Oracle Order Management with Oracle Receivables in the *Oracle Financials Open Interfaces Manual*.

The jurisdiction codes are loaded by the Sales Tax Rate Interface into attribute 1 of the table ar_location_rates. To load vendor jurisdiction codes into the other view columns, you will need to modify the views to join ar_location_rates with your appropriate customized table.

If you require postal code data to nine characters (zip+4) to segregate customer addresses by jurisdiction code, you will need to manually update the address data provided by your Tax Vendor. You can use the Location and Rates window to update the postal code data to comply with your jurisdiction code requirements.

Below is an example of multiple jurisdiction codes within a standard five digit zip code designation:

location_segment_id	from_postal_code	to_postal_code	jurisdiction_code
43 (San Francisco)	94110	94116	code 1
43 (San Francisco)	94117	94117	code 2
43 (San Francisco)	94118	94118-3999	code 3
43 (San Francisco)	94118-4000	94118-9999	code 4

Table 1 – 2 Jurisdiction codes

See Also

Storing Tax Information in Oracle Receivables: page 4–20

Installing the Taxware Sales/Use Tax Integration

The tax vendors will provide a mechanism to install their PL/SQL packages, tables, data, and any other required objects. These database objects should all be created in a separate vendor schema. Once the vendor has been installed, there are several manual steps you need to perform to enable the functionality.

☐ **Install Taxware’s Sales/Use Tax System version 3.1 (PL/SQL)**

If a new version of Taxware is released, you must apply the cumulative Oracle tax patch that is intended to work with the newer Taxware release. Contact your Oracle support representative for more information.

☐ **Sales/Use Tax System, STEP, and Implementation training from Taxware international**

☐ **Implement US Sales Tax.** To do this, you need to perform all of the steps described in the Implementing US Sales Tax essay in the *Oracle Receivables Tax Manual*.

☐ **Upload the Taxware TMDFL data file into Oracle Receivables Address Validation tables.** You need to upload this file before loading any customer addresses. This two step process is described in Monthly Procedures: page 3–6.

- ☐ Validate customer addresses. All Ship-to and Bill-to Customer Addresses within the US must have been validated by Oracle Receivables by setting the Address validation field in the System Options window to 'Error.'
- ☐ Login access to the APPS schema
- ☐ Permission to relink Oracle executables
- ☐ Test database



Attention: Oracle Receivables allows a maximum of 20 characters when entering transaction numbers. However, the Taxware reports display only 10 characters, so some transaction numbers may be truncated. For this reason, we recommend that you limit transaction numbers to no more than 10 characters when creating transactions in Oracle Receivables.

Setup Checklist for the Taxware Sales Use Tax System Integration

Complete the following steps in the order shown to implement the Vendor Tax Extension:

- Step 1 Provide Grants to the APPS Schema
- Step 2 Remove the C Tax Vendor (optional)
- Step 3 Re-create Synonyms
- Step 4 Set Profile Options
- Step 5 Set Up Lookup Code ARTAXVDR: Location Qualifier
- Step 6 Set Up Lookup Code Tax Exemption Reason
- Step 7 Set Up Vendor-Specific Tax Codes
- Step 8 Set Up System Options
- Step 9 Verify Tax Vendor Implementation
- Step 10 Set Up Jurisdiction Codes (optional)

Step 1 – Provide Grants to the APPS Schema

Once the vendors have been installed, certain grants must be given to the APPS schema so that these vendor packages can be executed.

```
CONNECT <Taxware schema>/<Taxware password>
GRANT ALL ON TAXPKG_GEN TO <APPS Schema>
```

```

WITH GRANT OPTION;
GRANT ALL ON TAXPKG_10 TO <APPS Schema>
WITH GRANT OPTION;
GRANT DELETE ON TAXAUDIT_HEADER to <APPS Schema>;
GRANT DELETE ON TAXAUDIT_DETAIL to <APPS Schema>;
GRANT DELETE ON TAXAUDIT_TAX to <APPS Schema>;
GRANT DELETE ON TAXAUDIT_JURIS to <APPS Schema>;

```

Step 2 – Remove the C Tax Vendor (optional)

This step is required only if you are upgrading from the DMS integration. To use the PL/SQL version of the tax vendor extensions, the C tax vendor extension must be taken out of all Oracle executables. This integration will make obsolete the integration from DMS.

First, the \$FND_TOP/usrxit/devenv files VNDARSL and VNDARPL should include the vendor-specific object files: these need to be removed. The following objects have been defined for Taxware in VNDARPL and VNDARSL. Please remove any references to these objects.

- \$(AVP_TOP)/tax010.o
- \$(AVP_TOP)/tax010a.o
- \$(AVP_TOP)/tax010b.o
- \$(AVP_TOP)/tax010c.o
- \$(AVP_TOP)/taxio.o
- \$(AVP_TOP)/taxiodb.o
- \$(AVP_TOP)/taxioseq.o
- \$(AVP_TOP)/taxvalid.o
- \$(AVP_TOP)/stepio.o
- \$(AVP_TOP)/stepiodb.o
- \$(AVP_TOP)/stepiosq.o
- \$(AVP_TOP)/stepvald.o
- \$(AVP_TOP)/taxwrdb.o
- \$(AVP_TOP)/taxdbms.o
- \$(AVP_TOP)/taxauddb.o
- \$(AVP_TOP)/step90.o
- \$(AR_TOP)/lib/aravp.o

- \$(AVP_TOP)/libbtv3.a

Next, relink aiap, AutoInvoice, recurring invoices, OE Transaction Manager, and the reports executables by issuing the following commands:

```
adrelink force=y ranlib=y "fnd aiap"
adrelink force=y ranlib=y "fnd ar25run"
adrelink force=y ranlib=y "oe OEORPC"
adrelink force=y ranlib=y "ar RAXTRX"
adrelink force=y ranlib=y "ar ARXREC"
```

Step 3 – Re-create Synonyms

Once the packages have been installed, you need to recreate certain synonyms to point to the correct vendor packages.

```
CONNECT <apps schema>/<apps password>
DROP SYNONYM ARP_TAX_TAXWARE_010;
DROP SYNONYM ARP_TAX_TAXWARE_GEN;
DROP SYNONYM ARP_TAX_TAXWARE_AUDIT_HEADER;
DROP SYNONYM ARP_TAX_TAXWARE_AUDIT_DETAIL;
DROP SYNONYM ARP_TAX_TAXWARE_AUDIT_JURIS;
DROP SYNONYM ARP_TAX_TAXWARE_AUDIT_TAX;

CREATE SYNONYM ARP_TAX_TAXWARE_010 FOR
<Taxware Schema>.TAXPKG_10;
CREATE SYNONYM ARP_TAX_TAXWARE_GEN FOR
<Taxware Schema>.TAXPKG_GEN;
CREATE SYNONYM ARP_TAX_TAXWARE_AUDIT_HEADER FOR
<Taxware Schema>.TAXAUDIT_HEADER;
CREATE SYNONYM ARP_TAX_TAXWARE_AUDIT_DETAIL FOR
<Taxware Schema>.TAXAUDIT_DETAIL;
CREATE SYNONYM ARP_TAX_TAXWARE_AUDIT_JURIS FOR
<Taxware Schema>.TAXAUDIT_JURIS;
CREATE SYNONYM ARP_TAX_TAXWARE_AUDIT_TAX FOR
<Taxware Schema>.TAXAUDIT_TAX;
```

Step 4 – Set Up Profiles Options

The following profile options are used by the tax vendor extensions:

Profile Name	Default Value	Description
Tax: Use Tax Vendor	Null	Use this option to indicate whether the vendor tax engine should be used. (The default value indicates that the tax vendor is <i>not</i> used.)
Tax Taxware: Use Nexpro	No	Use this option to indicate whether Taxware uses the Nexpro functionality.
Tax Taxware: Tax Selection Parameter	Jurisdiction and Tax	Use this option to indicate whether jurisdiction level jurisdiction codes are used to calculate taxes. The value 'Tax only' calculates tax based on the ship-to address only. The value 'Jurisdiction and Tax' calculates tax based on all jurisdiction information.
Tax Taxware: Tax Type	Sales	This option indicates the type of tax. Enter a value of Sale, Service, or Use.
Tax Taxware: Service Indicator	Non-service	Choose Service, Rental, or Non-service.
Tax: Use PL/SQL Vendor	Null	This indicates which tax vendor should be used in a multi-org environment where multiple tax vendors are installed (you should set this option to Taxware).
Tax Calculate Tax on Credit Memos	No	Set this profile option to Yes to post credit memos to the Taxware audit file.

Table 1 – 3 Profile Options and Default Values

Step 5 – Set Up Lookup Code ARTAXVDR: Location Qualifier

The lookup code ARTAXVDR: Location Qualifier determines whether tax lines should be created separately for State, County, and City, or if the tax rates and amounts should be summed up into one tax line. Use the Receivables QuickCodes window to define this lookup code.

Oracle Receivables Lookups

Type: **ARTAXVDR_LOC_QUALIFIER**

User Name: **Artaxvdr Loc Qualifier**

Application: **Oracle Receivables**

Description: **ARTAXVDR: Location Qualifier**

Access Level:

☒ User

☐ Extensible

☐ System

Security Group:

☐ Standard

☒ Custom

Effective Dates: From To Enabled

Code	Meaning	Description	Tag	From	To	Enabled
ALL	ALL	Sales Tax		14/JAN/1999		<input checked="" type="checkbox"/>
CITY	CITY	City		14/JAN/1999		<input type="checkbox"/>
COUNTY	COUNTY	County		14/JAN/1999		<input type="checkbox"/>
STATE	STATE	State		14/JAN/1999		<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>

Navigation Path: Navigate-> Setup-> System -> QuickCodes -> Receivables

Required Setup: Enable ALL and disable STATE, COUNTY, and CITY to get a consolidated, single tax line.

Step 6 – Set Up Lookup Code Tax Exemption Reason

Use the Oracle Receivables Lookups window to set up the Tax Exemption Reason lookup code. These reason codes are used by the tax vendor to determine the exemption reason and are restricted in the number of characters that are used by the vendors.



Attention: Taxware is restricted to 2 characters; therefore, define these exemption reasons such that the first 2 characters of the Exemption Reason QuickCode Name are unique.

Step 7 – Set Up Vendor-Specific Tax Codes

When using the tax vendor extensions, you need to define a location-based tax. Only location-based taxes will be calculated by the tax vendor extensions. Also, depending on your setup for the lookup

code ARTAXVDR: Location Qualifier, you will need to define some extra tax codes (see below). When this lookup code is set up to return STATE, COUNTY, and CITY, the tax vendor extension will create tax lines with separate tax codes set for the state, county, and city tax.

Create three extra tax codes: STATE, COUNTY, and CITY. These tax codes should be of type 'Sales Tax.' The tax rates associated with these tax codes will not be used, but will be updated by the tax vendor extension.

Step 8 – Set Up System Options

The default tax views will not work properly with the tax vendor extensions. These views should be replaced with the vendor tax views provided. These views have been installed under a different name (see below).

In the System Options window, set the Tax Vendor Views field to Taxware. This changes the database views for this organization so that they will use the data source derived from the Taxware views.

System Options (Vision Operations)

Accounting Tax Tax Defaults and Rules Trans and Customers Miscellaneous

Tax Method: **Sales Tax**

Location Flexfield Structure: **State.County.City**

Postal Code Range: **00000** - **99999-9999**

Address Validation: **Error** ☒ Compound Taxes

Invoice Printing: **Itemize And Sum**

Tax Registration Number: **155-78541**

Tax Vendor Views: **Taxware**

Sales Tax Geo Override: **CA9411400**

☐ Inclusive Tax Used

Rounding Options

Calculation Level: **Line**

Rounding Rule: **Nearest**

Reporting Currency: **USD**

Precision: **2**

Min Accountable Unit:

☐ Allow Override

Step 9 – Verify Tax Vendor Implementation

Perform the following steps to verify that the tax vendor was implemented successfully:

Note: Between each step, confirm that the vendor's tax reports reconcile to Oracle Receivables.

- Create Customer Addresses
Customer addresses are validated against existing locations.
- Create a sales order and run the Sales Order Acknowledgment Report.
The tax vendor extensions have been integrated with Oracle Order Management such that tax estimations can be calculated.
- Import a sales order using AutoInvoice.
Tax will be calculated using the vendor tax extensions on

invoices imported from Oracle Order Management or other feeder systems.

- Create an invoice in the Receivables Transaction Workbench.
Tax will be calculated using the vendor tax extensions on manual invoices created from within Oracle Receivables.
- Update/Delete a line
When you update or delete an invoice line, tax amounts will always reconcile to your vendor's tax reports.
- Credit this invoice
When you create credit memos, tax amounts will always reconcile to your vendor's tax reports.
- Copy (recur) this invoice
Tax will be calculated using the vendor tax extensions on recurred invoices.
- Create an exempt order
Oracle Receivable exemptions can be used in calculating tax with the vendor tax extensions.
- Adjust the invoice
Tax adjustments will reconcile with your vendor's tax reports. Only approved adjustments of type 'Tax' are reflected in your vendor's tax reports. This lets you control which write-offs have recoverable sales tax from the state, county, and city.

Step 10 – Set Up Jurisdiction Codes (optional)

You can implement descriptive flexfields and use standard fields available in Oracle Receivables windows to extend the basic functionality of this integration. Specifically, Warehouse Jurisdiction Code, Salesperson Jurisdiction Code, and Customer Addresses Jurisdiction Codes can be used to support tax calculations using both ship-from and ship-to addresses. For more information, see: Storing Tax Information in Oracle Receivables: page 4–20.

CHAPTER

2

Tutorial

This chapter describes the normal operation of Oracle Receivables and Oracle Order Management when the Taxware products are implemented. Use this tutorial to learn how your daily transactions are reflected in the Taxware Sales and Use report.

Tutorial

This section describes the Demonstration Script for a standard implementation.

Create Customer Addresses

When creating a new address for a customer, the state, county, city, and zip code are validated against existing locations. These locations are imported into Oracle Receivables using the Taxware Tax Management Database (TMDFL) and the Receivables Sales Tax Rate Interface. In this way, each customer site is guaranteed to have an address that is associated with a valid jurisdiction code.

Customers - Standard

Customer NameOracle Apps

Alternate Name

Tax Registration Num

Number1107

Taxpayer ID

☒Active

Classification

Marketing

Addresses

Telephones

Contacts : Telephones

Contacts : Roles

Bank Accounts

Customer Addresses - Oracle Apps, 1107

CountryUnited States

EDI Location☒

Address100 Oracle Apps St.

Alternate Name

City

State

Postal Code64801

Province

County

City

Find %

City	Parent	From Postal Code	To Postal Code
AIRPORT DRIVE	JASPER,MO	64801	64801-9999
CLIFF VILLAGE	NEWTON,MO	64801	64801-9999
DENNIS ACRES	NEWTON,MO	64801	64801-9999
DUQUESNE	JASPER,MO	64801	64801-9999
GATEWAY DRIVE	NEWTON,MO	64801	64801-9999
IRON GATES	JASPER,MO	64801	64801-9999

OK

Cancel

Find

When entering the address, the zip code can be used to automatically populate the state, county, and city. In cases where multiple jurisdiction codes are available for a particular zip code, a pop up list will appear as shown below.

In this example, the zip code 64801 is defined in several jurisdictions in the state of Missouri. The poplist helps you select the correct jurisdiction code for your addresses.

Create a Sales Order

Sales orders can be created in Oracle Order Management and the tax amount will be calculated automatically. The sales order includes the customer (which defines the ship-to address) and the salesperson can be assigned the point-of-order acceptance. Also, if the order is a shipped order, the warehouse from which the order is shipped will define the ship-from address.

The screenshot shows the 'Sales Order Pad' window with the 'Order Information' tab selected. The 'Main' sub-tab is active, displaying a form with two columns of fields. The left column contains customer and shipping/billing address fields, while the right column contains order details and a summary table. A poplist is visible for the 'Ship To' address field, showing '100 Oracle Apps St.' followed by a dropdown menu with 'CLIFF VILLAGE, 64801, US' selected. The summary table at the bottom right shows the following values:

Subtotal	13,300.00
Tax	678.30
Charges	0.00
Total	13,978.30

At the bottom of the window, there are four buttons: 'Actions', 'Configurator', 'Availability', and 'Book Order'.

Tax Calculation on Sales Orders

The tax calculated on a sales order is only an estimate, since many factors, including the ship-to address, can change between sales order and invoice creation. Also, since there is no accounting for the tax amounts at this time, the vendor will calculate the tax, but will not update its audit files.

Sales Orders (97989) - Oracle Apps

Order Information | **Line Items**

Order Total **13,978.30**

Main | Pricing | Shipping | Addresses | Returns | Others

Line	Ordered Item	Qty	List Price	Line Charges	Tax Amount	Payment Terms
1.1	#0000	1	10,000.00		510.00	2/10, Net 30
2.1	#2000	3	1,100.00		168.30	2/10, Net 30

Line Total **3,300.00** Line Qty **4**

Description **Consulting/Training**

Actions | Configurator | Availability | Book Order

Run the Sales Order Acknowledgment Report

Use the Sales Order Acknowledgment Report to view the order on a printed document. The tax is calculated by the vendor and is summarized by tax rate. As with the creation of the sales order, since there is no accounting for the tax amount here, the vendor does not update its audit files with this tax amount.

The following report shows the order entered in the previous steps. The two order lines are shown with the tax amount for both lines summarized. The total sales order amount is displayed at the end of the page.

Bill To: Oracle Apps 100 Oracle Apps St. CLIFF VILLAGE, MO 64801 Attn:			Ship To: Oracle Apps 100 Oracle Apps St. CLIFF VILLAGE, MO 64801 Attn:			Order Number: 97989 Order Date: 14-NOV-00 Page: 1 Customer PO: Sales Person Lewis, Mr. Barry Payment Terms 30 Net Buyer Pays Frei FOB: Destination DHL Worldwide Currency: USD Tax reference:			
-----Number-----			Tax code-----Date-----						
Line	Ship Option	Item Description	Request	Promise	Schedule	Qty	Ord Unit	Selling Price	Extended Price
1		Sentinal Multimedia	Locat 14-NOV-00	14-NOV-00	14-NOV-00	1	Each	10,000.00	10,000.00
2		Consulting/Training	Locat 14-NOV-00	14-NOV-00	14-NOV-00	3	Each	1,100.00	3,300.00
						Tax Rate		Taxable Amount	Tax Amount
						5.1		13,300.00	678.30
								Tax Total	678.30

13,978.30

Figure 2 – 1 Sales Order Acknowledgement Report

Import Sales Orders Using AutoInvoice

Orders created in Oracle Order Management or documents created in other feeder systems can be imported into Oracle Receivables using AutoInvoice. Tax will be calculated using the vendor tax extension. AutoInvoice will generate the accounting and sales credits, creating a fully validated invoice in Oracle Receivables.

The figure below shows the invoice imported from the order created in the previous steps.

Transactions (Vision Operations: USD) - Oracle Apps, 10002829

Number	10002829	Date	14/NOV/2000	<input checked="" type="checkbox"/> Complete
Reference		Currency	USD	Transaction .9798
Source	Order	Class	Invoice	
Type	Invoice	GL Date	14/NOV/2000	

Main More Remit To, Sales Paying Customer Notes Commitment Credit

Ship To	Bill To
Name Oracle Apps	Oracle Apps
Number 1107	1107
Location Ship-To	Bill-To
Address 100 Oracle Apps St.	100 Oracle Apps St.
CLIFF VILLAGE, MO 64801 United States	CLIFF VILLAGE, MO 64801 United States
Contact	

Terms 30 Net	Commitment
Due Date 14/DEC/2000	Salesperson Lewis, Mr. Barry

Tax	Distributions	Sales Credits	Balances
Incomplete	Freight	Credit Installments	Line Items

Invoice Lines from an Imported Order

The order lines are imported by AutoInvoice and the following invoice lines are created. The top section of the window shows the totals for the transaction, lines, tax, and freight.

Lines (Vision Operations: USD) - Oracle Apps, 10002829

	Transaction	Lines	Tax	Freight	
Total	13,978.30	13,300.00	678.30	0.00	<input checked="" type="checkbox"/>

Main Sales Order Tax Exemption Rules More

Num	Item	Description	UOM	Quantity	Unit Price	Amount	Tax Code
1	#82000	Consulting/Trainin	Each	3	1100	3,300.00	Location
2	#80000	Sentinal Multimed	Each	1	10000	10,000.00	Location

Distributions Sales Credits Freight Tax

The accounting entries are created for the imported order, including the accounting for the tax lines calculated by the tax vendor extension.

Accounting (Vision Operations: USD) - Oracle Apps, 10002829

Accounts For All Lines

Transaction Line

Detail Line Number

		Class	GL Account	GL Date	%	Amount []
		Receivable	01.000-1210-0000-000	14/NOV/2000	100.0000	13,978.30
		Rounding Di	01.000-1110-0000-120	14/NOV/2000	100.0000	0.00
1		Revenue	01.000-6410-0000-000	14/NOV/2000	100.0000	3,300.00
1	1	Tax	01.000-2520-0000-000	14/NOV/2000	100.0000	168.30
2		Revenue	01.000-6410-0000-000	14/NOV/2000	100.0000	10,000.00
2	1	Tax	01.000-2520-0000-000	14/NOV/2000	100.0000	510.00
Total						

GL Posted Date

Comments

Description

Tax Account

Description

Line Amount

Accounting Rule

Operations-Balance Sheet-Accounts Receivable-No Sub Account-No Product

Balances

The Balances window shows the balance due for the Line, Tax, Freight, and Bank Charges. The balance can be modified by applying payments, credit memos, adjustments, or early payment discounts. The tax balance will reconcile with your vendor's tax reports.

Balances (Vision Operations: USD) - Oracle Apps, 10002829					
<input type="radio"/> Entered Currency		<input checked="" type="radio"/> Functional Currency		Currency USD	
	Line	Tax	Freight	Charges	Total
Original	13,300.00	678.30	0.00		13,978.30
Receipts	0.00	0.00	0.00	0.00	0.00
Credits	0.00	0.00	0.00		0.00
Adjustments	0.00	0.00	0.00	0.00	0.00
Discount	0.00	0.00	0.00		0.00
Balance	13,300.00	678.30	0.00	0.00	13,978.30

Taxware Sales/Use Tax Report (After AutoInvoice)

The following vendor tax report shows the outcome of importing the order with AutoInvoice.

TAX030 R3.1-990101		SALES AND USE REPORT		Page 1
Run 12/01/2000 at 19:48:00		Extra Detail Report		
All Dates				
No Division Breaks	Print Exact Amounts	Blank lines around totals	All States	
All Companies				
States:		No Divisions.	Reasons:	
01 ALABAMA	02 ALASKA		03 US GOVTNMT	04 STATE GOVN
03 ARIZONA	04 ARKANSAS		06 INTERSTATE	11 APO/FPO
05 CALIFORNIA	06 COLORADO		15 ENT. ZONE	20 DIRECT PAY
07 CONNECTICUT	08 DELAWARE		21 SHIPS	22 CAP IMPROV
09 DISTRICT OF COLUMBIA	10 FLORIDA		23 SCHOOLS	24 COMM CAR
11 GEORGIA	12 HAWAII		25 EXEMPT ORG	26 INDIANS
13 IDAHO	14 ILLINOIS		27 PACK MATER	28 BLANKET
15 INDIANA	16 IOWA		29 COMM FISH	30 POLLU CTRL
17 KANSAS	18 KENTUCKY		31 LEASING	32 R & D
19 LOUISIANA	20 MAINE		33 AIRCRAFT	34 RESALE
21 MARYLAND	22 MASSACHUSETTS		35 AGRICULTUR	36 MULTI-JURI
23 MICHIGAN	24 MINNESOTA		37 CONTRACTOR	38 MOTOR VEHI
25 MISSISSIPPI	26 MISSOURI		39 FUEL/ENERG	40 SALES EXMP
27 MONTANA	28 NEBRASKA		41 USE EXMP	42 NON PROFIT
29 NEVADA	30 NEW HAMPSHIRE		43 MANUFACTUR	44 LOCAL GOVT
31 NEW JERSEY	32 NEW MEXICO		45 RELIGIOUS	46 CHARITABLE
33 NEW YORK	34 NORTH CAROLINA		47 EX HOSPITL	48 TITLE VEHL
35 NORTH DAKOTA	36 OHIO		49 FED CR UN	50 POLITICAL
37 OKLAHOMA	38 OREGON		51 REPLCPART	52 TIRE RETAL
39 PENNSYLVANIA	40 RHODE ISLAND		53 RAW MATL	54 CR UN
41 SOUTH CAROLINA	42 SOUTH DAKOTA		55 MED EQUIP	56 OIL EXPLOR
43 TENNESSEE	44 TEXAS		57 FORGN DIP	58 SCHOOL NP
45 UTAH	46 VERMONT		59 MED	60 DRUG
47 VIRGINIA	48 WASHINGTON		61 URBAN	62 LIF SAV
49 WEST VIRGINIA	50 WISCONSIN		63 PUBLISHING	64 FARM MACH
51 WYOMING	52 CANADA		65 OTHER	AA AGRICULTUR
53 INTERNATIONAL	54 PUERTO RICO		AB FARMMACHIN	AC PROCESSOR
55 U.S. VIRGIN ISLANDS	56 PACIFIC ISLANDS		AD BLINDSABL	AE CAPIMPREAL
57 GUAM	58 AMERICAN SAMOA		AF CASUAL	AG COMMFISH
59 RESERVED	60 AMERICAN FORCES AMERICAS		AH DIRECTPAY	AI DROPSHIP
61 AMERICAN FORCES EUROPE	62 AMERICAN FORCES PACIFIC		AJ EXEMPTORGS	AK ART&LIT
99 UNITED STATES FEDERAL			AL ATHLETIC	AM BUSINESS
			AN CEMETERY	AO CHARITABLE
			AP CIVIC	AQ CONSERV
			AR EDUCATION	AS ELDERLY
			AT EXORGCONTR	AU FRATERNAL
			AV HISTORICAL	AW HUMANE
			AX LEGAL	AY MEDICAL
			AZ ORPHAN	BA RELIGIOUS
			BB SCIENTIFIC	BC TESTING
			BD TOURIST	BE VETERAN
			BF VLTRFIRE	BG YOUTHORG
			BH GOVERNMENT	BI CREDUNFED
			BJ CREDUNSTAT	BK DIPLOMAT
			BL GOVTST&LC	BM GOVTUS

Figure 2 – 2 Taxware Sales/Use Tax Report, page 1

TAX030 R3.1-990101
Run 12/01/2000 at 19:48:00
All Dates

S A L E S A N D U S E R E P O R T
Extra Detail Report

Page 2

BP REDCROSS	BQ INDUSTRY
BR ENTPRIZONE	BS EXTRACTION
BT LOGGING	BU OIILEXPLO
BV INGCMPPART	BW MANUFACTUR
BX POLLUTCTRL	BY R&D
BZ MEDIA	CA NATAMERICN
CB OTHER	CC OTHERTAX
CD SUOTHSTATE	CE OTHSTTAXPD
CF OUTOFJURIS	CG OOJAIR
CH OOJRR	CI OOJROAD
CJ OOJWAT	CK RESALE
CL CONTRCRTLR	CM LEASING
CN RXDRUG	CO TELECOMMUN
CP TRANSPORT	CQ CCAIR
CR CCRR	CS CCROAD
CT CCWAT	CU GENAIR
CV GENRR	CW GENROAD
CX GENWAT	CY ISCAIR
CZ ISCRR	DA ISCROAD
DB ISCWAT	DC PUBLIC
DD UNDETERMIN	

TAX030 R3.1-990101
Run 12/01/2000 at 19:48:00

S A L E S A N D U S E R E P O R T
Extra Detail Report

Page 3

All Dates

STATE: MISSOURI

C_U_S_T_O_M_E_R		I_N_V_O_I_C_E		----- G R O S S -----		----- T A X E S -----				TOTAL	CC
Name or Number	Number	mmddyyyy	EXEMPT	TAXABLE	STATE	COUNTY	CITY	TRANSIT	T A X E S	TYPE	
1107	10002829	11142000		3300.00	139.42	28.88			168.30	S 83	
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE: F8200				
1107	10002829	11142000		10000.00	422.50	87.50			510.00	S 83	
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE: F8000				
* LOCAL TOTAL: CLIFF VILLAGE				13300.00	561.92	116.38			678.30		
** COUNTY TOTAL: NEWTON				13300.00	561.92	116.38			678.30		
STATE TOTAL: MISSOURI				13300.00	561.92	116.38			678.30		

TAX030 R3.1-990101
Run 12/01/2000 at 19:48:00

S A L E S A N D U S E R E P O R T
Extra Detail Report

Page 4

All Dates

S U M M A R Y B Y S T A T E

STATE	GROSS	CREDIT	EXEMPT	TAXABLE	STATE	COUNTY	CITY	TRANSIT	TOTAL
MISSOURI	13300.00			13300.00	561.92	116.38			678.30
Report Total	13300.00			13300.00	561.92	116.38			678.30

Figure 2 - 3 Taxware Sales/Use Tax Report, pages 2-4

Inserting New Lines

Invoices imported using AutoInvoice can be maintained using the Transaction Workbench. Modifying attributes such as the transaction date or customer will force the invoice lines to recalculate the tax using the tax vendor extension. Additionally, invoice lines can be deleted, updated, or inserted.

The figure below shows a third invoice line added to the imported invoice.

Lines (Vision Operations: USD) - Oracle Apps, 10002829

Total	Transaction	Lines	Tax	Freight
	16,080.30	15,300.00	780.30	0.00

Main Sales Order Tax Exemption Rules More

Num	Item	Description	UOM	Quantity	Unit Price	Amount	Tax Cod
1	#82000	Consulting/Trainin	Each	3	1100	3,300.00	Location
2	#80000	Sentinal Multimed	Each	1	10000	10,000.00	Location
3	#81000	One Year Maintena	Each	1	2000	2,000.00	Location

Distributions Sales Credits Freight Tax

Update Lines

In the figure below, the quantity of the third invoice line is changed from 1 to 3. The original tax amount for this invoice line will be deducted from the vendor's audit files and the new tax amount will be inserted.

Any modifications to the tax amounts will always be maintained across the vendor's audit files.

Lines (Vision Operations: USD) - Oracle Apps, 10002829

Total	Transaction	Lines	Tax	Freight	
	20,284.30	19,300.00	984.30	0.00	<input checked="" type="checkbox"/>

Main Sales Order Tax Exemption Rules More

Num	Item	Description	UOM	Quantity	Unit Price	Amount	Tax Code
1	Ø2000	Consulting/Training	Each	3	1100	3,300.00	Location
2	Ø0000	Sentinal Multimed	Each	1	10000	10,000.00	Location
3	Ø1000	One Year Maintena	Each	3	2000	6,000.00	Location

Distributions Sales Credits Freight Tax

Credit the Invoice

Manual credit memos can be applied to an invoice in Oracle Receivables. The tax amounts for this credit memo will always reconcile to your vendor's tax reports.

Credit Transactions (Vision Operations: USD) - Oracle Apps, 10002831

Credited Transaction

Number10002829SourceOrder

Credit Memo

BatchNone

Batch Name

SourceOrder

Date14/NOV/2000☒ Complete

Number10002831

Reference

TransORDE

Reason

TypeCredit Memo

GL Date14/NOV/2000

Rules Method

CurrencyUSD

Split Term Method

Transaction Amounts

More

Credit Memo

	%	Amount
Line	10.0000	<1,930.00>
Tax	10.0000	<98.43>
Freight		
Total	10.0000 %	<2,028.43>

Credited Transaction

Original	Balance Due
19,300.00	17,370.00
984.30	885.87
	0.00
20,284.30	18,255.87

Incomplete

Credit Balance

Credit Lines

2-14 Integrating Oracle Receivables with the Taxware Sales/Use Tax System

Adjust the Invoice

As with manual credit memos, manual adjustments can be applied to your invoice and the tax amounts will reconcile to your vendor's tax reports. Only approved adjustments of type 'Tax' will be applied to the vendor's tax reports. This gives you greater control over which adjustments should reduce the sales tax liability. If you have adjustments of type 'Tax' that you do not want to post to Vertex, see: Storing Tax Information in Oracle Receivables: page 4-20.

Adjustments (Vision Operations) - Oracle Apps, 10002829, 1

Installment ☒

	Line	Tax	Freight	Charges	Total
Original	19,300.00	984.30	0.00		20,284.30
Balance	17,370.00	785.87	0.00	0.00	18,155.87

Adjustments Pending Adjustments

Adjustments

Main Account, IDs Comments

Number	Activity Name	Type	Includes Tax	Amount	GL Date	Adjustment Date
3871	Write off---	Tax	<input type="checkbox"/>	<100.00>	14/NOV/2000	14/NOV/2000
			<input type="checkbox"/>			
			<input type="checkbox"/>			
			<input type="checkbox"/>			
			<input type="checkbox"/>			
			<input type="checkbox"/>			

Copy (Recur) an Invoice

When you copy (recur) transactions, tax will be calculated using the tax vendor extension on all copied invoices.

Copy Transactions (Vision Operations)

Model Transaction

Source

Order

Trans Number

10002829

Currency

USD

Reference

Bill To

Oracle Apps

Number

1107

Terms

30 Net

Type

Invoice

Date

14/NOV/2000

Transaction Amount

20,284.30

Due Date

14/DEC/2000

Transaction

GL Date

14/NOV/2000

Schedule

Rule

Single Copy

Number Of Times

1

Number Of Days

First Transaction Date

15/NOV/2000

First GL Date

15/NOV/2000

Request ID

707181

New Transactions

Transaction Number	Document Number	Trans Date	GL Date	Due Date	Amount
10002832		15/NOV/2000	15/NOV/2000	15/DEC/2000	20,284.30

Viewing the Copied Invoice

The copied invoice will have the exact same invoice lines as the original invoice. The tax amounts will automatically be recalculated by the tax vendor extension which may give different results if the tax rates have changed over time.

Transactions (Vision Operations: USD) - Oracle Apps, 10002832

Number	10002832	Date	15/NOV/2000	<input checked="" type="checkbox"/> Complete
Reference		Currency	USD	Transaction .9798
Source	Order	Class	Invoice	
Type	Invoice	GL Date	15/NOV/2000	

Main More Remit To, Sales Paying Customer Notes Commitment Credit

Ship To	Bill To
Name Oracle Apps	Oracle Apps
Number 1107	1107
Location Ship-To	Bill-To
Address 100 Oracle Apps St.	100 Oracle Apps St.
CLIFF VILLAGE, MO 64801 United States	CLIFF VILLAGE, MO 64801 United States
Contact	

Terms 30 Net	Commitment
Due Date 15/DEC/2000	Salesperson Lewis, Mr. Barry

Tax Distributions Sales Credits Balances

Incomplete Freight Credit Installments Line Items

Note: Header-level information of the copied invoice is shown in the figure above. The line-level information is shown in the figure below.

Lines (Vision Operations: USD) - Oracle Apps, 10002832

Transaction

Lines

Tax

Freight

Total

20,284.30

19,300.00

984.30

0.00

☒

Main

Sales Order

Tax Exemption

Rules

More

Num	Item	Description	UOM	Quantity	Unit Price	Amount	Tax Code
1	82000	Consulting/Training	Each	3	1100	3,300.00	Location
2	80000	Sentinal Multimedia	Each	1	10000	10,000.00	Location
3	81000	One Year Maintenance	Each	3	2000	6,000.00	Location

Distributions

Sales Credits

Freight

Tax

2-18

Integrating Oracle Receivables with the Taxware Sales/Use Tax System

Creating Manual Invoices

You can also create invoices manually in Oracle Receivables using the Transactions window. The tax amounts will be calculated by the tax vendor extension and will reconcile to your vendor's tax reports.

Transactions (Vision Operations: USD) - Oracle Apps, DEMO-INV

Number	DEMO-INV	Date	14/NOV/2000	<input type="checkbox"/> Complete
Reference		Currency	USD	Transaction
Source	Manual	Class	Invoice	
Type	Invoice	GL Date	14/NOV/2000	[]

Main More Remit To, Sales Paying Customer Notes Commitment Credit

Ship To		Bill To	
Name	Oracle Apps	Name	Oracle Apps
Number	1107	Number	1107
Location	Ship-To	Location	Bill-To
Address	100 Oracle Apps St.	Address	100 Oracle Apps St.
	CLIFF VILLAGE, MO 64801 United States		CLIFF VILLAGE, MO 64801 United States
Contact		Contact	

Terms	2/10, Net 30	Commitment	
Due Date	14/DEC/2000	Salesperson	Lewis, Mr. Barry

Tax Distributions Sales Credits Balances

Complete Freight Credit Installments Line Items

Invoice Lines on Manual Invoices

The figure below shows the invoice lines for this manually created invoice. As with invoices imported through AutoInvoice, tax amounts will always be recalculated when you update, delete, or insert invoice lines and the tax amounts will reconcile with your vendor's tax reports.

Lines (Vision Operations: USD) - Oracle Apps, DEMO-INV

	Transaction	Lines	Tax	Freight	
Total	17,446.60	16,600.00	846.60	0.00	<input checked="" type="checkbox"/>

Main Sales Order Tax Exemption Rules More

Num	Item	Description	UOM	Quantity	Unit Price	Amount	Tax Cod
1	#1000	One Year Maintena	Each	1	10000	10,000.00	Location
2	#2000	Consulting/Trainin	Each	6	1100	6,600.00	Location

Apply Exemptions to Invoice Lines

Taxware's Sales Tax Exemption Processing (STEP) will always be used to determine if an invoice line should be exempt. Optionally, an Order Management or Receivables clerk may want to mark a particular invoice line 'exempt.' You can also apply tax exemptions defined in Oracle Receivables to an invoice line and the tax vendor extension will override the STEP and exempt the invoice line.

Lines (Vision Operations: USD) - Oracle Apps, DEMO-INV

	Transaction	Lines	Tax	Freight	
Total	17,110.00	16,600.00	510.00	0.00	<input checked="" type="checkbox"/>

Main Sales Order Tax Exemption Rules More

Num	Item	Description	Tax Handling	Certificate	Reason
1	Ø1000	One Year Maintena	Standard		
2	Ø2000	Consulting/Trainin	Exempt	100% Exempt	Education

Distributions Sales Credits Freight Tax

Taxware Sales/Use Tax Report (Complete)

The following vendor tax report shows the result of all the transactions entered in this section.

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No Division Breaks Print Exact Amounts Blank lines around totals All States
All Companies

States:		No Divisions.	Reasons:	
01 ALABAMA	02 ALASKA		03 US GOVTNMT	04 STATE GOVN
03 ARIZONA	04 ARKANSAS		06 INTERSTATE	11 APO/FPO
05 CALIFORNIA	06 COLORADO		15 ENT. ZONE	20 DIRECT PAY
07 CONNECTICUT	08 DELAWARE		21 SHIPS	22 CAP IMPROV
09 DISTRICT OF COLUMBIA	10 FLORIDA		23 SCHOOLS	24 COMM CAR
11 GEORGIA	12 HAWAII		25 EXEMPT ORG	26 INDIANS
13 IDAHO	14 ILLINOIS		27 PACK MATER	28 BLANKET
15 INDIANA	16 IOWA		29 COMM FISH	30 POLLU CTRL
17 KANSAS	18 KENTUCKY		31 LEASING	32 R & D
19 LOUISIANA	20 MAINE		33 AIRCRAFT	34 RESALE
21 MARYLAND	22 MASSACHUSETTS		35 AGRICULTUR	36 MULTI-JURI
23 MICHIGAN	24 MINNESOTA		37 CONTRACTOR	38 MOTOR VEHI
25 MISSISSIPPI	26 MISSOURI		39 FUEL/ENERG	40 SALES EXMP
27 MONTANA	28 NEBRASKA		41 USE EXMP	42 NON PROFIT
29 NEVADA	30 NEW HAMPSHIRE		43 MANUFACTUR	44 LOCAL GOVT
31 NEW JERSEY	32 NEW MEXICO		45 RELIGIOUS	46 CHARITABLE
33 NEW YORK	34 NORTH CAROLINA		47 EX HOSPITL	48 TITLE VEHL
35 NORTH DAKOTA	36 OHIO		49 FED CR UN	50 POLITICAL
37 OKLAHOMA	38 OREGON		51 REPLCPART	52 TIRE RETAL
39 PENNSYLVANIA	40 RHODE ISLAND		53 RAW MATL	54 CR UN
41 SOUTH CAROLINA	42 SOUTH DAKOTA		55 MED EQUIP	56 OIL EXPLOR
43 TENNESSEE	44 TEXAS		57 FORGN DIP	58 SCHOOL NP
45 UTAH	46 VERMONT		59 MED	60 DRUG
47 VIRGINIA	48 WASHINGTON		61 URBAN	62 LIF SAV
49 WEST VIRGINIA	50 WISCONSIN		63 PUBLISHING	64 FARM MACH
51 WYOMING	52 CANADA		65 OTHER	AA AGRICULTUR
53 INTERNATIONAL	54 PUERTO RICO		AB FARMMACHIN	AC PROCESSOR
55 U.S. VIRGIN ISLANDS	56 PACIFIC ISLANDS		AD BLINDDSABL	AE CAPIMPREAL
57 GUAM	58 AMERICAN SAMOA		AF CASUAL	AG COMMFISH
59 RESERVED	60 AMERICAN FORCES AMERICAS		AH DIRECTPAY	AI DROPSHIP
61 AMERICAN FORCES EUROPE	62 AMERICAN FORCES PACIFIC		AJ EXEMPTORGS	AK ART&LIT
99 UNITED STATES FEDERAL			AL ATHLETIC	AM BUSINESS
			AN CEMETERY	AO CHARITABLE
			AP CIVIC	AQ CONSERV
			AR EDUCATION	AS ELDERLY
			AT EXORGCNTR	AU FRATERNAL
			AV HISTORICAL	AW HUMANE
			AX LEGAL	AY MEDICAL
			AZ ORPHAN	BA RELIGIOUS
			BB SCIENTIFIC	BC TESTING
			BD TOURIST	BE VETERAN
			BF VLTRFIRE	BG YOUTHORG
			BH GOVERNMENT	BI CREDUNFED
			BJ CREDUNSTAT	BK DIPLOMAT
			BL GOVTST&LC	BM GOVTUS

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BP REDCROSS	BQ INDUSTRY
BR ENTFRIZONE	BS EXTRACTION
BT LOGGING	BU OILEXPLOR
BV INGCMPPART	BW MANUFACTUR
BX POLLUTCTRL	BY R&D
BZ MEDIA	CA NATAMERICAN
CB OTHER	CC OTHERTAX
CD SUOTHSTATE	CE OTHSTTAXPD
CF OUTOFJURIS	CG OOJAIR
CH OOJRR	CI OOJROAD

CJ OOWAT CK RESALE
 CL CONTRCTLR CM LEASING
 CN RXDRUG CO TELECOMMUN
 CP TRANSPORT CQ CCAIR
 CR CCRR CS CCROAD
 CT CCWAT CU GENAIR
 CV GENRR CW GENROAD
 CX GENWAT CY ISCAIR
 CZ ISCR DA ISCROAD
 DB ISCWAT DC PUBLIC
 DD UNDETERMIN

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STATE: MISSOURI

C_U_S_T_O_M_E_R		I_N_V_O_I_C_E		----- G R O S S -----		----- T A X E S -----				T O T A L	CC
Name or Number	Number	mmddyyyy		EXEMPT	TAXABLE	STATE	COUNTY	CITY	TRANSIT	T A X E S	TYPE
1107	10002829	11142000			3300.00	139.42	28.88			168.30	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8200			
1107	10002829	11142000			10000.00	422.50	87.50			510.00	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8000			
1107	10002829	11142000			2000.00	84.50	17.50			102.00	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8100			
1107	10002829	11142000			2000.00-	84.50-	17.50-			102.00-	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8100			
1107	10002829	11142000			6000.00	253.50	52.50			306.00	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8100			
1107	10002831	11142000			330.00-	13.94-	2.89-			16.83-	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8200			
1107	10002831	11142000			1000.00-	42.25-	8.75-			51.00-	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8000			
1107	10002831	11142000			600.00-	25.35-	5.25-			30.60-	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8100			
1107	3871	11142000			335.29-	14.17-	2.93-			17.10-	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:				
1107	3871	11142000			1015.88-	42.92-	8.89-			51.81-	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:				
1107	3871	11142000			609.61-	25.76-	5.33-			31.09-	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:				
1107	10002832	11152000			3300.00	139.42	28.88			168.30	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8200			
1107	10002832	11152000			10000.00	422.50	87.50			510.00	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8000			
1107	10002832	11152000			6000.00	253.50	52.50			306.00	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8100			
1107	DEMO-INV	11142000			10000.00	422.50	87.50			510.00	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8100			
1107	DEMO-INV	11142000			6600.00	278.85	57.75			336.60	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8200			
1107	DEMO-INV	11142000			6600.00-	278.85-	57.75-			336.60-	S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8200			
1107	DEMO-INV	11142000		6600.00							S 83
REAS CODE:		TAX CERT #:			MISC:	JURIS:	PROD CODE:	F8200			
* LOCAL TOTAL:	CLIFF VILLAGE			6600.00	44709.22	1888.95	391.22			2280.17	
** COUNTY TOTAL:	NEWTON			6600.00	44709.22	1888.95	391.22			2280.17	
STATE TOTAL:	MISSOURI			6600.00	44709.22	1888.95	391.22			2280.17	

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S U M M A R Y B Y S T A T E

						----- T A X E S -----				TOTAL
STATE	GROSS	CREDIT	EXEMPT	TAXABLE	STATE	COUNTY	CITY	TRANSIT		
MISSOURI	63800.00	12490.78	6600.00	44709.22	1888.95	391.22				2280.17

The boldfaced, larger numbers in this tax report correspond to the operations described below:

- 1 **AutoInvoice: Inserting two invoice lines.**
- 2 **Inserting New Line: Inserting a new invoice line.**
- 3 **Updating Line: Backing out the original line and inserting a new invoice line.**
- 4 **Manual Credit Memo: Inserting three credit lines.**
- 5 **Manual Adjustment: Inserting an adjustment.**
- 6 **Recurring Invoice: Inserting three Invoice Lines**
- 7 **Manual Invoice: Inserting two Invoice Lines**
- 8 **Applying an Exemption: Backing out one line and inserting a new line.**

Business Processes

This chapter provides an overview of the various accounting and business processes required for the Taxware integration. The following sections are included:

- Accounting for State and Local Taxes
- Working with Taxware Sales Tax Exemption Processing (STEP)
- Using Taxware Geocodes
- Monthly Procedures
- Reconciliation and Audit Procedures
- Support Procedures

Accounting for State and Local Taxes

Oracle Receivables will use the Tax Accounts defined in the Tax Locations and Rates window for each tax amount that you record on the customer invoice. Using Oracle Receivables, you can set up different liability accounts for each ship-to state of the invoice. Using different ship-to states lets you reconcile total tax amounts for each state to the Oracle and Taxware reports. This reconciliation can be used during audit to ensure that any given state has the total tax recorded correctly.

We recommend that you create liability accounts for each state. After you create and assign each account to each state using the Tax Locations and Rates window (based on your tax AutoAccounting setup), those accounts will be used automatically during invoice entry.

Origin and Destination-Based Taxes

Transactions that are subject to Origin and Destination-based tax will have the entire portion of tax recorded in the account noted on the Ship-to State. This does not impact reconciliation because Origin-based taxes are typically levied on District or other local taxes for intra-state transactions (transactions where the ship-from and ship-to states are the same).

Working with Taxware STEP

Taxware's STEP (Sales Tax Exemption Processing) allows you to control the taxability of transactions. By using Taxware STEP with Oracle Receivables, you can control taxability at state, county, secondary county, and secondary city levels based on Item, Bill-to Customer or Ship-to Jurisdiction. Once set up, the STEP program will automatically apply these rules to all sales orders and invoices.

The STEP program will use the Company, Customer, Address & Part Number, and Category fields for controlling Taxability. The integration provides this information to STEP as follows:

STEP Field	Oracle Value
Company	Constant 01
Division Code	Constant 01
Customer	Bill-to customer number of the invoice or order
Address	Ship to Address (State, County, City) with optional Jurisdiction code overrides as needed
Product Code	Segment1 of the Item Flexfield
Product Category	(not used)

Table 3 – 1 Taxware STEP and Oracle Values

When implementing Oracle Receivables, you can choose to record all of your taxability rules and customer/product exemptions using Taxware, Oracle, or a combination of both. If an Oracle exemption is found and applied to the tax calculation, the Taxware programs will still be called and the Taxware Tax Register will include the exempt tax line for complete audit and reconciliation.

You must enter product rate exceptions into Taxware STEP. Product rate exceptions stored in Oracle are not used when integrating with Taxware STEP.

For more information on using and changing the standard Oracle values, see: Tax View Functions: page 4–7.

Integration with Oracle Exemption Handling

Define Tax Exemptions

Exemption Certificates created within Oracle Receivables using the Tax Exemptions window can be used to control Taxware Sales/Use Tax System and STEP. If you enable Customer Exemptions in the Oracle Receivables System Options window, then any Primary Exemption Certificate that is applicable to a given Bill-to Customer and Ship-to State will be automatically used on Taxware tax calculations.

Using Oracle you can migrate from Oracle Tax Exemptions to STEP, allowing a flexible transition from legacy tax controls to the Taxware STEP program.

Order and Invoice Level Overrides

You can use the transaction level Tax Handling fields of Oracle Order Management and Oracle Receivables to provide transaction-level control of Exemptions. These three fields allow the Order Management or Invoice Entry clerks to override the STEP module, allowing a given transaction to be identified as exempt, documented with a reason and certificate number field. The Oracle Receivables profile option: Tax: Allow Override of Customer Exemptions is used to secure access to this feature.

Working with Taxware Jurisdiction Codes

Taxware Jurisdiction Codes

Jurisdiction codes are used by Taxware to identify a taxing jurisdiction. The two digit jurisdiction code supplements, but does not replace, the State plus five digit zip code. This code is an internal code that is understood by the Taxware Sales/Use Tax System integration. An example jurisdiction code is "CA9411400."

A jurisdiction code is typically needed when the state and zip code of an address do not uniquely identify the exact taxing jurisdiction. For example, the same city and zip can be found in multiple counties.

Using Jurisdiction Codes within Oracle Applications

The Oracle Receivables Customer Workbench and Oracle Sales Contacts workbench will automatically populate the county field of an address given the other field values.

Alternatively, all three fields (state, county, city) are automatically populated on the entry of a single zip code. If multiple candidates exist, then only those applicable location values are shown in the list of values. As a result, you rarely need to research an address and manually identify the county or jurisdiction codes before the customer can be invoiced.

The association of an address to a jurisdiction code is an automatic process, but can be manually overridden. For more information, see: Storing Tax Information in Oracle Receivables: page 4–20.

Monthly Procedures

Database Storage Requirements

The Oracle Receivables tables AR_LOCATION_VALUES and AR_LOCATION_RATES should be sized to allow a full upload of the Taxware TMDFL data file; a full upload requires approximately 75MB of free space. An additional 100MB of free space is required in the Taxware schema to allow the Taxware tables to be initialized.

Each audited tax calculation requires an approximate 1500 bytes of database storage within the Taxware Schema. Normally, each Oracle Receivables transaction line will need one audited tax calculation; however, manual changes to the invoice lines will require an additional 3000 bytes for each change.

For more information, please refer to the *Taxware Sales/Use Tax System Installation Manual* and Preparing to Load Sales Tax Rates in the *Oracle Receivables Tax Manual*.

Address Validation Data – Taxware TMDFL Data File

Each month Taxware will send an updated version of the TMDFL data file. You need to upload the TMDFL file into both Taxware Sales/Use Tax System and Oracle Receivables. This will ensure that Oracle Receivables has the latest information for address validation and jurisdiction code assignments.

As part of your standard monthly procedures, you can use the SQL*Loader script \$AR_TOP/bin/aravp.ctl to load the TMDFL data file into the Oracle Receivables Tax Interface tables. Then, run the Sales Tax Rate Interface program to transfer this data into Oracle Receivables. Repeat both of these steps each month as the Taxware data file is updated. These procedures will ensure that you have up to date address validation data available.

Use the following Unix script to execute the SQL*Loader program:

```
sqlload apps/apps control=$AR_TOP/bin/aravp.ctl  
data="tmdfl.dat" discard="avp.dis" rows=4096
```

Next, run the Oracle Receivables concurrent program Sales Tax Rate Interface using the following parameters:

Parameter	Value
Review or Upload	Load Changed Data Only in Tax Interface Table
Print Format	Print Warnings in Detail
State	<null>

Table 3 – 2 Sales Tax Rate Interface Parameters

Sales Tax Reporting and Reconciliation Processes

Before completing your tax returns using the Taxware Sales/Use Tax System reports, you should reconcile the total tax amounts held in Oracle Receivables, Oracle General Ledger, and the Taxware Sales/Use Tax Reports.

Oracle Receivables will post all tax amounts to the Taxware Tax Audit tables so that Taxware Reports can be used to assist the state and local tax filing process. Using Oracle, the Taxware Tax Ledger is posted online as the transactions are entered. This allows Oracle and Taxware to provide tax reports without a lengthy period end close procedure and a long running posting program. This online posting of tax, using Taxware, is a key benefit of the Oracle/Taxware product integration.

Since Oracle performs this posting of tax amounts automatically and for all transactions that you enter, you should ensure that the steps in the Reconciliation Checklist below have been completed before you close your period and report your state and local taxes.

Reconciliation Checklist

- ☐ All transactions must be completed and posted to the General Ledger. Ensure that no incomplete, manually entered transactions exist for your reporting period. Incomplete invoices and credit memos will still be recorded in the Taxware reports and as a result you may over or understate your state and local tax liabilities.

All incomplete transactions must be either completed or deleted from Oracle Receivables before the period is closed.



Suggestion: Run the Oracle Receivables Incomplete Invoice report to see all incomplete invoices, debit memos, and credit memos that exist for your reporting period.

- ❑ Reconcile Oracle Receivables total tax amounts by state to Oracle General Ledger. The Total Tax amounts by State reported by the Oracle Receivables US Sales Tax Report should reconcile to each state tax liability account held in Oracle General Ledger. If this reconciliation step fails, refer to Reconciling US Sales Tax in the *Oracle Receivables Tax Manual*.
- ❑ Reconcile Oracle total tax amounts by state to the Taxware Sales Tax Reports. After you run the Taxware reports, you should be able to reconcile the tax amounts by state to both Oracle Receivables and Oracle General Ledger. If this reconciliation step fails, you should verify that you have no incomplete transactions within Oracle Receivables.

Audit Process

Each taxable transaction line within Oracle Receivables will be recorded in the Taxware Sales/Use Tax System Reports as a single Taxware report line.

If a Receivables transaction line is updated, the integration will post two audit records to the Taxware Sales/Use Tax System Register to record the update. The first will reverse out the original value for tax, the second record will then post the updated values. This is illustrated in Update Lines: page 2-13.

During your audit, a given line in the Taxware register report may need to be grouped with the other lines within the same report before it can be reconciled to Oracle Receivables.

This process allows for a rapid period close, as long running posting programs do not have to be completed before the AR period is closed.



Attention: The Taxware Sales/Use Tax System reports and Oracle Receivables use different terms when referring to the tax calculation date and the accounting date for transactions. The table below summarizes these differences.

Value	Oracle Receivables	Taxware
Accounting Date	GL Date	Fiscal Date
Tax Calculation Date	Transaction Date	Invoice Date

Table 3 – 3 (Page 1 of 1) Terminology Differences

Support Procedures

If you have a support request concerning tax calculations, Oracle Receivables will document all the input and output parameters to the tax calculation. You can then use this information to document your support request.

Taxware error messages are prefixed with 'APP-11526:Taxware.' These messages can appear when you create invoices or sales orders. If you receive these error messages and are unsure why the error occurred, follow these procedures to document the parameters to the Taxware tax calculation and then refer back to the Taxware Sales/Use Tax System documentation and support procedures. Oracle error messages are prefixed with 'APP-####.'

If you are using Oracle Receivables AutoInvoice or the Copy Transaction program, run either program with the Message Level field in the System Options window set to 3. You can then use the complete log file to help document your support request.

If you are using the Oracle Receivables Transaction Workbench, please follow the steps below to document your support question:

Step 1 **Set Profile Option Tax: Debug File Directory**

Set the profile option Tax: Debug File Directory to a server side directory where a file that contains log messages will be created. You can set this profile option only at the Site level.

Note: This directory must be set as the value of one of the Oracle initialization parameters, "UTL_FILE_DIR". To see the current value of UTL_FILE_DIR, issue the following SQL statement in the apps schema:

```
select value from v$parameter where name =  
'utl_file_dir';
```

If this parameter does not contain a value, modify the initialization parameter file init<db_name>.ora to add the parameter and a value for it (where <db_name> is the name of your database).

Step 2 Set Profile Option Tax: Debug Flag

Set the profile option Tax: Debug Flag to Yes to create a file with debugging information. This log file can be created by any module that uses the Tax Engine (for example, Oracle Receivables or Order Management). You can set this profile option only at the User level.

A log file called <USERNAME>.log will be created in the directory specified by the profile option Tax: Debug File Directory (where <USERNAME> is your login username).

Technical Reference

This chapter describes the internal communication parameters between Oracle and Taxware, the Oracle tax view functions that support this communication, and how to extend the integration using user descriptive flexfields and the PL/SQL functions. This chapter also includes some commonly asked questions about using the Taxware Sales/Use Tax System with Oracle Receivables.

Available Parameters

The structure ARP_TAX.TAX_INFO_REC is the communications area for the integration with Taxware Sales Use Tax System. This structure passes information selected from the database views. The tax extension then calculates the tax and passes back all of the necessary output parameters through the same structure.

For more information about PL/SQL stored procedures and customizing Oracle Applications, contact your system administrator.



Warning: The parameters in ARP_TAX.TAX_INFO_REC are subject to change in subsequent releases of Oracle Applications. If you customize Oracle Applications to integrate your own PL/SQL tax calculations, you should review and test your custom code after each upgrade.

Member	Data Type	Parameter Type	Null Allowed	Related View Column
amount_includes_tax_flag	varchar2	input	no	AMOUNT_INCLUDES_TAX_FLAG
audit_flag	varchar2	input	no	AUDIT_FLAG
bill_to_customer_name	varchar2	input	yes	BILL_TO_CUSTOMER_NAME
bill_to_customer_number	number	input	yes	BILL_TO_CUSTOMER_NUMBER
bill_to_cust_id	number	input	no	BILL_TO_CUSTOMER_ID
bill_to_location_id	number	input	yes	BILL_TO_LOCATION_CCID
bill_to_postal_code	varchar	input	yes	BILL_TO_POSTAL_CODE
bill_to_site_use_id	number	input	yes	BILL_TO_SITE_USE_ID
calculate_tax	varchar2	input	yes	TAXABLE_FLAG
company_code	varchar2	input	yes	COMPANY_CODE
credit_memo_flag	boolean	input	no	(True if credit memo)
customer_trx_charge_line_id	number	input	yes	CUSTOMER_TRX_CHARGE_LINE_ID
customer_trx_id	number	input	yes	TRX_HEADER_ID
customer_trx_line_id	number	input	yes	TRX_LINE_ID

Table 4 – 1 (Table 1 of 4) Members of the database structure ARP_TAX.TAX_INFO_REC

Member	Data Type	Parameter Type	Null Allowed	Related View Column
default_ussgl_transaction_code	varchar2	input	yes	USSGL_TRANSACTION_CODE
division_code	varchar2	input	yes	DIVISION_CODE
extended_amount	number	input	yes	EXTENDED_AMOUNT
fob_point	varchar2	input	yes	FOB_CODE
gl_date	date	input	yes	GL_DATE
inventory_item_id	number	input	yes	INVENTORY_ITEM_ID
invoicing_rule_id	number	input	yes	INVOICING_RULE_ID
item_exception_rate_id	number	input/output	yes	TAX_EXCEPTION_ID
link_to_cust_trx_line_id	number	input	yes	TRX_LINK_TO_CUST_TRX_LINE_ID
memo_line_id	number	input	yes	MEMO_LINE_ID
minimum_accountable_unit	number	input/output	yes	MINIMUM_ACCOUNTABLE_UNIT
part_no	varchar2	input	yes	PART_NUMBER
payment_terms_discount_percent	varchar2	input	yes	PAYMENT_TERMS_DISCOUNT_PERCENT
payment_term_id	number	input	yes	PAYMENT_TERM_ID
poa_code	varchar2	input	yes	POA_ADDRESS_CODE
poa_id	number	input	yes	POA_ID
poo_code	varchar2	input	yes	POO_ADDRESS_CODE
poo_id	number	input	yes	POO_ID
precision	number	input/output	yes	PRECISION
previous_customer_trx_id	number	input	yes	PREVIOUS_TRX_HEADER_ID
previous_customer_trx_line_id	number	input	yes	PREVIOUS_TRX_LINE_ID
previous_trx_number	number	input	yes	PREVIOUS_TRX_NUMBER
qualifier	varchar2	input	no	LOCATION_QUALIFIER

Table 4 – 1 (Table 2 of 4) Members of the database structure ARP_TAX.TAX_INFO_REC

Member	Data Type	Parameter Type	Null Allowed	Related View Column
ship_from_code	varchar2	input	yes	SHIP_FROM_ADDRESS_CODE
ship_from_warehouse_id	number	input	yes	SHIP_FROM_WAREHOUSE_ID
ship_to_code	varchar2	input	yes	SHIP_TO_ADDRESS_CODE
ship_to_customer_name	varchar2	input	yes	SHIP_TO_CUSTOMER_NAME
ship_to_customer_number	number	input	yes	SHIP_TO_CUSTOMER_NUMBER
ship_to_cust_id	number	input	yes	SHIP_TO_CUSTOMER_ID
ship_to_location_id	number	input	yes	SHIP_TO_LOCATION_CCID
ship_to_postal_code	varchar2	input	yes	SHIP_TO_POSTAL_CODE
ship_to_site_use_id	number	input	yes	SHIP_TO_SITE_USE_ID
status	number	output	yes	(Default return code)
taxable_amount	number	output	no	TAXABLE_AMOUNT
taxable_basis	varchar2	input	yes	TAXABLE_BASIS
taxed_quantity	number	input	yes	TAXED_QUANTITY
tax_amount	number	input/output	yes	TAX_AMOUNT
tax_calculation_plsql_block	varchar2	input	yes	TAX_CALCULATION_PLSQL_BLOCK
tax_code	varchar2	input/output	yes	TAX_CODE
tax_control	varchar2	input/output	yes	TAX_EXEMPT_FLAG
tax_exemption_id	number	input/output	yes	VAT_TAX_ID
tax_header_level_flag	varchar2	input	yes	TAX_HEADER_LEVEL_FLAG
tax_line_number	number	input	yes	TAX_LINE_NUMBER
tax_rate	number	input/output	yes	TAX_RATE
tax_rounding_rule	varchar2	input	yes	TAX_ROUNDING_RULE
tax_vendor_return_code	varchar2	output	no	(Return code from tax vendor)
trx_currency_code	varchar2	input	yes	CURRENCY_CODE

Table 4 – 1 (Table 3 of 4) Members of the database structure ARP_TAX.TAX_INFO_REC

Member	Data Type	Parameter Type	Null Allowed	Related View Column
trx_date	date	input	yes	TRX_DATE
trx_exchange_rate	number	input	yes	EXCHANGE_RATE
trx_line_type	varchar2	input	yes	TRX_LINE_TYPE
trx_number	number	input	yes	TRX_NUMBER
trx_type_id	number	input	yes	TRX_TYPE_ID
userf1-10	varchar2	input	yes	ATTRIBUTE1-10
usern1-10	number	input	yes	NUMERIC_ATTRIBUTE1-10
vat_tax_id	number	input/output	yes	VAT_TAX_ID
vdrctrl_exempt	varchar2	input	yes	VENDOR_CONTROL_EXEMPTIONS
xmpt_cert_no	varchar2	input/output	yes	TAX_EXEMPT_NUMBER
xmpt_percent	number	input/output	yes	TAX_EXEMPT_PERCENT
xmpt_reason	varchar2	input/output	yes	TAX_EXEMPT_REASON

Table 4 – 1 (Table 4 of 4) Members of the database structure ARP_TAX.TAX_INFO_REC

Note: The taxable_amount output parameter is required and must be set by the PL/SQL program before returning control to the tax module. Additionally, the program must also set either the tax_amount or the tax_rate parameter. For more information, refer to the example below.

Example PL/SQL Formula

Following is an example of a PL/SQL formula to set the tax rate, tax amount, and taxable amount parameters.

```

create or replace procedure mytaxcalc as
begin
  -- Stored procedure example for user tax calculation.
  --
  -- The following example shows a constant rate tax calculation but
  -- highlights how Oracle rounds the returned amounts.
  --
  -- Set the Tax rate
arp_tax.tax_info_rec.tax_rate := 4.21231;
  --
  -- Set the Tax Amount. Oracle rounds the calculation as needed.
arp_tax.tax_info_rec.tax_amount:= arp_tax.tax_info_rec.extended_amount *
arp_tax.tax_info_rec.tax_rate / 100;
  --
  -- Set the Taxable Amount. This number will be used in reporting.
arp_tax.tax_info_rec.taxable_amount := arp_tax.tax_info_rec.extended_amount;
end;
.
/
show errors procedure mytaxcalc;

```

Tax View Functions

The views that will be used by the tax vendors will return some extra information that were passed a NULL value in the Oracle views. These values will be passed to the views through PL/SQL functions from the package ARP_TAX_VIEW_TAXWARE.

Additionally, the package will define the procedure GET_EXEMPTIONS, which will return information about exemptions. This procedure is not called by the views, but rather by the interface packages themselves.

The following functions will be defined for Taxware (ARP_TAX_VIEW_TAXWARE package).



Warning: Any modifications to the tax view functions are considered customizations and must be reapplied after applying any tax-only or Oracle Receivables patches.

Column Name	Function Name	Default Value
ATTRIBUTE1	CALCULATION_FLAG	Calculate tax at all jurisdiction levels
COMPANY_CODE	COMPANY_CODE	01
DIVISION_CODE	DIVISION_CODE	01
PRODUCT_CODE	PART_NUMBER	SEGMENT1 of MTL_SYSTEM_ITEMS
POA_ADDRESS_CODE	POA_ADDRESS_CODE	1) Organization jurisdiction code 2) Ship-From jurisdiction code 3) Ship-To jurisdiction code
POO_ADDRESS_CODE	POO_ADDRESS_CODE	1) Salesperson jurisdiction code 2) Ship-From jurisdiction code 3) Ship-To jurisdiction code
NUMERIC_ATTRIBUTE4	SERVICE_INDICATOR	Profile: TAXVDR_SERVICEIND
SHIP_FROM_ADDRESS_CODE	SHIP_FROM_ADDRESS_CODE	1) Warehouse jurisdiction code 2) Ship-to jurisdiction code
SHIP_TO_ADDRESS_CODE	SHIP_TO_ADDRESS_CODE	1) Ship-to jurisdiction code 2) ATTRIBUTE1 of AR_LOCATION_RATES
NUMERIC_ATTRIBUTE2	TAX_SEL_PARM	Profile: TAXVDR_TAXSELPARAM

Column Name	Function Name	Default Value
NUMERIC_ATTRIBUTE3	TAX_TYPE	Profile: TAXVDR_TAXTYPE
ATTRIBUTE2	USE_NEXPRO	Profile: TAXVDR_USENEXPRO
VENDOR_CONTROL_EXEMPTIONS	VENDOR_CONTROL_EXEMPTIONS	Job Number

Table 4 – 2 Tax View Functions

The PL/SQL functions are included in the Oracle Receivables file SAR_TOP/admin/sql/ARTXVWAB.pls on your installation CD and SAR_TOP/patch/115/sql/ARTXVWAB.pls in any maintenance patchsets that you apply.

The functions will be defined as follows: if the returned value has a combined meaning (for example, if the first character means something and the rest of the string means something else), this will be described; if the value is derived from a descriptive flexfield defined on a table, this will also be defined; if the value is derived from a field in a base table, this will also be defined.

```

FUNCTION CALCULATION_FLAG (
    p_view_name      IN VARCHAR2,
    p_header_id      IN NUMBER,
    p_line_id        IN NUMBER) RETURN
    VARCHAR2;

INPUT  p_view_name      Name of view calling
      p_header_id      this function
      p_line_id        ID of transaction header
                        ID of transaction line

      RETURNS          Jurisdiction level
                        calculation flag

```

This function returns a 5 character string. Each character returns a value to determine whether tax should be calculated at a particular level. Each character represents a particular jurisdiction level. A '1' indicates that tax should not be calculated for this level; a '0' indicates that tax should be calculated.

Character 1 is for the state tax, 2 is for the county tax, 3 is for the city tax, 4 is for the secondary county tax, and 5 is for the secondary city tax.

FUNCTION COMPANY_CODE (

p_view_name IN VARCHAR2,
p_header_id IN NUMBER,
p_line_id IN NUMBER) RETURN
VARCHAR2;

INPUT p_view_name Name of view calling
 p_header_id this function
 p_line_id ID of transaction
 header
 ID of transaction line

RETURNS Company code

This value controls the tax reporting level. Returns 01 for Taxware. Taxware also uses this value to determine exemptions entered into STEP.

The PL/SQL global variables

ARP_STANDARD.SYSPARM.SET_OF_BOOKS_ID and
ARP_STANDARD.SYSPARM.ORG_ID can be referenced from within
these functions for set of books and organization information.

FUNCTION DIVISION_CODE (

p_view_name IN VARCHAR2,
p_header_id IN NUMBER,
p_line_id IN NUMBER) RETURN
VARCHAR2;

INPUT p_view_name Name of view calling
 p_header_id this function
 p_line_id ID of transaction
 header
 ID of transaction line

RETURNS Division code

This value is used to control the tax reporting level and identifies exemptions defined in Taxware STEP. Returns '01' for Taxware.

The PL/SQL global variable
ARP_STANDARD.SYSPARM.SET_OF_BOOKS_ID and
ARP_STANDARD.SYSPARM.ORG_ID can be referenced from within
these functions for set of books and organization information.

PROCEDURE GET_EXEMPTIONS (

p_exemption_id	IN NUMBER
p_state_exempt_percent	OUT NUMBER,
p_state_exempt_reason	OUT VARCHAR2;
p_state_cert_no	OUT VARCHAR2,
p_county_exempt_percent	OUT NUMBER,
p_county_exempt_reason	OUT VARCHAR2,
p_county_cert_no	OUT VARCHAR2,
p_city_exempt_percent	OUT NUMBER,
p_city_exempt_reason	OUT VARCHAR2,
p_city_cert_no	OUT VARCHAR2,
p_sec_county_exempt_percent	OUT NUMBER,
p_sec_city_exempt_percent	OUT NUMBER,
p_use_step	OUT VARCHAR2,
p_step_proc_flag	OUT VARCHAR2,
p_crit_flag	OUT VARCHAR2);

INPUT	p_exemption_id	ID of exemption
OUTPUT	p_<juris>_exempt_percent	Exemption percent for jurisdiction
	p_<juris>_exempt_reason	Exemption reason for jurisdiction
	p_<juris>_exempt_cert_no	Exemption certificate number for jurisdiction
	p_use_step	Use STEP90 flag
	p_step_proc_flag	STEP processing flag
	p_crit_flag	Criterion flag

This function is called by the package ARP_TAX_TAXWARE (interface package) to determine the jurisdiction level exemption percentages.

If a Receivables exemption is not found, the function returns 'Y' for p_use_step, '1' for p_step_proc_flag, and 'R' for p_crit_flag. Therefore, if no exemptions are found in Oracle Receivables, STEP90 will be used and an invoice may still be exempt, depending on the setup of Taxware.

If p_exemption_id is NULL, then no exemptions were found. p_<juris>_exempt_percent, p_<juris>_exempt_reason, and p_<juris>_exempt_cert_no are passed NULL. Since no exemptions were found, STEP90 will be used to determine whether an exemption exists for this transaction. Therefore, p_use_step will be set to 'Y', p_step_proc_flag will be set to '1', and p_crit_flag will be set to 'R'. Otherwise, the state, county, city, secondary county and secondary city exemption percent will be determined from EXEMPT_PERCENT1, EXEMPT_PERCENT2, EXEMPT_PERCENT3, EXEMPT_PERCENT4 and EXEMPT_PERCENT5 respectively from the Vendor Exempt Rates descriptive flexfield. If these values do not exist, then the default exemption percent from the actual Oracle exemption certificate will be used. The exemption reason will be set to the value of the first two characters from the actual Oracle exemption for all jurisdiction levels.

Valid values for p_use_step:

Value	Description
Y	Call step90, use default record. If you enter Y and STEP does not find the exact reason code, STEP defaults to the first record for that customer.
L	Call step90, do not use default record, STEP only returns a record if an exact reason code match is found. (If a job number is passed and found, it overrides reason code.)
P	Call step90, search by product code. Step90 searches for certificates in the customer's state to see if the product code is covered by a certificate.
D	Call step90, search by reason code and accept default customer. This search looks for an exact match of reason code and the other fields passed. If an exact match is not found, step90 searches for the customer name "DEFAULT" with the reason code.
N	Do not call step90.

Table 4 – 3 Values for function p_use_step

Valid values for p_step_proc_flag:

Value	Description
1	Access ALL certificate levels individually (state, county, and city levels). If a job number is passed and found at the state level, the job number indicators are used to determine taxability. This flag is used only if there is no state certificate record or if the Default to State flag is blank.
space	Access state level ONLY. If the certificate applies at the state level, it will also apply at the county and city levels. If the certificate does not apply at the state level, it will not apply at the county and city levels either. This field tells tax010 whether to use step90. This field must be set for each call to step90. This field is not passed to STEP.

Table 4 – 4 Values for function p_step_proc_flag

Valid values for p_crit_flag:

Value	Description
R	Retail
D	E.D.I.
M	Manufacturing
C	Construction

Table 4 – 5 Values for function p_crit_flag

FUNCTION PART_NUMBER (

	p_view_name	IN VARCHAR2,
	p_header_id	IN NUMBER,
	p_line_id	IN NUMBER,
	p_item_id	IN NUMBER,
	p_memo_line_id	IN NUMBER) RETURN
		VARCHAR2;
INPUT	p_view_name	Name of view calling this
	p_header_id	function
	p_line_id	ID of transaction header
	p_item_id	ID of transaction line
	p_memo_line_id	ID of inventory item
		ID of memo line

RETURNS Item Category

This function returns the part number used by the vendors to determine exemptions for this line. This function will return SEGMENT1 from the MTL_SYSTEM_ITEMS table (System Items key flexfield). If a memo line is passed instead of an inventory item, then a NULL value is passed.

FUNCTION POA_ADDRESS_CODE (

 p_view_name IN VARCHAR2,
 p_header_id IN NUMBER,
 p_line_id IN NUMBER) RETURN
 VARCHAR2;

INPUT p_view_name Name of view calling this
 p_header_id function
 p_line_id ID of transaction header
 ID of transaction line

RETURNS The Point-of-Order-Acceptance Jurisdiction code and In/Out
 City Limits flag.

The first character of this function will return the In/Out City Limits
flag. For Taxware, the value of the first character is 1.

The rest of the string will be the value of the Jurisdiction code for the
Point-of-Order-Acceptance.

The Jurisdiction code is derived from SALES_TAX_GEOCODE of the
AR_SYSTEM_PARAMETERS_ALL table.

If this information is not available, then the default value of
'XXXXXXXXXX' will be returned. This will indicate to the interface
package that the ship-from jurisdiction code should be used. If no
ship-from jurisdiction code is found, then the ship-to jurisdiction code
will be used in place of the POA_ADDRESS_CODE.

FUNCTION POO_ADDRESS_CODE (

p_view_name	IN VARCHAR2,
p_header_id	IN NUMBER,
p_line_id	IN NUMBER,
p_salesrep_id	IN NUMBER) RETURN VARCHAR2;

INPUT	p_view_name	Name of view calling this function
	p_header_id	ID of transaction header
	p_line_id	ID of transaction line
	p_salesrep_id	ID of the primary sales representative

RETURNS The Point-of-Order-Origin Jurisdiction code and In/Out City Limits flag

The first character of this function will return the In/Out City Limits flag. For Taxware, the value of the first character is 1.

The rest of the string will be the value of the jurisdiction code for the Point-of-Order-Origin.

The Jurisdiction code is derived from SALES_TAX_GEOCODE of the RA_SALESREPS_ALL table.

If this information is not available, then the default value of 'XXXXXXXXXX' will be returned. This will indicate to the interface package that the ship-from jurisdiction code should be used. If no ship-from jurisdiction code is found, then the ship-to jurisdiction code will be used in place of the POO_ADDRESS_CODE.

FUNCTION SERVICE_INDICATOR (

p_view_name	IN VARCHAR2,
p_header_id	IN NUMBER,
p_line_id	IN NUMBER) RETURN
	VARCHAR2;

INPUT	p_view_name	Name of view calling this
	p_header_id	function
	p_line_id	ID of transaction header
		ID of transaction line

RETURNS Service Indicator

This function returns 1, 2, or 3: 1 indicates a service; 2 indicates a rental; 3 indicates a non-service. Returns the value of the profile option 'Tax Taxware: Service Indicator.'

FUNCTION SHIP_FROM_ADDRESS_CODE (

p_view_name	IN VARCHAR2,
p_header_id	IN NUMBER,
p_line_id	IN NUMBER,
p_warehouse_id	IN NUMBER) RETURN
	VARCHAR2;

INPUT	p_view_name	Name of view calling this
	p_header_id	function
	p_line_id	ID of transaction header
	p_warehouse_id	ID of transaction line
		ID of warehouse of the ship-
		from

RETURNS The Ship-from Jurisdiction code and In/Out City Limits flag

The first character of this function will return the In/Out City Limits flag. For Taxware, the value of the first character is 1.

The rest of the string will be the value of the Jurisdiction code for the ship-from.

The Jurisdiction code is derived from LOC_INFORMATION13 of the Location Address Descriptive Flexfield.

If this information is not available, then the default value of 'XXXXXXXXXX' will be returned. This will indicate to the interface

package that the ship-to address code should be used in place of the SHIP_FROM_ADDRESS_CODE.

FUNCTION SHIP_TO_ADDRESS_CODE (

p_view_name	IN VARCHAR2,
p_header_id	IN NUMBER,
p_line_id	IN NUMBER
p_ship_to_address_id	IN NUMBER,
p_ship_to_location_id	IN NUMBER,
p_trx_date	IN DATE,
p_ship_to_state	IN VARCHAR2,
p_postal_code	IN VARCHAR2) RETURN VARCHAR2;

INPUT	p_view_name	Name of view calling this function
	p_header_id	ID of transaction header
	p_line_id	ID of transaction line
	p_ship_to_address_id	ID of Ship-to address
	p_ship_to_location_id	ID of Ship-to location
	p_trx_date	Transaction Date
	p_ship_to_state	State of the ship-to
	p_postal_code	Zip code for the ship-to

RETURNS The Ship-to Jurisdiction code and In/Out City Limits flag

The first character of this function will return the In/Out City Limits flag. For Taxware, the value of the first character is 1.

The rest of the string will be the value of the Jurisdiction code for the ship-to.

The Jurisdiction code is derived from the SALES_TAX_GEOCODE column of the RA_ADDRESSES_ALL table.

If the Jurisdiction code is not found in the SALES_TAX_GEOCODE column of the RA_ADDRESSES_ALL table, this function will search for the Jurisdiction code in ATTRIBUTE1 of AR_LOCATION_RATES table.

If a value is not found, then a NULL value is passed back for Taxware. This will then cause an error to occur within the tax engine.

FUNCTION TAX_SEL_PARM (

p_view_name	IN VARCHAR2,
p_header_id	IN NUMBER,
p_line_id	IN NUMBER) RETURN VARCHAR2

INPUT	p_view_name	Name of view calling this function
	p_header_id	ID of transaction header
	p_line_id	ID of transaction line

RETURNS Tax selection parameter

This function returns the values '2' or '3.' A '2' indicates that only the ship-to address should be used; '3' indicates that all jurisdiction information be included in the tax calculation. This function returns the value of the profile option 'Tax Taxware: Tax Selection.'

FUNCTION TAX_TYPE (

p_view_name	IN VARCHAR2,
p_header_id	IN NUMBER,
p_line_id	IN NUMBER) RETURN VARCHAR2

INPUT	p_view_name	Name of view calling this function
	p_header_id	ID of transaction header
	p_line_id	ID of transaction line

RETURNS Tax Type

This function returns '1', '2' or '3.' A '1' indicates a Sales tax; '2' indicates a use tax; '3' indicates a Rental. This function returns the value of the profile option 'Tax Taxware: Tax Type.'

FUNCTION USE_NEXPRO (

	p_view_name	IN VARCHAR2,
	p_header_id	IN NUMBER,
	p_line_id	IN NUMBER) RETURN VARCHAR2
INPUT	p_view_name	Name of view calling this function
	p_header_id	ID of transaction header
	p_line_id	ID of transaction line
RETURNS	Use Nexpro	

Indicates whether the Nexpro functionality should be used by Taxware.

'Y' indicates that Nexpro should be used; 'N' indicates that it should not. This function returns the value of the profile option 'Tax Taxware: Use Nexpro.'

FUNCTION VENDOR_CONTROL_EXEMPTIONS (

	p_view_name	IN VARCHAR2,
	p_header_id	IN NUMBER,
	p_line_id	IN NUMBER,
	p_trx_type_id	IN NUMBER) RETURN VARCHAR2;
INPUT	p_view_name	Name of view calling this function
	p_header_id	ID of transaction header
	p_line_id	ID of transaction line
	p_trx_type_id	ID of the transaction type
RETURNS	Job Number	

This function returns the job number which will be used to determine exemptions for this line. This function will return ATTRIBUTE15 of the Transaction Type Information descriptive flexfield.

Storing Tax Information in Oracle Receivables

Many of the functions in the previous section and functionality of the interface package derive their values from descriptive flexfields or fields in Oracle Receivables windows. The following tables list all of the Descriptive Flexfields and Oracle Receivables fields you can use to store tax information. If these columns are not used, a default value is assigned.

Using any of the following Oracle Receivables fields or Descriptive Flexfields to store tax information is optional.

Predefined Descriptive Flexfields Used to Store Tax Information

The table below shows the predefined Descriptive Flexfields you can use to enter point of order acceptance (POA), point of order origin (POO), and ship-to information.

Table Name	Column	Window	Field Name(s)	Description
RA_TAX_EXEMPTIONS (Vendor Exempt Rates descriptive flexfield)	EXEMPT_PERCENT1	Tax Exemptions	State Exempt Percent	State Exempt Percent
	EXEMPT_PERCENT2		County Exempt Percent	County Exempt Percent
	EXEMPT_PERCENT3		City Exempt Percent	City Exempt Percent
	EXEMPT_PERCENT4		District Exempt Percent	District Exempt Percent

Table Name	Column	Window	Field Name(s)	Description
HR_LOCATIONS_V (Location Address descriptive flexfield)	LOC_INFORMATION13	Location Address	Sales Tax Override	Ship-From jurisdiction code
	LOC_INFORMATION14		Inside City Limits	Indicates whether the ship-from address is inside the city limits of the associated jurisdiction code.

Table 4 – 6 Predefined Oracle Descriptive Flexfields

User-Defined Descriptive Flexfields Used to Store Tax Information

If you want to use any of the following Descriptive Flexfields to store tax information, you must register each flexfield as required. Refer to the *Oracle Applications Flexfields Guide* for more information.

Table Name	Field Name	Column	Description	Value Set Name
AR_RECEIVABLES_TRX	Receivables Activity Information	ATTRIBUTE15	Post Adjustment to Taxware flag	AR_TAXVDR_YES_NO
RA_CUST_TRX_TYPES	Transaction Type Information	ATTRIBUTE15	Job Number	AR_TAXVDR_CHAR10

Table 4 – 7 User-Defined Oracle Descriptive Flexfields

Oracle Receivables Fields Used to Store Tax Information

The table below lists each field in Oracle Receivables that you can use to enter exemption percentage and ship-from information.

Table Name	Column	Window	Field Name(s)	Description
RA_SALESREPS_ALL	SALES_TAX_GEOCODE	Sales Force	Geo Override	Point of Order Acceptance jurisdiction code
	SALES_TAX_INSIDE_CITY_LIMITS		Inside City Limits	Indicates whether the POA address is inside the city limits of the associated jurisdiction code.
RA_ADDRESSES_ALL	SALES_TAX_GEOCODE	Customer Addresses	Geo Override	Ship-to GeoCode
RA_ADDRESSES_ALL	SALES_TAX_INSIDE_CITY_LIMITS	Customer Addresses	Inside City Limits	Indicates whether the ship-to address is inside the city limits of the associated jurisdiction code.

Table 4 – 8 Mapping Oracle Columns with Taxware Tax Information

Note: If you used Descriptive Flexfields in Oracle Receivables Release 10.7SC/NCA or Release 11 store tax information, the values are automatically populated into predefined Descriptive Flexfields and Receivables fields during the upgrade process. For more information, refer to the *Oracle Applications Upgrade Manual* for Release 11i.



Warning: Use of these columns is considered a customization. Functions supplied by Oracle may change in future releases to support these fields in core tables. Additionally, if these columns are in use by your customizations, you will need to either redefine the view functions so that they look in other attribute columns, or your customizations will need to be changed so that they reside in other locations.

Commonly Asked Questions

What benefits are there to the Taxware Sales Use Tax System integration?

- Oracle Receivables provides a simple solution to US Sales Tax Compliance that does not consider Origin-Based Taxes, Quantity Thresholds, or Muni/District Taxes.
- The integration with Taxware STEP allows you to calculate, account for, and report on these complex taxes. You may be required to consider these tax issues if you have multiple warehouses or if you have warehouses that are located in jurisdictions that include origin-based tax.
- Using your choice of tax vendors, you can dramatically reduce the costs associated with US Sales Tax compliance.

Who do I call to obtain Taxware products and services?

Taxware Sales Department
(978)–741–0101
<http://www.taxware.com>

When is the Tax Extension called to calculate a rate?

The Tax Extension is called whenever Oracle Receivables or Oracle Order Management calculates a sales tax or VAT rate. The following concurrent programs and windows do this:

- Oracle Order Management Sales Orders Workbench
- Oracle Order Management Sales Acknowledgment Report
- Receivables AutoInvoice program
- Receivables Transaction Workbench
- Receivables Copy Transactions window
- Oracle Sales 'Quotes' window
- iStore Order Capture

What Sales Tax Location flexfield structure should I select when implementing the Tax Extension within the US?

Oracle Applications provides the following default location structure for sites within the US:

- State.County.City

The State.County.City structure provides the greatest accuracy in locating a tax jurisdiction and tax rate given a customer address.

Additionally, the SQL*Loader control files, aravp.ctl and artaxware.ctl, support the State.County.City location flexfield structure.

Do we still need to upload the Tax Vendor monthly tax locations and rates file in to Oracle Receivables?

Yes. You need to upload the locations and rates file into both Oracle Receivables and the Tax Vendor. Oracle Receivables uses this information for address validation and Jurisdiction Code assignments.

How do we distinguish between tax rates calculated by Oracle and tax rates calculated by an installed Tax Vendor?

Receivables will mark tax lines for an invoice that have been calculated by an installed Tax Vendor.

Can an Oracle Order Management window call a Tax Vendor?

Yes, Oracle Order Management and Receivables share the same tax engine. This one engine will call a Tax Vendor if the vendor installed.

How do I implement tax on freight?

Receivables will calculate tax on freight lines if you can enter freight as a revenue line item. Additionally, you can automatically present freight lines as revenue lines during the Ship Confirm process within Oracle Order Management. If the Oracle Order Management user profile Tax: Invoice Freight as Revenue is set to Yes, the Oracle Order Management/Receivables Interface program will generate a standard invoice line for the freight amount, optionally using the inventory item defined by the user profile Tax: Inventory Item for Freight. Please refer to the *Oracle Receivables Tax Manual* for more information.

Does the Customer Interface program allow me to import US customer addresses without a County field when I have address validation set to 'Error' and a Sales Tax Location flexfield of 'State.County.City'?

No. When preparing to convert legacy data that only tracks state, city, and zip code, you will need to manually assign the correct county to each customer address before you import that customer into Oracle Receivables.

How do we enter item tax rate exceptions tax when using a Tax Vendor?

Item tax rate exceptions must be entered into the Tax Vendor software. Oracle Receivables and Oracle Order management do not pass item tax rate exception information to the Tax Vendor.

Reader's Comment Form

Integrating Oracle® Receivables with Taxware® Sales/Use Tax System A80835-01

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