

PeopleSoft®

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EnterpriseOne  
Global Solutions Japan 8.9  
PeopleBook

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**September 2003**



EnterpriseOne  
Global Solutions Japan 8.9 PeopleBook  
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## System Setup

Before you use J.D. Edwards software, you must set up and define certain information that the system uses during processing. You use this information to customize the system for your business needs.

## Setting Up Your System for Localization

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You must complete the system setup tasks that are included in the base guides, as well as country-specific tasks.

### Setting Up User Display Preferences

Some of J.D. Edwards localized software uses country-server technology to isolate country-specific features from the base software. For example, if during normal transaction processing, you record additional information about a supplier or validate a tax identification number to meet country-specific requirements, you enter the additional information using a localized program; and the tax validation is performed by a localized program instead of by the base software. The country server indicates that this localized program should be included in the process.

To take full advantage of J.D. Edwards localized solutions for your business, you must set up your user display preferences to specify the country in which you are working. The country server uses this information to determine which localized programs should be run for the specified country.

You use localization country codes to specify the country in which you are working. J.D. Edwards supplies localization country codes in user defined code table 00/LC. This table stores both two-digit and three-digit localization country codes. In addition, the Description 02 field contains the localization tier for each country. The localization tier determines the level of support that J.D. Edwards provides for that country.

You can also set up user display preferences to use other features in J.D. Edwards software. For example, you can specify how the system displays dates (such as DDMMYY, the typical European format) or specify a language to override the base language.

#### See Also

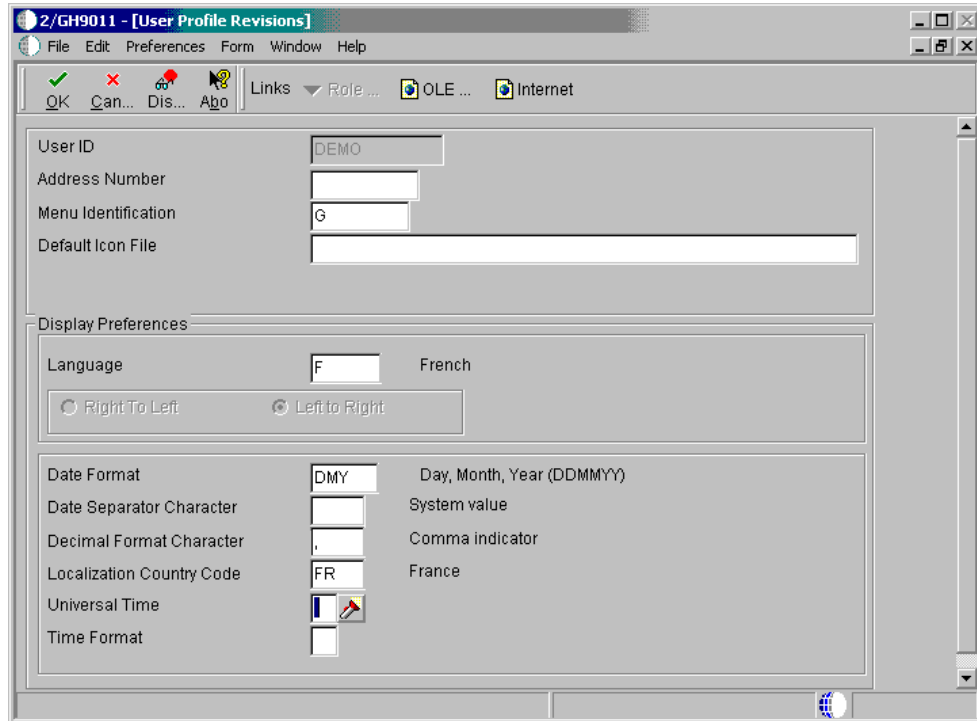
- *International Product Handbook* for more information about J.D. Edwards localization tier classifications and policies

#### ► To set up user display preferences

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*From the System Administration Tools menu (GH9011), choose User Profiles.*

1. On Work With User / Role Profiles, click Find to locate a user profile.  
You can complete fields on the QBE line to limit your search.
2. Choose a record and click Select.



3. On User Profile Revisions, complete the following field:
  - Localization Country Code
4. Complete the following optional fields:
  - Language
  - Date Format
  - Date Separator Character
  - Decimal Format Character
5. Click OK.

**See Also**

- *User Profiles* in the *System Administration Guide*

**Processing Options for User Profiles (P0092)**

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A/B Validation

Enter a '1' to enable editing on address book number against the F0101.

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## Setting Up User Defined Codes for Japan

Many fields throughout J.D. Edwards software accept only user defined codes. You can customize your system by setting up and using user defined codes that meet the specific needs of your business environment.

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### Caution

User defined codes are central to J.D. Edwards systems. You should be thoroughly familiar with user defined codes before you change them.

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### See Also

- *Customizing User Defined Codes* in the *Foundation Guide* for more information about user defined codes

### Document Type - Invoices Only (00/DI)

Set up original document types so that you can identify, group, and process similar transactions. In addition to the hard-coded document types that are used throughout J.D. Edwards software, you can set up document types that are based on your specific business needs.

You must enter the identical matching document types in user defined codes Document Type - Invoice Only (00/DI). For Japan, you can set up document types for:

- RI - Invoice
- RR - Recurring invoice
- RT - A/R fee & interest
- R2 - Contract billing
- R3 - Draft invoice

### Document Type - All Documents (00/DT)

Set up matching document types so that you can identify, group, and process similar transactions.

In addition to the hard-coded document types that are used throughout J.D. Edwards software, you can set up document types that are based on your specific business needs. You must enter the original identical document types in user defined codes Document Type - All Documents (00/DT). For Japan, you can set up document types for:

- RI - Invoice
- RR - Recurring invoice
- RT - A/R Fee & interest
- R2 - Contract billing
- R3 - Draft invoice

### **Payment Instrument (00/PY)**

Set up user defined codes to identify each payment instrument that you use. You can associate payment instruments with documents so that you can process similar documents together. For example, you can set up payment instruments for automatic debits and automatic receipts.

In addition, you can associate a payment instrument with a bank account and a print program to generate a check or a bank file.

To process discounted drafts in Japan, you must define a special payment instrument for discounted drafts. The system uses the special payment instrument in conjunction with the RD3x AAI to create the contingent liability transactions for discounted drafts.

For Japan, set up the following user defined codes:

- D - Draft by invoice (AR & AP)
- Q - Bank transfer - Japan

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### **Note**

You must set up a payment instrument in order to calculate withholding for Japan. See *Withholding Japanese Taxes* in the *Global Solutions Japan Guide*.

---

### **Address Book - Language (01/LP)**

Set up user defined codes to specify a language to use in forms and printed reports. Before any translations become effective, a language code must exist at either the system level or in your user preferences.

For Japan, a 3 is required in the Special Handling Code field in Address Book - Language (01/LP) to enable the secondary alpha name field in the address book to allow Kana names. The 3 in the Special Handling Code field also enables searching the description field in the Business Unit form.

### **Accounts Payable - Attachment Program - Payments (04/PA)**

Set up each of the programs that you use to print payment attachments as a user defined code. The following programs are available for Japan:

- P04573 (Auto Payment Detail)
- R04573JP (Japan Bank Paper Transfer)

### **Debit Statement Pgm - Payments (04/PD)**

Set up each of the programs that you use to print a debit statement with a payment as a user defined code. The following program is available for Japan:

- P04574 (Print Dbt Statement – Standard)

### **Print/Tape Program - Payments (04/PP)**

Set up each of the print or tape programs that you use to write payments as a user defined code. The following programs are available for Japan:

- R04572JP (Create A/P Bank Tape - Japan)
- R04572N (Print Automatic Payments – Draft Format)

### **Accounts Payable - Register Program - Payments (04/PR)**

Set up each of the programs that you use to print payment registers as a user defined code. The following programs are available for Japan:

- R04576JP (A/P Auto Payment Register – Japan)
- R04576N (A/P Auto Payment Register – Drafts)

### **Invoice Type - Japan (75/IC)**

Set up user defined codes to identify each type of invoice that you want to include in the summarized invoices (Kagami) that you print. For example, you can set up codes to identify:

- Document type - Invoices only UDC (00/DI)
- Document type - All documents UDC (00/DT)

### **Draft Status Code (75/PS)**

Set up user defined codes to identify the status of a draft in the Accounts Receivable system. For Japan, set up the following codes:

- # - Selected
- D - Received
- G - Remitted
- P - Paid (discounted drafts)
- R - Updated (discounted drafts)

### **Receipt Type - Japan (75/RE)**

Set up user defined codes to identify each type of receipt that you want to include in the summarized invoices (Kagami) that you print. For example, you can set up codes for the following types of receipts:

- RA - A - Adjustment
- RC - C - Cash receipts
- RK - A - Cash receipts - check
- RO - A - Reversing or void
- RV - A - Non-sufficient funds
- RA - A - Chargeback
- R1 - D - Draft

### **Bank Transfer Type (75/TT)**

Set up user defined codes to identify each type of bank transfer that your company uses. For Japan, set up codes for the following bank transfer types:

- Blank - Default
- E - Express bank transfer with bank charge
- L - Letter bank transfer with bank charge
- 7 - Express bank transfer without bank charge
- 8 - Letter bank transfer without bank charge

### **Withholding Tax Category (75/WT)**

Set up user defined codes to identify each type of withholding tax category that your company uses. For Japan, set up codes for the following withholding tax authority types:

- Blank - Without calculation
- 1 - Resident
- 2 - Nonresident
- 3 - Attorney

## **Setting Up Country Constants**

Country constants define how address book information prints on reports and mailing labels. Countries require specific information for postal addresses. If you conduct business in different countries, you must define mail formats for each country. When you set up country constants, you specify the mailing format for the country and a default country format.

Country constant information is stored in the Country Constants Master File (F0070).

### **Mailing Formats**

The Address Book system provides 16 mailing formats. When you use the Address Book Revisions program (P01012) to enter or revise an address book record, you assign a country code to the address book record. When you print a report or label, the system matches the country code that is assigned to the address book record with the country code that is stored in the F0070 table and prints the address in the format that is specified by the address format ID. When you set up country constants, you assign an address format ID to a country code.

### **Default Country Format**

When you set up country constants, you can include any of the following items for an address format ID:

- Attention line and location of the attention line
- Salutation and location of the salutation
- Postal code sign
- Country code

Each country code that you set up can include a different combination of these items, even if they have the same format number. For example, you assign an address format ID of 08 to both Brazil and Mexico. You want your Brazil address records to include an attention line. On the Set Up Country Constants form, you set up address format ID 08 to include attention line information such as attention abbreviation, attention name placement, and title location. When you print reports and labels for your Brazilian addresses, the attention information appears. The attention information does not appear for any other country using format address ID 08 unless you specify attention information on the Set Up Country Constants form for that country.

When you set up country constants, set up one constant with a blank country code. Enter all other information for that country constant, including the address format ID number.

You can set up only one format for each country.

---

**Caution**

When you change the address format ID for a specific country, all address book records that are associated with that country are affected. J.D. Edwards recommends that only authorized personnel are allowed to change country constants.

---

**Predefined Mailing Formats**

The following table shows the mailing formats that are shipped with the Address Book system, as well as the items included in each format. If you need more than 16 formats or if a format does not satisfy your business requirements, you must customize your system to accommodate the new formats.

The country, which is optional for these formats, is entered in the Country Constants Revisions program (P0070).

Mailing Format	Items Included
<b>Format 01</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• Postal Code/City</li> <li>• Country (optional)</li> </ul>
<b>Format 02</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• City</li> <li>• State</li> <li>• Postal Code</li> <li>• Country (optional)</li> </ul>
<b>Format 03</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• City/Postal Code</li> <li>• State</li> <li>• Country (optional)</li> </ul>

Mailing Format	Items Included
<b>Format 04</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• City/State/Postal Code</li> <li>• Country (optional)</li> </ul>
<b>Format 05</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• City</li> <li>• State</li> <li>• Country (optional)</li> </ul>
<b>Format 06</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• Postal Code/State/City</li> <li>• Country (optional)</li> </ul>
<b>Format 07</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• City</li> <li>• Country (optional)</li> </ul>
<b>Format 08</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• Postal Code/City/State</li> <li>• Country (optional)</li> </ul>
<b>Format 09</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• City/State</li> <li>• Postal Code</li> <li>• Country (optional)</li> </ul>
<b>Format 10</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• City/Postal Code</li> <li>• Country (optional)</li> </ul>
<b>Format 11</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Postal Code/City</li> <li>• Address Block</li> <li>• Country (optional)</li> </ul>
<b>Format 12</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• City/State</li> <li>• Postal Code</li> <li>• Country (optional)</li> </ul>

Mailing Format	Items Included
<b>Format 13</b>	<ul style="list-style-type: none"> <li>• Postal Code</li> <li>• Mailing Name</li> <li>• Address Block</li> <li>• City</li> <li>• Country (optional)</li> </ul>
<b>Format 14</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• City</li> <li>• County</li> <li>• Postal Code</li> <li>• Country (optional)</li> </ul>
<b>Format 15</b>	<ul style="list-style-type: none"> <li>• Postal Code</li> <li>• Address Block</li> <li>• City</li> <li>• Mailing Name</li> <li>• Country (optional)</li> </ul>
<b>Format 16</b>	<ul style="list-style-type: none"> <li>• Mailing Name</li> <li>• Address Block</li> <li>• Postal Code/City</li> <li>• Country (optional)</li> </ul>

### Before You Begin

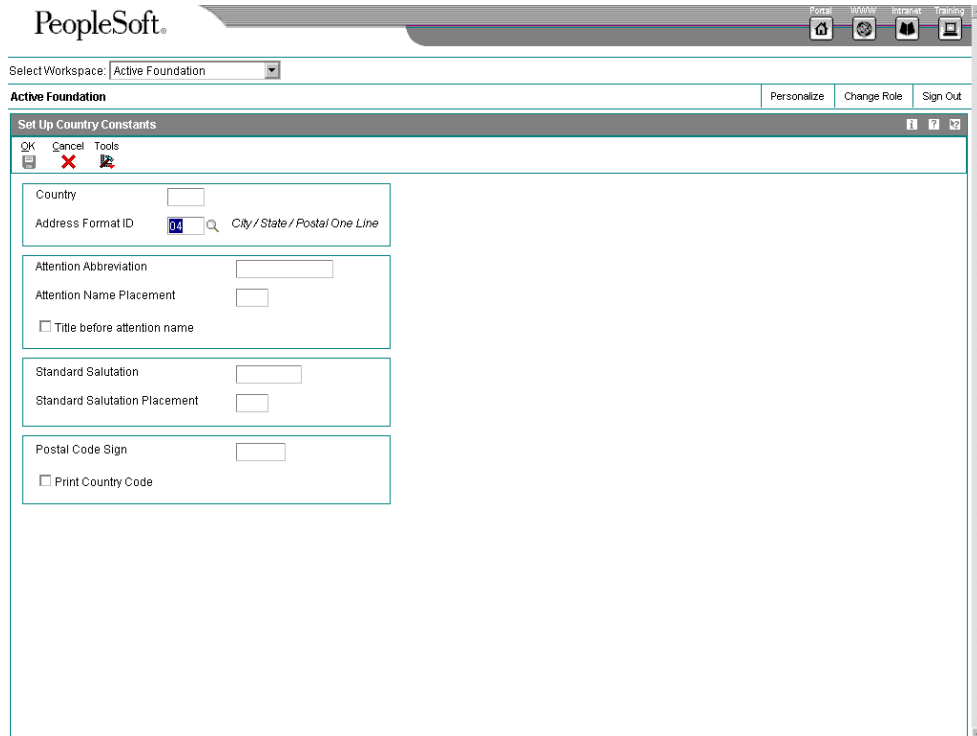
- ❑ Define country codes in UDC table 00/CN. To assign more than one address format ID for a country, define a second country code.

### ► To set up country constants

---

*From the Address Book Setup menu (G0141), choose Country Constants Revisions.*

1. On Work With Country Constants, click Add.



2. On Set Up Country Constants, complete the following fields:

- Country
- Address Format ID

3. Complete the following optional fields:

- Attention Abbreviation
- Attention Name Placement
- Title before attention name
- Standard Salutation
- Standard Salutation Placement
- Postal Code Sign

These optional fields are associated with the country code. If you enter values in these fields, the values appear on all address book records that use that particular country code.

4. Turn on the following option, if applicable:

- Print Country Code

5. Click OK.

## Setting Up Country Constants for Japan

Before you can use the Japan-specific programs in J.D. Edwards software, you must set up the Country Constants.

### ► To set up Country Constants for Japan

On the *Address Book Setup (G0141)* menu, choose *Country Constants Revision*.

1. On *Work With Country Constants*, locate the Japan country code (JP) and click *Select*.

The screenshot shows a PeopleSoft web interface window titled "Country Constants Revisions - Set Up Country Constants". The window has a standard menu bar with "OK", "Cancel", and "Tools". Below the menu bar, there are several input fields and checkboxes:

- Country:** A text box containing "JP".
- Address Format ID:** A text box containing "15". To its right, the text "Mailing Name Last" is displayed.
- Attention Abbreviation:** An empty text box.
- Attention Name Placement:** An empty text box.
- Title before attention name
- Standard Salutation:** An empty text box.
- Standard Salutation Placement:** An empty text box.
- Postal Code Sign:** An empty text box.
- Print Country Code

2. On *Set Up Country Constants*, enter 15 in the following field, and then click *OK*:

- Address Format ID

When you enter 15 in the Address Format ID field, you enable the Mailing Name Last address format to unify the appearance of addresses on documents, reports, and mailing labels.

## Setting Up Currency Codes

For your currency amounts to reflect the correct decimal positions, you must set up a currency code for each currency with which you work. For each currency code, you also assign a program that converts amounts to words when writing payments.

After you set up your currency codes, you assign them to:

- Companies
- Monetary accounts (usually bank accounts)
- Suppliers and customers
- Ledger types

The system stores currency code information in the Currency Codes table (F0013).

The currency codes that are provided with the J.D. Edwards demo data are recognized by the International Organization for Standardization (ISO).

### ► To set up currency codes

---

*From the Multi-Currency Setup menu (G1141), choose Designate Currency Codes.*

1. On Work With Currency Codes and Rates, click Add.

The screenshot shows the 'Set Up Currency Codes' dialog box in the PeopleSoft application. The dialog is titled 'Set Up Currency Codes' and has a toolbar with 'OK', 'Cancel', and 'Tools' buttons. The main area contains four input fields: 'Currency Code' with 'EUR', 'Description' with 'Euro', 'Display Decimals' with '2', and 'Amount to Word Translator' which is empty. The background shows the PeopleSoft interface with 'Active Foundation' selected in the workspace dropdown and navigation links for 'Personalize', 'Change Role', and 'Sign Out'.

2. On Set Up Currency Codes, complete the following fields:

- Currency Code
- Description
- Display Decimals

---

**Caution**

After you specify the number of decimal positions for a currency in the Display Decimals field, do not change it. If you change it, transactions that are already processed will be adversely affected.

---

3. Enter a translator program number in the following field and click OK:

- Amount to Word Translator

The translator program number that you enter in this field must exist in UDC 98/CT. Each program number is hard-coded and converts numeric values to words on payments based on the language specified for the translator program, regardless of the language specified for the user profile. The number of decimal places is also hard-coded in the translator program.

For example, translator program number X00500FR is a French program that would convert 2,454.25 EUR to DEUX MILLE QUATRE CENT CINQUANTE QUATRE ET 25/100\*\*\*\*\*.

You can override the translator program number assigned to a currency in the processing options for the print payment program (R04572 and so on). If you leave the Amount to Word Translator field blank and do not assign a translator program number in the print payment program, the system converts numeric values to English words.

## How Currency Decimals Are Managed

The number of decimal positions that the system displays for an amount varies according to the currency code and the type of ledger used for the transaction. Review the following table to determine how the system manages decimals in a multicurrency environment.

Decimals	Description
Decimals for amounts that appear without a company number	Controlled by the value of the Display Decimals field (CDEC) in the Data Dictionary for the amount fields used.
Decimals for transaction amounts in ledger type AA (domestic currency)	Controlled by the base (company) currency code. The number of decimals for a currency is defined in the Currency Codes table (F0013).
Decimals for amounts in unit ledgers (ledger types ending in U)	Controlled by the value of the Display Decimals field (CDEC) in the Data Dictionary for the amount fields used.
Decimals for transaction amounts in ledger type CA (foreign currency) Post Account Balances by Currency: On	Controlled by the transaction currency code. The number of decimals for a currency is defined in the F0013 table.

Decimals	Description
Decimals for transaction amounts in ledger type CA (foreign currency)  Post Account Balances by Currency: Off	Controlled by a general ledger account currency code, if applicable, or the transaction currency code associated with a specific total amount.  The system obtains the currency code from the following tables in the order listed: <ul style="list-style-type: none"> <li>• Account Balances (F0902) and Asset Account Balances File (F1202)</li> <li>• Account Ledger (F0911)</li> <li>• Customer Ledger (F03B11) and Accounts Payable Ledger (F0411)</li> </ul>
Decimals for transaction amounts or balances that are not unit, AA, or CA ledger types	Controlled by the base (company) currency code. The number of decimals for a currency is defined in the F0013 table.  <b>Note</b> An exception to this rule occurs when a currency has been assigned to a ledger type in the Ledger Type Master File (F0025). In this case, the decimals are controlled by the currency assigned to the ledger, not the company.

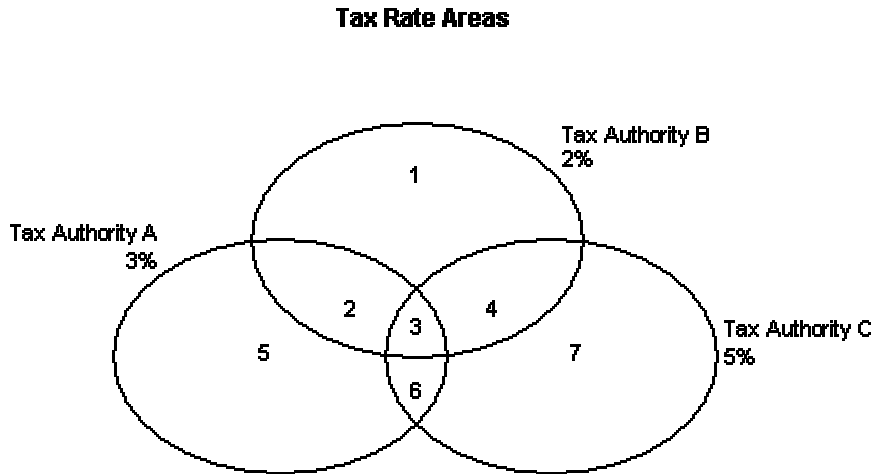
## Setting Up Tax Rate Areas

To calculate and track the different taxes that you pay to your suppliers or for your customers, you must set up tax rate areas. Each tax area is a physical, geographic area, such as a state, province, or county. Different tax authorities assess a variety of taxes for each geographic area. Additionally, each authority within a tax area can have a different tax rate.

When you set up tax rate areas, you must specify effective dates. The system does not check for duplicate tax rate and area information, which means that you can set up different tax rates and effective date ranges for the same tax rate and area. The system checks for overlapping effective date ranges. When an overlap exists, the system issues an error.

The Tax Rates/Areas program (P4008) also provides features for special situations. For example, you can specify whether tax is calculated as "tax-on-tax," whether a portion of the tax is nonrecoverable (available for input credits), and whether maximum unit cost is associated with a particular item.

The following diagram illustrates how some tax areas could be organized:



The three circles represent three tax authorities. The seven numbered areas represent tax areas.

Notice that tax authority jurisdiction can overlap and that a tax area can be assessed taxes by one or more tax authorities. The tax rate for a tax authority does not vary from one tax area to another. Tax authority A assesses a 3% tax in tax areas 2, 3, 5, and 6.

For each tax area, however, the total tax burden can vary. It is the cumulative effect of multiple tax authorities for a single tax area that causes the tax burden to vary from one tax area to another. For example, the businesses located in tax area 5 must remit tax to only one tax authority (Tax Authority A for 3%). Businesses in tax area 2 remit taxes to two tax authorities (Tax Authorities A for 3% and B for 2%), and businesses in tax area 3 remit taxes to all three tax authorities.

You can run a report to review all of the tax areas that are set up.

### **Tax Rate Areas for Items**

You can specify tax information for an item or group of items. To specify tax information for an item, set the processing option to validate information against the Item Branch File table (F4102) and enter the item number in the tax rate area.

To specify a tax rate for an item group, enter one of the valid options in the Sales Taxable Y/N field on the Item Branch/Plant Info. form (W41026A). Options 3 through 8 are for grouping items together based on the tax rate. You set up the tax rate by area for one of the options and then specify the option for like items on the Item Branch/Plant Info. form.

### **Revising Tax Rate Areas**

You can revise any of the information for the tax rate area except the expiration date. If you need to extend the expiration date of a tax rates area, you must enter a new tax rate area record.

## See Also

- ❑ *Setting Up a Base Pricing Structure* in the *Sales Order Management Guide* for more information about setting up item and customer price groups
- ❑ *Setting Up a Tax Rate for Intra-Community VAT* in the *Global Solutions Italy Guide*

## Nonrecoverable VAT

When they sell their goods, most countries that pay value added taxes (VAT) fully recover the amount of VAT that they paid. In other words, VAT paid in accounts payable is offset against any VAT collected in accounts receivable to reduce the amount owed to the government or, in some cases, to generate a tax rebate. Exceptions to this rule might include expenses such as meals and entertainment, which are only 50% recoverable.

When you cannot recover all of the VAT that you pay, you must set up the tax rate area to indicate the percentage of tax that is nonrecoverable (or not available for credit). When you use the tax rate area in a transaction, the system credits the VAT account for the amount that can be recovered only. The system does not create a separate entry to an account for the nonrecoverable amount; however, it does store the amount in the Accounts Payable Ledger (F0411) and Customer Ledger (F03B11) tables.

The system only recognizes nonrecoverable VAT when using type explanation codes V, B, and C.

### Example: Using Nonrecoverable VAT

When you set up a tax rate area that has nonrecoverable VAT, you enter the percent of the nonrecoverable tax on a separate line. Although the system requires a tax authority, it does not use the tax authority for reporting. When you specify a nonrecoverable percent, such as 50, the percent applies to the total tax on the tax rate area. However, if you set up the tax rate area for multiple tax authorities, the system applies the nonrecoverable tax to the first tax authority defined.

For example, the following tax rate area has two tax authorities specified, as well as a nonrecoverable percent.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation

Personalize Change Role Sign Out

Tax Rate/Area Revisions

OK Cancel Form Tools

Tax Rate/Area: ONT Effective Date: 07/01/01

Description: Canadian GST Tax (Ontario) Expiration Date: 06/12/31

**Tax Authorities**

Address	Tax Authority	G/L Offset	Tax Rate
4090	Revenue of Canada		7.000
4030	Treasurer of Ontario		8.000
TOTAL TAX			15.000

Compound Tax

VAT Expense

VAT Expense

VAT Expense

**Inventory/Purchasing/Sales Order**

Item Number: Maximum Unit Cost:

When you enter a voucher or invoice and use this tax rate area (ONT), the system will apply the entire 50% to the account associated with the G/L Offset GST.

In this example, the AAIs associated with the tax rate area point to the following accounts:

- 1.4444 for RTGST
- 1.4445 for RTPST

If you enter an invoice for a taxable amount of 1,000 USD, the system calculates the tax amount as 150 USD (1,000 x .15) and the gross amount as 1,150 (1,000 + 150). When you post the invoice, the system creates the following entries:

Doc Type	Account	Account Description	Debit	Credit	Calculation
RI	3.5010	Store Sales		1,075	Taxable + (Tax x 50%)
AE	1.1210	A/R Trade	1,150		Taxable + Tax
AE	1.4444	VAT Payable (GST)	5*		(1,000 x 7%) - 75 = - 5
AE	1.4445	VAT Payable (PST)		80	1,000 x 8% = 80

\*Normally, the entry to VAT Payable is a credit, but because the system calculates a - 5 (credit), it debits the account.

## Before You Begin

- ❑ Set up the tax authorities in the address book.
- ❑ Set up the necessary tax AAls.

### ► To set up tax rate areas

From the *Tax Processing and Reporting* menu (G0021), choose *Tax Rate/Areas*.

1. On *Work With Tax Rate/Areas*, click *Add*.

The screenshot shows the PeopleSoft web interface for the 'Tax Rate/Areas - Tax Rate/Area Revisions' form. The form is titled 'Active Foundation' and includes a 'Select Workspace' dropdown set to 'Active Foundation'. The main form area contains the following fields and sections:

- Tax Rate/Area:** CO
- Effective Date:** 01/01/07
- Description:** Colorado State & Regional Tax
- Expiration Date:** 12/31/06
- Tax Authorities:**

Address	Tax Authority	GL Offset	Tax Rate	
4010	Colorado State Treasurer	TXTX	3.800	<input type="checkbox"/> Compound Tax
				<input type="checkbox"/> VAT Expense
				<input type="checkbox"/> VAT Expense
				<input type="checkbox"/> VAT Expense

TOTAL TAX: 3.800
- Inventory/Purchasing/Sales Order:**

Item Number		Maximum Unit Cost	
-------------	--	-------------------	--

2. On *Tax Rate/Area Revisions*, complete the following fields:

- Tax Rate/Area
- Description
- Effective Date
- Expiration Date
- Tax Auth 1  
Enter the address number of the tax authority.

- G/L Offset  
Only tax explanation code V uses the G/L Offset for the 2nd and subsequent tax authorities. The system ignores the field for all other tax explanation codes.
- Tax Rate

---

**Note**

If you use tax explanation codes B (VAT + Use) or C (VAT + sales), you must enter the VAT tax authority and tax rate on the first line of the tax rate area.

---

3. To calculate tax on the previous tax rate entered, activate the following option:
  - Compound Tax  
The system calculates compound tax only when you use tax explanation codes B and C. To calculate compound taxes for tax explanation code V (VAT), use tax explanation code V+.
4. To calculate a nonrecoverable VAT percentage, complete steps 5 and 6; otherwise, proceed to step 7.
5. Turn on the following option:
  - VAT Expense
6. Complete the following field to specify the nonrecoverable VAT percent:
  - Tax Rate  
The nonrecoverable percent applies to the first tax rate only when using tax explanation codes C and B. For other tax explanation codes, the system multiplies the nonrecoverable percent by the total tax, but applies it to the first tax authority only.
7. Verify the system-supplied information in the TOTAL TAX field:
8. To specify tax rate/area information for an inventory item, complete the following fields:
  - Item Number  
You can enter an item number or an item group (3–8). If you enter an item group, you must set the Validation processing option to 0; otherwise, the system validates the number specified for a group as an item.
  - Maximum Unit Cost  
These fields are used in the sales and procurement systems only. You can disable these fields by setting a processing option.
9. Click OK.
10. On Work With Tax Rate/Areas, to print the tax rates that are set up, choose Tax Area Report from the Report menu.

## Processing Options for Tax Rate/Areas (P4008)

---

### Display

Enter a value to either show or hide the Item Number and Maximum Unit Cost fields.

1 = show these fields

0 = hide these fields

### Edits

Enter a value to validate Item Numbers

1 = Validate Item Numbers

0 = Do not validate Item Numbers

---

## Setting Up Tax Rates and Areas for Consumption Tax

To calculate and track the different taxes that you pay to your customers and suppliers, you must set up tax areas and rates. Each tax area is a physical, geographic area, such as a state, province, or county. Different tax authorities assess a variety of taxes for each geographical area. Additionally, each authority within a tax area can have a different tax rate. You set up tax rates in the Tax Rates/Areas (P4008) program.

Japan has three percentage rates for both accounts payable and accounts receivable. You must set up the appropriate tax rate to calculate payable taxes.

## Setting Up Fiscal Date Patterns

Fiscal date patterns specify the beginning date for the fiscal year and the end date for each period in that year. The system must have a calendar, or fiscal date pattern, associated with each company in your organization. When you enter transactions, the system uses the G/L date of each transaction to establish where to post the transaction in the company's fiscal date pattern.

You can use the regular fiscal date pattern (system-defined by the letter R) or define your own (represented by the letters A–N). The regular pattern includes 14 periods for the following accounting needs:

- 12-period accounting

This type of accounting contains one period per month.

- 13-period accounting  
This type of accounting contains one period per month, plus one period used only for adjustments.
- 14-period accounting  
This type of accounting contains one period per month, plus two periods used only for adjustments.
- 4-4-5-period accounting  
This type of accounting divides the fiscal year into four quarters with each quarter containing 13 weeks (4+4+5=13 weeks). The retail industry typically uses this date pattern so that they can compare accounting periods with exactly the same length. Months with 28, 30, or 31 days are not the same length and therefore do not provide an exact basis for comparison.

After you define a fiscal date pattern for a company, you can assign it to other companies. If your companies all use the same fiscal date pattern, define it once and then assign it to all companies that reference it. You cannot set up a company until you set up the fiscal date pattern for the company. You can access the fiscal date pattern forms without specifying a company.

The system uses the last day of the first period (period 1) to determine the fiscal year for all processing, including financial reports and all reports with processing options that allow you to set the fiscal year.

You cannot define more than one fiscal date pattern for the same fiscal year, which could happen with short years. For example, if you define period 1 of 2005 to end on January 7, 2005, and period 1 of 2006 to end on December 31, 2005, the system considers both of these to be fiscal year 2005.

Fiscal date patterns are stored in the Date Fiscal Patterns table (F0008).

Typically, you should not change a fiscal date pattern unless you are restructuring your company.

You cannot delete a fiscal date pattern if the pattern code and fiscal year exist together in the Company Constants table (F0010).

## See Also

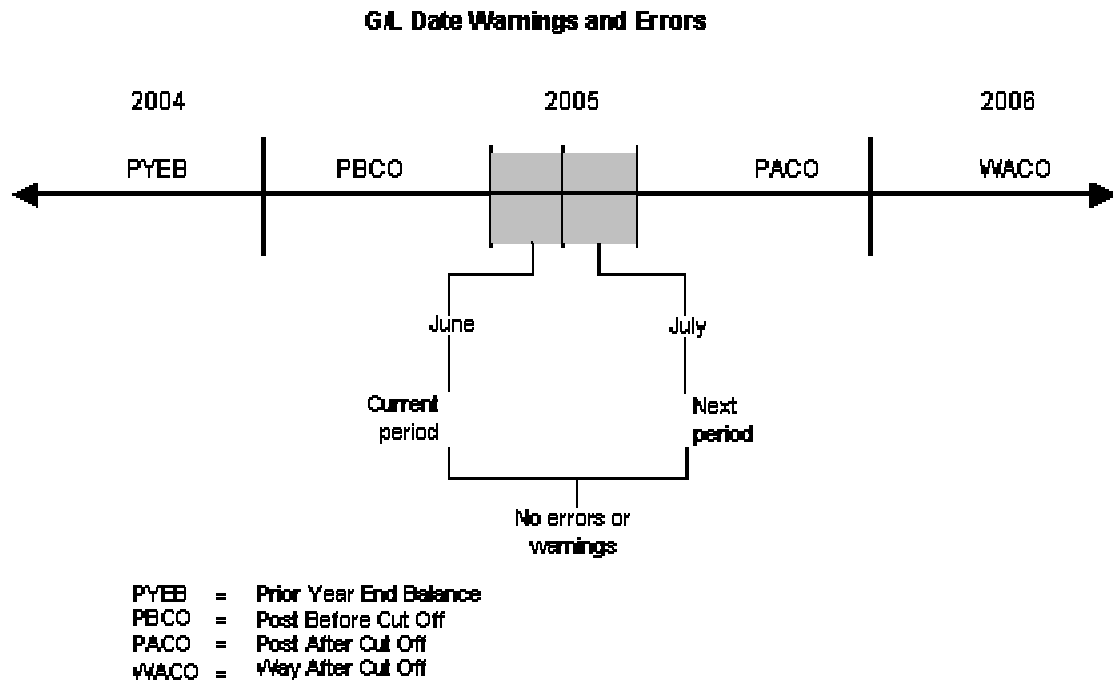
See the following topics in the *General Accounting Guide*:

- ❑ *G/L Date Warnings and Errors* for more information about the G/L date warnings and errors that the system generates
- ❑ *To set up fiscal date patterns for 12-period accounting* for more information about how to set up your system for 12-period accounting
- ❑ *To set up fiscal date patterns for 13-period accounting* for more information about how to set up your system for 13-period accounting
- ❑ *To set up fiscal date patterns for 14-period accounting* for more information about how to set up your system for 14-period accounting
- ❑ *To set up fiscal date patterns for 4-4-5-period accounting* for more information about how to set up your system for 4-4-5 period accounting

## G/L Date Warnings and Errors

When you enter, review, or revise a transaction, the system validates the G/L date against the open periods for the system (General Accounting, Accounts Payable, or Accounts Receivable) in the company constants. The open periods are the current and the next accounting period, even if the next accounting period is in the next fiscal year. If you enter, review, or revise a transaction with a G/L date that is not in the open periods, you receive a warning or an error message.

In the following example, the current period is June (period 06). If you enter, review, or revise transactions in periods 06 and 07 (June and July), you do *not* receive a warning or an error message because these are open periods.



## Warning and Error Messages

The following table describes the warnings and error messages that you receive when you enter a transaction outside of the two-period window. The message that appears depends on the settings in your general accounting constants and fiscal date patterns.

<b>PYEB - Prior Year-End Balance</b>	<p><b>Reason:</b> You entered a G/L date for the prior year.</p> <p><b>Result:</b> The system issues an error message and does not accept the entry.</p> <p><b>Solution:</b> For journal entry transactions only, you can use document type ## to enter and post entries to a prior year (for example, to make audit adjustments).</p>
<b>PBCO - Post Before Cut Off</b>	<p><b>Reason:</b> You entered a G/L date that is prior to the current period.</p> <p><b>Result:</b> The system issues either a warning or an error message, depending on the PBCO setting in your general accounting constants.</p> <p><b>Solution:</b> If the PBCO feature is not activated, the system issues an error message and you must change the date of the transaction so that it is in the current period, or change the constant to allow PBCO entries.</p> <p>If the PBCO feature is activated, the system issues a warning and you can click OK to accept the entry.</p>
<b>PACO - Post After Cut Off</b>	<p><b>Reason:</b> You entered a G/L date that is after the two-period window.</p> <p><b>Result:</b> The system issues either a warning or an error message, depending on how the fiscal date pattern is set up.</p> <p><b>Solution:</b> If the fiscal date pattern is not set up for the full year, the system issues an error message. You must change the G/L date of the transaction to be within the two-month window, or set up the fiscal date pattern for the entire year.</p> <p>If the fiscal date pattern is set up for the full year, the system issues a warning and you can click OK to accept the entry.</p>
<b>WACO - Way After Cut Off</b>	<p><b>Reason:</b> You entered a G/L date for a future year that is not the next accounting period.</p> <p><b>Result:</b> The system issues either a warning or an error message, depending on how the fiscal date pattern is set up.</p> <p><b>Solution:</b> If the fiscal date pattern is not set up for the future year, the system issues an error message. You must change the G/L date of the transaction.</p> <p>If the fiscal date pattern is set up for the future year of your transaction, the system issues a warning and you can click OK to accept the entry.</p> <p><b>Note</b></p> <p>If you are in the last fiscal period and you enter a transaction into the first fiscal period of the next year, the system does not issue a warning; the open period is the current and next fiscal period regardless of the year.</p>

**See Also**

- ❑ *Setting Up Fiscal Date Patterns* in the *General Accounting Guide* for more information about how to set up fiscal date patterns
- ❑ *Setting Up Constants for General Accounting* in the *General Accounting Guide* for more information about how to set up the Allow PBCO constant

► **To set up fiscal date patterns for 12-period accounting**

---

You can set up fiscal date patterns for the current fiscal year, the preceding fiscal year, and the next fiscal year.

*From the Organization & Account Setup menu (G09411), choose Company Names & Numbers.*

1. On Work With Companies, choose Date Pattern from the Form menu.
2. On Work With Fiscal Date Patterns, click Add.

Period	End Date	Period	End Date
1	1/31/05	8	8/31/05
2	2/28/05	9	9/30/05
3	3/31/05	10	10/31/05
4	4/30/05	11	11/30/05
5	5/31/05	12	12/31/05
6	6/30/05	13	
7	7/31/05	14	

3. On Set Up Fiscal Date Pattern, complete the following fields:
  - Fiscal Date Pattern
  - Date Fiscal Year Begins
4. Complete the following field for each of the 12 periods in the pattern, and then click OK:
  - End Date

► **To set up fiscal date patterns for 13-period accounting**

---

You can set up fiscal date patterns for the current fiscal year, the preceding fiscal year, and the next fiscal year.

*From the Organization & Account Setup menu (G09411), choose Company Names & Numbers.*

1. On Work With Companies, choose Date Pattern from the Form menu.
2. On Work With Fiscal Date Patterns, click Add.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Set Up Fiscal Date Pattern

OK Cancel Tools

Fiscal Date Pattern: R

Date Fiscal Year Begins: 1/1/05

Period	End Date	Period	End Date
1	1/31/05	8	8/31/05
2	2/28/05	9	9/30/05
3	3/31/05	10	10/31/05
4	4/30/05	11	11/30/05
5	5/31/05	12	12/31/05
6	6/30/05	13	
7	7/31/05	14	

3. On Set Up Fiscal Date Pattern, complete the following fields:
  - Fiscal Date Pattern
  - Date Fiscal Year Begins
4. Complete the following field for each of the 13 periods in the pattern, and then click OK:
  - End Date

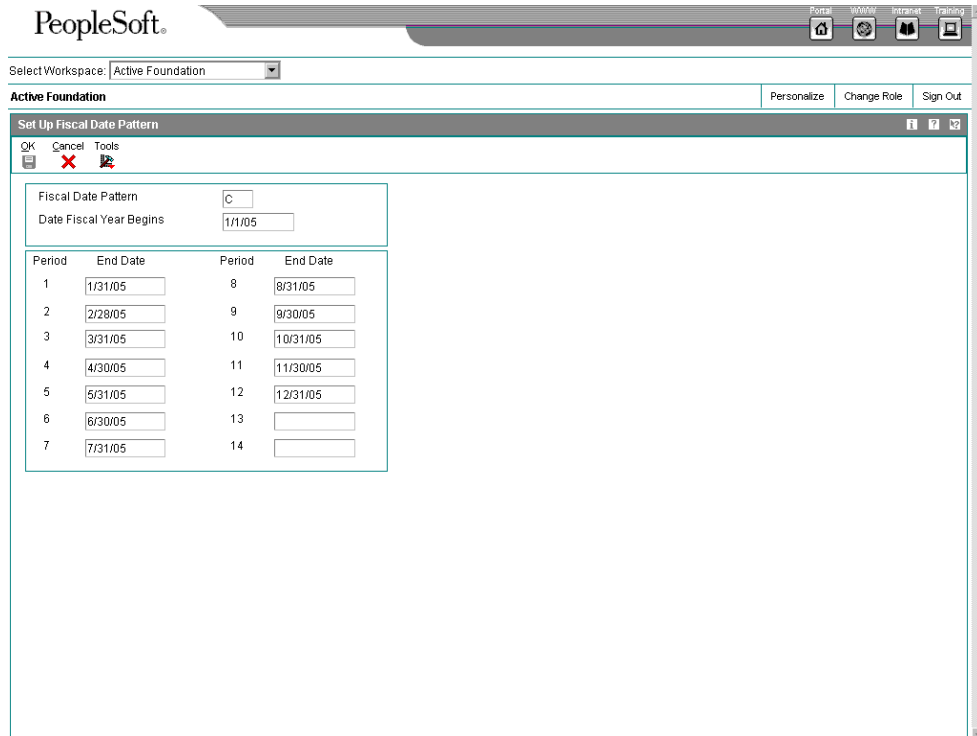
If your fiscal year ends on 12/31/05, enter 12/30/05 as the end date for period 12 and then enter 12/31/05 as the end date for period 13. Period 13 is the period that you can use to enter any adjustments.

### ► To set up fiscal date patterns for 14-period accounting

You can set up fiscal date patterns for the current fiscal year, the preceding fiscal year, and the next fiscal year.

*From the Organization & Account Setup menu (G09411), choose Company Names & Numbers.*

1. On Work With Companies, choose Date Pattern from the Form menu.
2. On Work With Fiscal Date Patterns, click Add.



3. On Set Up Fiscal Date Pattern, complete the following fields:
  - Fiscal Date Pattern
  - Date Fiscal Year Begins
4. Complete the following field for each of the 14 periods in the pattern, and then click OK:
  - End Date

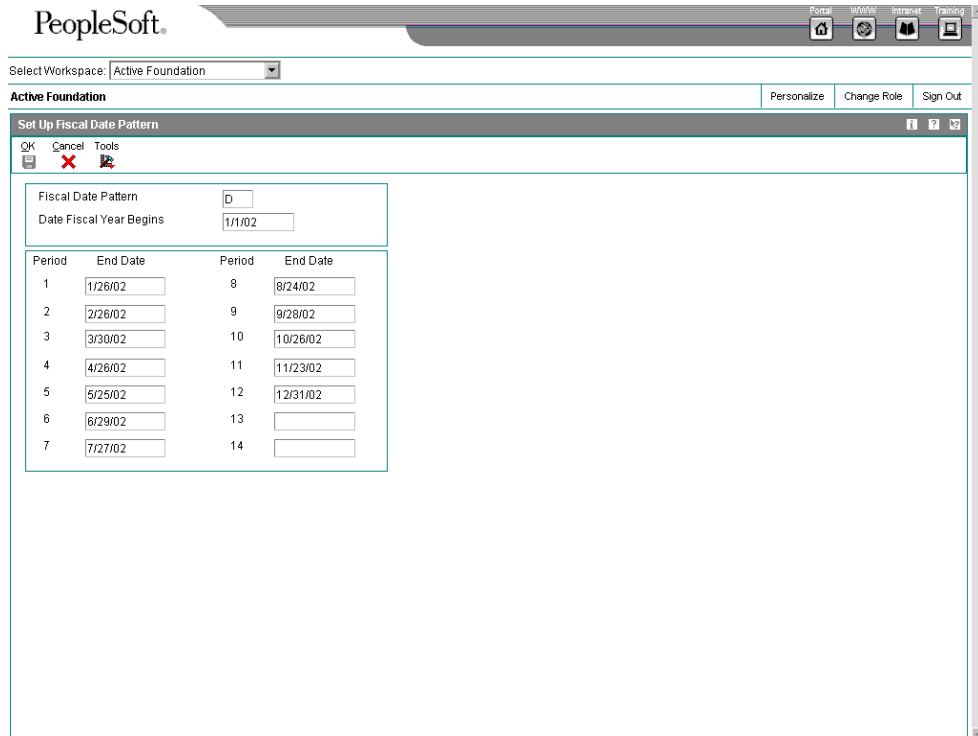
If your fiscal period ends on 12/31/05, enter 12/29/05 as the end date for period 12, 12/30/05 as the end date for period 13, and then 12/31/05 as the end date for period 14. You can then use periods 13 and 14 for any adjustments.

### ► To set up fiscal date patterns for 4-4-5-period accounting

You can set up fiscal date patterns for the current fiscal year, the preceding fiscal year, and the next fiscal year.

*From the Organization & Account Setup menu (G09411), choose Company Names & Numbers.*

1. On Work With Companies, choose Date Pattern from the Form menu.
2. On Work With Fiscal Date Patterns, click Add.



3. On Set Up Fiscal Date Pattern, complete the following fields:
  - Fiscal Date Pattern
  - Date Fiscal Year Begins
4. Complete the following field for each of the 12 periods in the pattern, and then click OK:
  - End Date

In the example above, the end date for period 1 represents the end date of the 4<sup>th</sup> week from January 1<sup>st</sup>. The end date for period 2 represents the end date of the 4<sup>th</sup> week from January 26<sup>th</sup>, and the end date for period 3 represents the end date of the 5<sup>th</sup> week from February 23<sup>rd</sup>. These three periods make up the 4-4-5 week period.

## Setting Up Fiscal Date Patterns for Japan

You must set up fiscal date patterns for Japan. You must enter J in the Fiscal Date Pattern field for each record that you have displayed in Company Setup.

---

### Note

In Japan, the fiscal year begins in April.

---

► **To set up fiscal date patterns for Japan**

On the Organization & Account Setup (G09411), choose Company Names & Numbers.

1. Choose the record with which you want to work and click Select.

The screenshot shows the PeopleSoft 'Company Names - Company Setup' form. The 'Set Up Company' tab is active. The 'Fiscal Date Pattern' field is set to 'J'. Other fields include 'Company' (75000), 'Name' (Japanese Company), 'Number of Periods' (12), 'Current Period' (3), 'Beginning of Fiscal Year' (04/01/05), 'Company Address Number' (75000), 'Reporting Period' (3), and 'Reporting Year' (05).

2. On Company Setup, choose the Set Up Company tab.
3. Enter J in the following field to enable the correct date pattern for the Japan fiscal year:
  - Fiscal Date Pattern

## Setting Up the Stamp Tax Table for Japan

When businesses in Japan issue drafts for payment, they are required to pay a stamp tax. The tax amount depends on the amount of the draft.

To calculate and report on the stamp tax for accounts payable drafts, you must set up and maintain the Stamp Tax – Japan table (F75013) through the Stamp Tax Revision – Japan program (P75013).

### Note

The Stamp Tax Revisions form is not a multicurrency form. The system recognizes only your company currency for the records in the Stamp Tax – Japan table (F75013).

## ► To set up the Stamp Tax table for Japan

From the Japanese Localization menu (G75J), choose Stamp Tax Revision - Japan.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Stamp Tax Revision - Japan - Stamp Tax Revision - Japan

OK Delete Cancel Tools

Currency Code JPY Japanese Yen

Records 1 - 10	Payment Amount (More Than)	Stamp Tax
<input checked="" type="checkbox"/>	10,000	
<input type="checkbox"/>	1,000,000	200
<input type="checkbox"/>	2,000,000	400
<input type="checkbox"/>	3,000,000	600
<input type="checkbox"/>	5,000,000	1,000
<input type="checkbox"/>	10,000,000	2,000
<input type="checkbox"/>	20,000,000	4,000
<input type="checkbox"/>	30,000,000	6,000
<input type="checkbox"/>	50,000,000	10,000
<input type="checkbox"/>	100,000,000	20,000

On Stamp Tax Revision - Japan, complete the following fields:

- Payment Amount (More Than)
- Stamp Tax

## Setting Up Your System with the Wareki Date Format

In Japan, an era ends with the death of an emperor and then a new era begins with the reign of a new emperor. For example, the Japanese eras since the year 1886 are as follows:

<b>Meiji Era</b>	1866-1912
<b>Taisho Era</b>	1912-1926
<b>Showa Era</b>	1926-1989
<b>Heisei Era</b>	1989-present

Although the date format YY/MM/DD is used in Japan, businesses often use a special date convention that shows the year of the current era. This date format is referred to as the Wareki date format.

The Wareki date format is HYY/MM/DD, where H is an optional character for the specific era and YY is the sequential year since the start of the era. For example, in the current era, the Wareki equivalent of 99/01/31 (January 31, 1999) would be H11/01/31, or January 31 of the eleventh year of the Heisei Era. Businesses usually use the Wareki date format on outgoing documents; however, all dates on a bank tape must be represented in the Wareki format.

To use the Wareki date format, you must have a Japanese operating system. J.D. Edwards software uses the date format that you specify in your Windows desktop settings.

## Setting Up Your System for Tax Reconciliation

To capture the information that the system needs to reconcile tax amounts to the transactions that generated the tax, you must perform the following setup procedures for the General Accounting, Accounts Payable, and Accounts Receivable systems:

<b>General Accounting</b>	On the Journal Entries, Reports, Inquiries menu (G0911), choose Journal Entries with Debit/Credit Format. Set the processing option for the Journal Entry program to display the Pay Item field in the debit/credit format.
<b>Accounts Payable and Accounts Receivable</b>	Set the processing option for the accounts payable and accounts receivable Journal Entry program to display the journal entries with debit/credit format on your entry forms.

You must complete the setup for tax reconciliation before you enter any business transactions.

## Processing Options for Journal Entry (P0911)

### Defaults Tab

---

#### 1. Batch Type

Blank = \*

Enter a valid value from the UDC 98/IT or blank will default \* for all batch types.

Use this processing option to specify the system and type of entries the batch produces. Examples of batch types include G for General Accounting, V for Voucher Entry, and IB for Invoices. If you leave this field blank, the system processes all batch types.

---

---

## Display Tab

### 1. Debit/Credit Format

Blank = No Debit/Credit Format

1 = Debit/Credit format

Use this processing option to specify whether to display journal entries in a Debit or Credit format .

## Versions Tab

### 1. Journal Entry Version

Blank = ZJDE0001

Enter a version of journal entry processing (P0911) to execute.

Use this processing option to specify a version of the Journal Entry program (P0911) for processing. If you leave this processing option blank, the standard journal entry version is used.

## Edits Tab

### 1. Fixed Asset ID

Blank = Fixed Asset ID not required in entry

1 = Fixed Asset ID is required in entry

Use this processing option to specify whether to require an Asset ID if an account is in the AAI asset account range.

---

Valid values are:

Blank

Do not require an Asset ID in the journal entry.

1

Require an Asset ID in the journal entry.

---

## Entering Additional Information for Suppliers

---

Before you can process drafts or bank transfers, you must create a supplier master record. When you create a supplier master record, you set up information about how the system processes various business transactions for that supplier.

In Japan, in addition to the standard supplier information, you must set up information that is required to process drafts and bank transfers. This additional information includes:

- Payee address number
- Bank transfer type
- Payment term
- Withholding tax category
- Draft ratio

Information about suppliers is stored in the following tables:

**Supplier Master (F0401)**      Contains supplier information

**Address by Date (F0116)**      Contains mailing address information

**Bank Transit Master (F0030)**      Contains bank account information

**Japanese A/B Tag Table (F750401)**      Contains additional address book information that is maintained by the country server for Japan

You can access the additional information for a supplier from the Supplier Master Information form when you add a new supplier to the system or change the information for an existing supplier.

### See Also

- *Entering Supplier Records* in the *Accounts Payable Guide* for more information about adding new suppliers to the system

## Before You Begin

- ❑ Verify that Japan is the country that you have selected for your user display preferences. See *Setting Up User Display Preferences* in the *Global Solutions Japan Guide*.
- ❑ Set up payment terms for drafts. See *Setting Up Payment Terms* in the *Accounts Payable Guide*.
- ❑ Set up a user defined codes table (75/TT) for transfer types. See *Setting Up User Defined Codes for Japan* in the *Global Solutions Japan Guide*.

## ► To enter additional information for suppliers for Japan

From the *Supplier & Voucher Entry* menu (G0411), choose *Supplier Master Information*.

1. On *Work with Supplier Master*, locate a supplier master record and click *Select*.
2. On *Supplier Master Information*, choose *Regional Info* from the *Form* menu.

The screenshot shows the PeopleSoft web interface. At the top, the PeopleSoft logo is on the left, and navigation icons for Portal, Worklist, Intranet, and Training are on the right. Below the logo is a 'Select Workspace' dropdown menu set to 'Active Foundation'. The main content area is titled 'Address Book Revision Japan' and contains a form with the following fields:

Address Number	7339	Fujimori Shosha
Bank Transfer Type	E	
Payment Terms	01	Net 30 Days
Withholding Tax Category	1	
Draft Ratio	6000	

3. On *Address Book Revision Japan*, complete the following fields and click *OK*:

- Bank Transfer Type
- Payment Terms
- Withholding Tax Category
- Draft Ratio

You must set up a withholding tax authority to calculate Japanese withholding taxes.

## Additional Information

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This section provides additional information about setup issues, technical considerations, and system use.

### Financials Statements for Japan

The following account listings demonstrate the uniform format for financial statements that are used by most businesses in Japan.

#### Balance Sheet for Japan

<b>Assets</b>	<b>Liabilities</b>
<b>Current Assets</b>	<b>Current Liabilities</b>
Cash on hand and at bank	Trade notes payable
Trade notes receivable	Trade accounts payable
Allowance for bad debts	Trade notes, accounts payable to affiliates
Trade accounts receivable	Short-term borrowings
Allowance for bad debts	Current portion of long-term borrowings
Trade notes, accounts receivable from affiliates	Other accounts payable
Allowance for bad debts	Accrued corporation and inhabitants tax
Marketable securities	Accrued enterprise tax
Treasury stock	Accrued expenses
Merchandise	Deposits received
Finished goods	Deferred income
Semi-finished goods	Allowances
Work in progress	Allowance for bonus payments
Raw materials and consumables	Allowance for damages
Supplies	Allowance for repairs
Advance payments	Allowance for warranty
Prepaid expenses	Other current liabilities

Other accounts receivable

Other accounts receivable from affiliates

Short-term loans

Allowance for bad debts

Other current assets

*Total current assets*

*Total current liabilities*

**II Fixed Assets**

**Tangible fixed assets**

Buildings

Accumulated depreciation

Structures

Accumulated depreciation

Machinery and equipment

Accumulated depreciation

Vehicles

Accumulated depreciation

Tools, fixtures, and fittings

Accumulated depreciation

Land

**II Long-Term Liabilities**

Bonds payable

Bonds with warrants

Convertible bonds

Long-term borrowings

Long-term borrowings from shareholders, officers, and employees

Long-term borrowings from affiliates

Allowances

Allowances for severance payments

Allowances for special repair

Other

*Total long-term liabilities*

Construction in progress

*Total tangible fixed assets*

*Total liabilities*

**Intangible fixed assets**

Mining rights

Land rights

Trademark rights

**Capital**

**I Share Capital**

**II Capital Reserve**

**III Legal Earned Reserve**

Patents

Telephone rights

Goodwill

*Total intangible fixed assets*

Investment and other assets

Long-term cash at bank

Investment in securities

Investment in subsidiaries

Investment in affiliates

Investment in partnerships

Long-term loans

Allowance for bad debts

Doubtful receivables

Long-term prepaid expenses

Other

*Total investment and other assets*

*Total fixed assets*

**IV Other Surpluses**

1. Other capital surpluses

Reserves for government grants

Reserves for gain on insurance claims

2. Voluntary reserves

Reserve for overseas investment losses

Reserve for dividend equalization

Reserve for business extension

Reserve for additional equipment

Reserve for sinking fund

General reserve

3. Unappropriated

*Total capital*

*Total liabilities and capital*

**III Deferred Charges**

Organizing expenses

Pre-operating costs

Experimental research costs

Development costs

Stock issuing costs

Bond discounts

Interest during construction

*Total deferred charges*

*Total assets*

## **Profit and Loss Statement for Japan**

### **I Turnover**

Turnover to affiliates

Turnover to other customers

### **II Cost of Sales**

1. Opening stock

2. Purchases

Subtotal

3. Closing stock

*Gross Profit*

### **III Distribution Costs and Administration Expenses**

Packaging and freight

Commission

Warehouse

Advertising

Directors' remuneration

Payroll

Bonuses

Welfare benefits

Traveling

Postage, telephone, and telex

Utilities

Insurance and maintenance

Taxes and dues

Provision for accrued enterprise tax

Depreciation

Provision for allowance for doubtful accounts

Research and development

Other

### *Operating Profit*

#### **IV Non-Operating Income**

Interest income and dividends

Interest income from affiliates

Interest income on securities

Dividend income

Dividend income from affiliates

#### **Multiple Ledger Types**

International businesses can use multiple ledgers to fulfill the reporting requirements of both the corporate entity and the local legal authorities.

During the first few days of January, your company reports the yearly results for the previous year. However, in France, for example, the law specifies that the company has until March to report fiscal activity to the authorities. From January 1 until the time that the French company reports fiscal activity, the year is closed from the standpoint of the company; but it is not yet closed from a local legal standpoint. The time difference means that the French company must make adjustments for three months to report transactions in the correct year. These adjustments do not have to appear in the corporate ledger. These adjustments are typically recorded in an alternate ledger type.

## Currency Ledgers

A company might impose a fixed yearly exchange rate by management choice. In some countries, such as France, ignoring gains and losses in foreign currency is illegal. You can use the actual amounts (AA) ledger for foreign transactions that do not have any currency gains and losses, and use an alternate ledger type to record the currency gains and losses. In either case, the additional ledger is required to enter transactions that adjust either the local or the company's accounting system.

## Depreciation Ledgers

Three ledger types are common when fixed assets depreciation is involved. In this case, you use one ledger to record the depreciation that is calculated with the corporate depreciation method in the corporate ledger. You use an alternate ledger to record the depreciation that is calculated using the depreciation method that is required by the local authorities. The difference between the two depreciation methods is recorded in a third ledger. For local legal reports, you sum the three ledger types to show the actual activity in the depreciation account.

## User Defined Ledgers

To accommodate the need for multiple ledgers, J.D. Edwards software provides UDC 09/LT in which you can define all of the the ledgers that you use as the ledger types on which you must report.

The AA ledger is the company's standard ledger. The alternate ledgers contain the adjusting transactions that justify the differences between the company books and the local legal books. You can specify ledger types in the processing options for the reports. An inquiry or a report on the account shows the sum of the two ledger types, and displays the actual activity in that account.

## Translation Considerations for Multilingual Environments

J.D. Edwards software can display menus, forms, and reports in different languages. All software is shipped with the base language of English. You can install other languages as needed. For example, if you have multiple languages installed in one environment to allow different users to display different languages, each user can work in his or her preferred language by setting up his or her user preferences accordingly.

In addition to the standard menus, forms, and reports, you might want to translate other parts of the software. For example, you might want to translate the names of the accounts that you set up for your company or translate the values in some UDCs.

You might want to translate the following common software elements if you use the software in a multinational environment:

<b>Business Unit Descriptions</b>	<p>You can translate the descriptions of the business units that you set up for your system.</p> <p>The system stores translation information for business units in the Business Unit Alternate Description Master table (F0006D).</p> <p>Print the Business Unit Translation Report (R00067) to review the description translations in the base language, and one or all of the additional languages that your business uses.</p>
<b>Account Descriptions</b>	<p>You can translate the descriptions of your accounts into languages other than the base language.</p> <p>After you translate your chart of accounts, you can print the Account Translation report. You can set a processing option to show account descriptions in both the base language, and one or all of the additional languages that your business uses.</p>
<b>Automatic Accounting Instruction (AAI) Descriptions</b>	<p>You can translate the descriptions of the automatic accounting instructions (AAIs) that you set up for your system.</p>
<b>UDC Descriptions</b>	<p>You can translate the descriptions of the UDCs that you set up for your system.</p>
<b>Delinquency Notice Text</b>	<p>Specify a language preference for each customer when you create customer master records. The language preference field on the Address Book - Additional Information form determines the language in which the delinquency notice and the text on the notice should appear when you use final mode. (In proof mode, the statements print in the language preference that is assigned to the client in the Address Book.)</p> <p>J.D. Edwards base software includes the delinquency notice translated into German, French, and Italian. You should translate any text that you add to the bottom of the notice. To do this translation, follow the instructions for setting up text for delinquency notices, and verify that you have completed the Language field on the Letter Text Identification form.</p>

The translations that you set up for your system also work with the language that is specified in the user profile for each person who uses the system. For example, when a French-speaking user accesses the chart of accounts, the system displays the account descriptions in French, rather than in the base language.

## See Also

- ❑ *Setting Up User Display Preferences* in the *Global Solutions China Guide* for information about setting up language preferences for users
- ❑ *Translating User Defined Codes into Alternate Languages* in the *Foundation Guide* for information about translating user defined codes
- ❑ *Translating Business Units* in the *General Accounting Guide* for information about translating business units
- ❑ *Translating Accounts* in the *General Accounting Guide* for information about translating accounts
- ❑ *Setting Up Letter Text for Delinquency Notices and Statements* in the *Accounts Receivable Guide*

## J.D. Edwards Multicurrency Solution Summary

Companies that do business internationally often have additional accounting needs. These needs arise from doing business in different currencies, and following different reporting and accounting requirements for each country in which they do business. To process and report on transactions in multiple currencies, a company that operates internationally can:

- Convert foreign currencies into the local currency
- Convert different local currencies into one currency for reporting and comparisons
- Adhere to regulations that are defined in the countries where the company operates
- Revalue currencies due to changes in exchange rates

J.D. Edwards software performs the following multicurrency functions throughout most base applications:

- Converts from one currency to another
- Restates multiple currencies to consolidate into one currency
- Revalues currencies due to changes in exchange rates

J.D. Edwards software stores each currency in a different ledger, as illustrated in the following table:

<b>AA ledger</b>	Domestic transactions are posted to the AA ledger.
<b>CA ledger</b>	Foreign transactions are posted to the CA ledger.
<b>XA ledger</b>	Alternate currency transactions, if used, are posted to the XA ledger.

You can designate a specific currency for the following:

- Company
- Account
- Address book record

## Data Entry in Foreign or Domestic Currency

You can enter all transactions in the original currency of the documents that you receive or send. You do not need to convert currencies before you enter transactions. For foreign entries, the system automatically converts foreign amounts to domestic amounts.

## Setting Up Daily Transaction Rates

You can set up the Currency Exchange Rates table (F0015) to use the following multicurrency features:

<b>Default exchange rates</b>	When you enter a transaction, the system supplies the exchange rate from table F0015.
<b>Exchange rates for individual contracts</b>	You can specify exchange rates for individual customers and suppliers.
<b>Spot rates</b>	You can enter an exchange rate when you enter a transaction. The value that you enter overrides the exchange rate from table F0015.

## Intercompany Settlements

You can enter transactions that cross company and currency boundaries. The system automatically generates the multicurrency intercompany settlements.

## Gain and Loss Recognition

Features of gain and loss recognition include:

<b>Realized gains and losses</b>	Entries that represent realized gains and losses for exchange rates are automatically created at the time of cash receipt or entry.
<b>Unrealized gains and losses</b>	You can print a report to analyze open receivables and payables to book unrealized gains and losses at the end of the month. Optionally, you can set up your system to create these entries automatically.

## Detailed Currency Restatement

Detailed currency restatement enables you to do the following:

- Maintain a dual set of accounting books:
  - One in the domestic (local) currency
  - One in an alternate, stable currency
- Restate amounts at the transaction level for a specified range of accounts

## **Balance Currency Restatement**

Use the Balance Currency Restatement feature to consolidate balances into a common currency. You can specify the ledger type in which the system creates the newly restated balances. In addition, you can set up an exchange table and conversion specifications according to standard restatement practices.

## **As If Currency Repost**

Use the As If Currency Repost feature to restate all transactions to a new ledger type by using one exchange rate instead of the individual rates that were associated with each transaction over the course of time. The As If Currency Repost feature eliminates the exchange rate fluctuation for financial analysis.

### **See Also**

- *Multicurrency Overview* in the *Multicurrency Guide* for more information about multiple currencies

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## Withholding Japanese Taxes

Japanese withholding tax applies to professional services given by doctors, lawyers, and so on. For example, in the pharmaceutical industry, companies must submit their experimental drugs to clinical testing for the drugs to pass the requirements. Doctors perform these tests and record the results for the pharmaceutical company. When the doctors submit their reports to the medical companies, they are paid for their services. The doctors (suppliers) are paid without the withholding tax amount.

The payer (company) holds the withholding tax amount as a liability tax payment to the government. During each fiscal period, the withholding tax amount and its base are recorded in a subledger by each payee (supplier), and the tax amount is calculated.

Annually, the company creates a statutory report on accumulated withholding tax and submits the report to the government tax authority. The report is created only when a threshold amount is reached. The report is then sent to both the government tax authority and the supplier.

## Entering Japanese Withholding Information

You might need to add, delete, or revise the Japanese withholding information. Withholding Revisions - Japan (P75014) allows you to maintain your withholding information.

### ► To enter Japanese withholding information

From the Japanese Localization menu (G75J), choose *Withholding Revisions - Japan*.

1. On Withholding Inquiry, click Add.

	Taxable Amount	Percent Withholding	Deduction Amount
<input type="checkbox"/>	1,000,000	0.1000	0
<input checked="" type="checkbox"/>	9,999,999,999	0.2000	0
<input type="checkbox"/>			

2. On Enter Withholding Information, complete the following fields, and then click OK.
  - Withholding Tax
  - Currency Code
  - Taxable Amount
  - Percent Withholding
  - Deduction Amount
3. Click Find to review your entries.

## Calculating Withholding - Japan

---

From the Japanese Localization menu (G75J), choose *Calculate Withholding - Japan*.

Calculate Withholding - Japan (R7500090) calculates the withholding for Japan, updates the existing pay item, and creates a negative pay item for the withholding amount with the same payee, pay status, and due date as the original voucher pay item. Additional results to consider are:

- If you change the default pay status of the original pay item, the system changes the default pay status for the negative pay item.
- The negative pay item offsets the amount of the original pay item when you process the original and negative pay items for payment.

The system creates a pay item for the withholding amount by using the tax authority in the supplier master record. You can override this value with a processing option.

If you leave the processing option blank, the system assigns a pay status of H (hold) to pay items for tax authorities, thus allowing you to accumulate withholdings and pay them on a periodic basis.

### Before You Begin

- Set up your suppliers with a payment instrument and withholding tax authority. See *Entering Additional Information for Suppliers* in the *Global Solutions Japan Guide*.
- Set the processing options for Country Specific Processing Options - Japan (P04580JP).
- Set the processing options for Calculate Withholding - Japan (R7500090), including the withheld record due date and the rounding.

### Processing Options for Calculate Withholding - Japan (R7500090)

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Process

#### 1. Release Pay Status Code

Blank = 'A'

#### 2. Withheld Pay Status Code

Blank = 'H'

#### 3. Withheld Record Due Date

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Blank = Voucher's due date

4. Rounding

Blank = Rounding nearest integer

1 = Rounding down

2 = Rounding up

5. G/L Offset

6. G/L Bank Account

Taxes

1. Tax Authority for A/P Withholding

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## **Reviewing the Withholding Tax Detail Report**

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*From the Japanese Localization menu (G75J), choose Withholding Tax Detail - Japan.*

You submit the Withholding Tax Detail-Japan (R7500100) report to the government tax authority and the supplier. This report shows withholding tax amounts and open withholding tax amounts by supplier for a fiscal period.

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## Processing Consumption Tax for Japan

Businesses in Japan are required to submit the Consumption Tax report. Consumption tax must be reported against the revenue or expense that originally generated the tax.

### Before You Begin

- You must set up your system for tax reconciliation before entering any business transactions. See *Setting Up Your System for Tax Reconciliation* in the *Global Solutions Japan Guide*.

## Entering Journal Entries with VAT

---

If you do business in a country that assesses a recoverable value-added tax (VAT) or similar taxes, you might need to enter a journal entry with VAT.

You use the Journal Entries with VAT program (P09106) when you want to record a taxable entry without updating the Accounts Payable Ledger (F0411) or Customer Ledger (F03B11) tables. For example, you would do this if you wanted to enter bank charges.

The system provides a field for the address book number, which you can use to associate the entry with an employee, supplier, customer, or company. Depending on the setting of the processing option, the system might require an address book number for each detail line (general ledger distribution). You can enter a default address book number in the header area. The system uses this number for address book numbers that you leave blank on detail lines.

When you enter a journal entry with VAT, you can specify either the taxable or gross amount. The system calculates the tax and the amount that you did not specify (gross or taxable) based on the tax rate area. You must use a tax explanation code of V, V+ (tax on tax), or VT (tax only); the program does not accept any other tax explanation codes.

Because only one G/L distribution line might be specified for taxes, the system does not use the default tax rate area based on the business unit entered on the account; however, if the account is set up as taxable, the system will use the tax rate area that is set up for the account if the tax rate area is not specified on the form.

When you enter a journal entry with VAT, the system does the following:

- Automatically updates the Taxes table (F0018)  
The system ignores the tax processing options when you post the journal entry.
- Creates Account Ledger records (F0911) for the tax account specified in the AAI item GTxxxx (where xxxx is the G/L offset from the tax rate area)

---

### Note

The system creates the offsetting tax entries when the journal entry with VAT transaction is entered, not when it is posted.

The additional entries that the system creates based on the GTxxxx AAIs cannot be reviewed from the Journal Entries with VAT program. You must use the standard Journal Entries program (P0911) to review these entries. The system differentiates entries that you enter from those that the system creates by updating the ALT5 field in the Account Ledger table (F0911) as follows:

- V  
This code identifies the entry as the account entered in the Journal Entries with VAT program that has tax information specified.
- T  
This code identifies the entry as the tax account that the system creates based on the AAI item GTxxxx.

- O This code identifies the entry as the offset account entered in the Journal Entries with VAT program (P09106).

You can revise journal entries with VAT in the same way that you revise journal entries without VAT.

- If the journal entry is not posted, the system updates the existing record in the Taxes table.
- If the journal entry is posted, the system writes a revision record in the Taxes table.

You cannot create model or reversing journal entries using the Journal Entries with VAT program.

### Example: Journal Entry with VAT

The following example shows a journal entry that was entered in order to record bank charges with VAT taxes using the Journal Entries with VAT program (P09106):

PeopleSoft

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Journal Entries with VAT - Journal Entries with VAT

OK Delete Cancel Form Row Tools

Batch Number: 05923 Address Number: 0

Doc Type/No/Co: JE 1 00070 G/L Date: 06/15/05

Explanation: Bank Charges Ledger Type: AA EUR

Currency Code: EUR Exchange Rate: Base Currency: EUR Foreign:

Account Number	Taxable Amount	Tax	Tx Ex	Tax Area	Gross Amount	Track Taxes	Description
70.8630	1,000.00	150.00	V	QUE	1,150.00	0	Bank Ch
70.1110.BBL	1,150.00				1,150.00- 0		Banque B

Remaining Amount:

Because the offsetting entry (70.1110.BEAR) did not have taxes, the gross amount must equal the sum of the taxable and tax amounts entered for account 7001.8630; otherwise, the journal entry is not in balance and the system displays an error message.

The following example shows the same unposted transaction using the Journal Entry program (P0911). The system uses GTxxxx (where xxxx is the G/L offset entered for the tax rate area QUE) to locate the VAT tax account when you enter the journal entry, not when you post it. You cannot review these entries using the Journal Entries with VAT program; you must use program P0911.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Journal Entry - Journal Entry

Batch Number: 85923 Model  Percent  Reverse

Doc Type/No/Co: JE 1 00070 G/L Date: 06/15/05

Explanation: Bank Charges Ledger Type: AA EUR

Currency: EUR Exchange Rate: Base Currency: EUR Foreign

	Account Number	Amount	Account Description	Subledger	Subledger Type	Subledger Description	Remark
<input checked="" type="checkbox"/>	70.8630	1,000.00	Bank Charges				
<input type="checkbox"/>	70.1240		64.40 VAT Recoverable				
<input type="checkbox"/>	70.1240		85.60 VAT Recoverable				
<input type="checkbox"/>	70.1110.BBL	1,150.00-	Banque Bruxelles Lambert				

Remaining Amount:

### Before You Begin

- Set up the tax AAls for the General Accounting system.

### ► To enter journal entries with VAT

From the Tax Processing and Reporting menu (G0021), choose Journal Entries with VAT.

1. On Work with Journal Entries with VAT, click Add.
2. On Journal Entries with VAT, complete the following fields:
  - G/L Date
  - Explanation
3. Complete the following optional field in the header area:

- Address Number

The system copies the value that you enter to the corresponding field in each detail line that you enter.

4. Complete the following fields for each G/L distribution with tax:
  - Account Number
  - Tx Ex  
You must use a tax explanation code that begins with V (V, VT, or V+). No other tax explanation codes are valid.
  - Tax Area
5. Complete one of the following fields:
  - Taxable Amount  
If you enter the taxable amount, the system calculates the gross amount.
  - Gross Amount  
If you enter the gross amount, the system calculates the taxable amount.
6. To track taxes by G/L account, enter 1 in the following field:
  - Track Taxes  
The account must be set up as taxable in the Account Master table (F0901) to accept a value of 1.
7. If necessary, complete the following field in the detail area:
  - Address Number
8. Review the calculated tax amount in the following field:
  - Tax  
If you change the tax amount, the system validates your change against the Tax Rules.
9. Repeat steps 4–8 for each G/L distribution line.

---

**Note**

The system updates the Taxable Amount field even when you do not specify tax information. The system uses the gross amount as the taxable amount. The system does not update these journal entry lines in the Taxes table (F0018).

---

10. Click OK.

Use the Journal Entry program (P0911) to review the system-generated entries.

► **To enter a tax-only journal entry**

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*From the Tax Processing and Reporting menu (G0021), choose Journal Entries with VAT.*

1. On Work with Journal Entries with VAT, click Add.

2. On Journal Entries with VAT, complete the following fields:
  - G/L Date
  - Explanation
3. Complete the following optional field in the header area:
  - Address Number
4. Complete the following fields for the tax-only G/L distribution:
  - Account Number
  - Tx Ex  
You must use VT.
  - Tax Area
5. Complete one of the following fields. The system updates the other field based on the value specified.
  - Gross Amount
  - Tax
6. To track taxes by general ledger account, enter 1 in the following field:
  - Track Taxes
7. Complete the G/L distribution for offsetting entries as needed and click OK.

### **Processing Options for Journal Entries with VAT (P09106)**

---

#### Addr # Required

1. Enter a '1' if the address book number field is required to be filled in the grid. If left blank no error will be set.

#### Address Book Number

#### MBF Version

1. To override standard journal entry processing (version ZJDE0001 for application P0900049), enter an override version number. This should only be changed by persons responsible for system wide setup.

#### Version

---

## Tracking Taxes by G/L Account

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In countries where VAT is levied, it is a common business requirement to track and reconcile VAT amounts to revenue and expense accounts by tax rate area. In some countries auditors are required to validate the relationship between tax amount and G/L accounts to certify compliance with governmental regulations.

Regardless of whether you enter the G/L distribution for a voucher or invoice, or the system creates entries to the general ledger automatically, the system will track taxes by general ledger account when the following occurs:

- The pay item of a voucher (F0411) or invoice (F03B11) contains a tax explanation code and tax rate area.
- The G/L distribution account is set up to track taxes.
- For vouchers and invoices that you enter manually, the Track Taxes field on the G/L Distribution form has a value of 1.

---

### Note

For system-generated journal entries, such as those generated from the distribution AAls, the system automatically updates Track Taxes to 1 if the account is taxable.

---

For manual entries, the system uses the following rules to determine whether to write tax information to the Account Ledger record (F0911), and which tax information to write.

- If tax information does not exist on the F0411 or F03B11 record, and you add tax information to the general ledger account, the system removes the tax information from the record when you click OK.
- If the general ledger account is taxable, and you do not complete the Tax Rate Area field on the G/L Distribution form, the system uses the default tax rate area that is set up on the Account Master record (F0901). You must enter a tax explanation code.
- If the general ledger account is taxable, but you do not want to track taxes for the transaction, you can override the Track Taxes field to 0.

After the Account Ledger (F0911) record is updated with tax information, you must post the transaction to update the Taxes table (F0018). After the Taxes table is updated, you run the Update Tax Reconciliation Repository program (R0018R) to update the Tax Reconciliation Repository table (F0018R), where the information can be used for tax reporting.

In addition to the standard invoice and voucher entry programs, the following programs have been enabled to track taxes:

- Speed Invoice Entry (P03B11SI)
- Speed Voucher Entry (P0411SV)
- All versions of Standard Voucher Entry (P0411), including:
  - Voucher Logging Entry
  - Prepayment Voucher Entry

- Multi Voucher-Single Supplier
- Multi Voucher-Multi Supplier
- Multi Company-Single Supplier

**See Also**

See the following topics in the *Tax Reference Guide*:

- *Updating the Taxes Table* for information about when and how the system updates tax information for reporting and reconciliation
- *Updating the Tax Reconciliation Repository* for information about updating Tax Reconciliation Repository table (F0018R) for tracking taxes by G/L account

---

## Processing A/R Drafts in Japan

In Japan, banks assign a draft number to all drafts. All queries regarding drafts refer to this bank-assigned draft number. Businesses are required to include the bank-assigned draft number on all draft reporting.

Bank-assigned draft numbers are alphanumeric codes that are *not* generated by J.D. Edwards software. You can input and revise this number manually. You can also use this number to inquire on your drafts in the system.

Use the J.D. Edwards Reference field to input the draft number. The Reference field is alphanumeric and cannot include any blanks, special characters, or punctuation marks.

The Reference field is included in the following programs:

- Enter Our Drafts (P03B602)
- Enter Customer Drafts (P03B602)
- Drafts Inquiry (P03B602)
- Bank Remittance - Tape program (R03B672T)

To access the Reference field, locate a draft and click Select. Choose Additional Information from the Form menu on the Drafts Entry form.

# Printing the Draft Receivable Report - Japan

From the Japanese Localization menu (G75J), choose Draft Receivable Report.

In Japan, businesses that process accounts receivable drafts must submit a list of processed drafts. The listing must include the bank-assigned draft number. To meet this requirement, you can print the Draft Receivable Report – Japan (R7503420).

Customer Number	Name	Receipt Date	Issue Date	Remittance Date	Value Date	Sight	Draft Number	Pay Bank	Amount	Pay Stat	Status
R7503420	Japan Customer 75020 (ALPH)	6/30/2006	6/1/2005	6/30/2005	6/30/2005	29		JAPANESE BANK	1,000,000	D	Received
				Total for Value Date			Japan Customer 75020 (ALPH)		1,000,000		
				Total for Customer					1,000,000		
				Grand Total Amount					1,000,000		

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Page: 1

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## Working with Kagami

In Japan, bank transfers are the most commonly used method of payment. Japanese banks charge a fee for each transfer that a business requests. To help customers avoid excessive bank charges, a monthly summarized invoice, or Kagami, is issued as the general billing procedure for Japanese businesses.

Businesses that use monthly summarized invoicing do not issue invoices for every goods delivery. Instead, businesses establish a monthly cut-off date with the customer and issue one invoice that summarizes all of the customer's business transactions for the prior month.

# Printing Kagami Statements

To print Kagami statements, follow the A/R statement process, specifying Kagami Invoice Statement Japan (R03B5001JP) as the print program.

Kagami Invoice Statement		Statement Number		1600					
Remit To: 002-0075 Tokyo Chiyoda-ku Shinjuku 6-14 Nishinomai Sanbancho Bldg Tokyo Japanese Company (MLNH)		Date 11/30/2005		Account 75020					
Billing Address: 161-0061 Tokyo Shitaya-ku Sendagaya 5-4-8 Tokyo Japan Customer 75020 (MLNH)		Currency JPY							
Document Type	Invoice Number	Pay Item	Invoice Date	Remark	Previous Balance	Write Offs/Discount	Payments Received	Adjustments	Outstanding Balance
75020	Japan Customer 75020 (ALPH)								
A/R Drafts	504	001	6/30/2005	JAPANESE BANK	0	0	0	0	0
Invoices	16881	001	6/12/2005		0	0	0	0	262,500
					TOTAL CURRENT BALANCE DUE 262,500 262,500				
ACCOUNT SUMMARY Previous Balance - As Of 11/30/2005 262,500 New Invoices 0 Discount Taken 0 Payments Received - Thank You 0 Adjustments 0 Current Payment Due 0 Payment Terms : Japan 15 Advanced Payment Term 262,500									
KAGAMI SUMMARY Payments Received Breakdowns: Draft Payments Received 0.00 Cash and Other Payments Received 0 Tax Information Breakdowns :									



5. In the Print Program field, type the program number, R03B5001JP, and then click OK.

Kagami statements include the following information:

- "Bill to" name and address for the customer.
- Billing period.  
Although billing periods vary by customer, the beginning of the period must be the day after the last cutoff date. The end of the previous period is the cutoff date.
- Open amount as of the cutoff date.  
The open amount is summarized by sales, cash receipts, adjustments, and so on.
- Detailed information -- such as invoice number, item number, and price -- from each sales order.

#### **Before You Begin**

- Verify that you have a next number set up for the summarized invoice number in the Accounts Receivable system. For this verification, use the next number for the Statement No. field. See *Setting Up System Next Numbers* in the *Accounts Receivable Guide*.

### **Processing Options for Kagami Invoice Statement - Japan (R03B5001JP)**

#### **Print Tab**

Use these processing options to customize various defaults for Kagami Invoice Statement Print - Japan (R03B01JP).

---

#### 1. Aging Information

Blank = Do not print aging information

1 = Print aging information

Use this processing option to specify whether to print aging information. Valid values are:

Blank

The system does not print aging information.

1

The system prints aging information.

---

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## 2. Account Summary

Blank = Print account summary

1 = Suppress print on account summary

Use this processing option to specify whether to print the account summary. Valid values are:

Blank

The system prints the account summary.

1

The system does not print the account summary.

---

---

## 3. Invoice Date

Blank = Suppress print on invoice date

1 = Print invoice date

Use this processing option to specify whether to print the invoice date. Valid values are:

Blank

The system does not print the invoice date.

1

The system prints the invoice date.

---

---

---

#### 4. Statement Number

Blank = Suppress print on statement number

1 = Print the statement number

Use this processing option to specify whether to print the statement number. Valid values are:

Blank

The system does not print the statement number.

1

The system prints the statement number.

---

---

#### 5. Remit to Address

Blank = Suppress print on remit to address

1 = Print remit to address

Use this processing option to specify whether to print the remit to address. Valid values are:

Blank

The system does not print the remit to address.

1

The system prints the remit to address

---

---

---

---

## 6. Tax Information

Blank = Suppress print

1 = Print

Use this processing option to specify whether to print tax information on the invoice document level.

Valid values are:

Blank

The system does not print the tax information.

1

The system prints the tax information.

---

---

## 7. Sales Information

Blank = Suppress print

1 = Print from F4211

2 = Print from F42119

3 = Print from F4211, if not found print from F42199

Use this processing option to specify whether to print sales information on the invoice. You can specify that the system prints information from the Sales Order Detail table (F4211) or from the Sales Order History table (F42119). Valid values are:

Blank

The system does not print sales information.

1

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The system prints sales information from the Sales Order Detail table (F4211).

2

The system prints sales information from the Sales Order History table (F42119).

3

The system prints sales information from the Sales Order Detail table (F4211), if it exists. If no data exist in the F4211, the system prints sales information from the Sales Order History table (F42119).

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## 8. Kagami Summary

Blank = Suppress print

1 = Print

Use this processing option to specify whether to print the Kagami summary. Valid values are:

Blank

The system does not print the Kagami summary.

1

The system prints the Kagami summary.

---

### **Process Tab**

Use this processing option to customize invoice records when printing the Kagami invoice statement.

---

1. Invoice Record

1 = Summarize each invoice record

Use this processing option to specify whether to summarize each invoice record. Valid values are:

Blank

The system does not summarize each invoice record.

1

The system summarizes each invoice record.

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## Statement Processing

You send statements to your customers to inform them of their account activities and to provide them with an additional payment option. Statements list the open invoices and their due dates, as well as the invoices that were paid in that period. You can generate statements in detail, wherein each invoice appears on a statement until it is paid, or you can generate statements that are summarized. When summarized, unpaid invoices are summarized into a single balance forward amount like on a credit card statement.

When you generate statements, the system updates invoice records that appear on the statement with the statement number and statement date. The system also updates the following tables:

- A/R Notification History (F03B20) - This table stores information about the statement.
- A/R Notification History Detail (F03B21) - This table stores information about the invoices that appear on the statement.

Because the system stores information about a statement, you can review statements previously generated online to answer customer inquiries and reprint statements that are lost. You can also reset the last statement generated so that you can include a last minute payment by a customer or make a change to the data selection. Information is stored in the statement tables until you purge it.

### Before You Begin

- ❑ Ensure that you have completed the Print Statement option on the Accounts Receivable Constants form and on the Customer Master Revision form (Collection tab).
- ❑ Post all invoices and receipts. The system selects only posted records for processing statements.
- ❑ Run Update A/R from Address Book (R03B802) to ensure that changes made to the customer's alpha name or parent number are updated to invoices and reflected properly on the statement.

## Generating Statements

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*From the Statement Reminder Processing menu (G03B22), choose Statement Notification Refresh.*

When you generate statements, in addition to creating records in the A/R Notification History (F03B20) and A/R Notification History Detail (F03B21) tables, the system updates the following fields in the following tables:

<b>Customer Ledger (F03B11)</b>	<ul style="list-style-type: none"><li>• Statement Number (CTL)</li><li>• Statement Date (SMTJ)</li></ul>
<b>Invoice Revisions (F03B112)</b>	<ul style="list-style-type: none"><li>• Statement Print Flag (STPF)</li></ul>
<b>Receipts Detail (F03B14)</b>	<ul style="list-style-type: none"><li>• Statement Number (CTL)</li><li>• Statement Date (SMTJ)</li></ul>

You use processing options to customize statements for your organization. For example, you can choose the statement print program and version that you want to use to print statement detail. This allows you to specify whether to print aging or account summary information on the statement, whether to print each invoice pay item or summarize the pay items for each invoice, and the date that you want to print on the statement.

The following print programs, which are set up on user defined code 03B/ST, are available for generating statements:

- R03B5001 - Statement Print  
This is the standard statement print program.
- R03B5001JP - Kagami Invoice Statement  
This is a localized statement format for Japan.
- R03B5002 - Italian Statement Print  
This is a localized statement format for Italy.
- R03B5003 - Statement Print Credit Card  
This is the print program that you use to print statements in a credit card format. The system prints only new invoices and summarizes invoices previously printed into a balance forward amount.
- R03B506 - Statement Print with Draft  
This is the statement print program that you use when you want to include draft information.

You can also create a custom print program to use.

When you want to limit the invoices that print on the statement or change the order in which invoices print, you use the data selection and data sequence for the statement print program. For example, you might want to exclude paid invoices from the statement, or you might want invoices to print on the statement according to due date instead of document number.

---

**Note**

To exclude paid invoices from the statement, use the following data selection in the version of the statement print program:

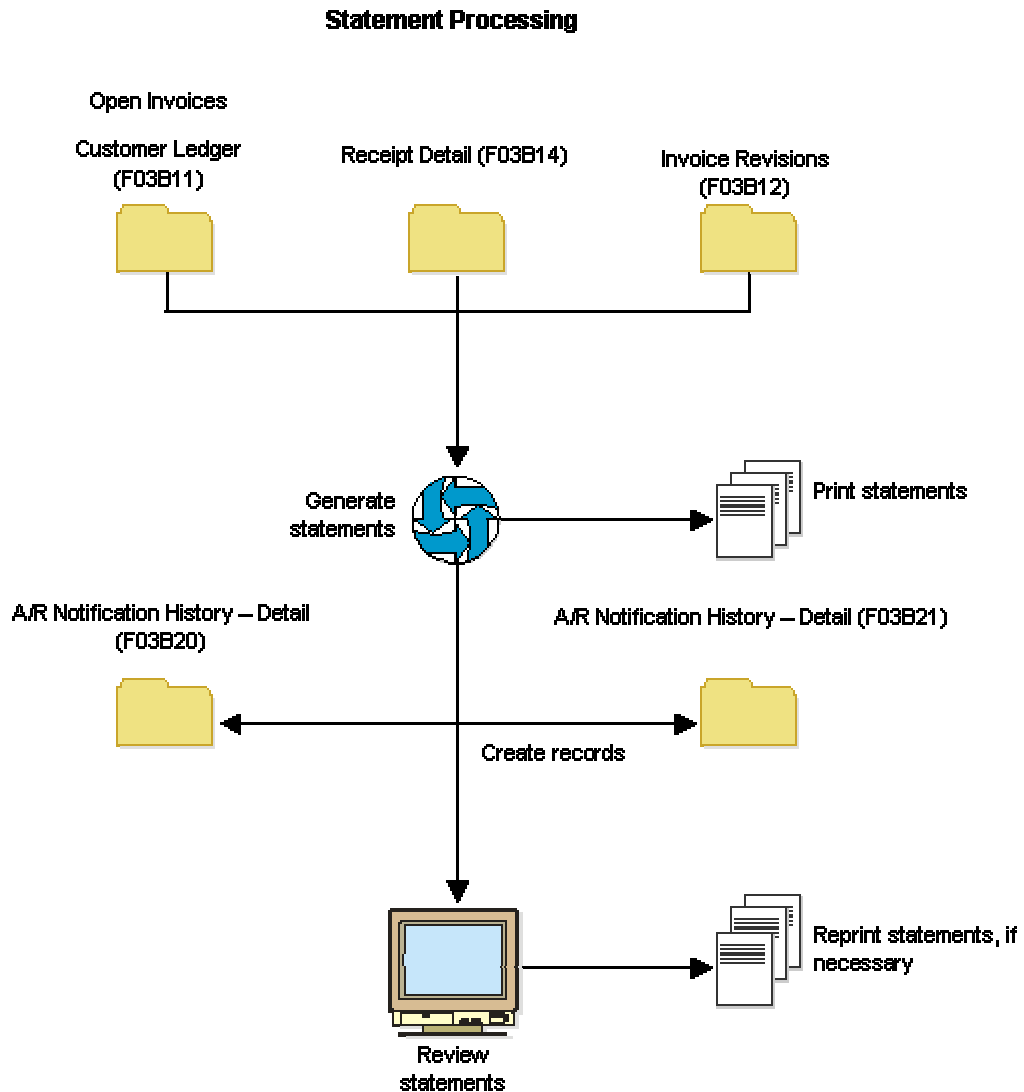
Open Amount is not equal to <ZERO>

This data selection allows credit amounts and debit amounts to appear on the statement, but excludes paid invoices.

---

The data selection for Statement Notification Refresh (R03B500X) controls which statements are generated, not which invoices are printed on the statement. You should not change the data sequence for R03B500X.

The following graphic illustrates how the system processes statements:



## Technical Considerations When Generating Statements

The following are the programs involved when you generate statements:

Program	Description
<b>R03B500X</b>	This program updates the F03B20, F03B21, F03B11, F03B112, and F03B14 tables.
<b>R03B5005</b>	This is the print driver that is used to submit the print program that you specify in the processing option. This program does not update any tables.
<b>R03B5001</b> <b>R03B5002</b> <b>R03B5003</b> <b>R03B5001JP</b> <b>R03B506</b> <b>R03B5001TW</b>	These are the print programs that produce the statement. You can choose which print program the system uses. Some of these programs meet country-specific requirements. See the appropriate Global Solutions guide for more information.

### What You Should Know About Processing Options

Both the Statement Notification Refresh program (R03B500X) and the Statement Print program (R03B5001) have a processing option for summarizing invoices.

In the Statement Notification Refresh program, the processing option specifies whether to create a summarized invoice record in the F03B20 table, in addition to a record for each invoice. This processing option works independently of the corresponding option in the Statement Print program.

In the Statement Print program, the processing option specifies whether to print each invoice pay item on the statement or print one invoice that summarizes all pay items. This processing option is dependent on the corresponding processing option in the Statement Notification Refresh program. To print summarized invoices, you must also specify that the system create the summarized invoice record.

### Processing Options for Statement Notification Refresh (R03B500X)

#### Consolidation Tab

This processing option specifies whether one statement is generated for the customer that includes records for all companies or a separate statement for the customer is generated for each company.

---

#### 1. Company

Use this processing option to enter the company that you want to use to locate the remit to address. The system generates one statement for each customer for the company that you specify, regardless of whether the company is specified on the invoice. If you choose to retrieve aging specifications from the company constants, the system uses the company number that you specify to locate the remit to address, based on the value in the Remit To

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processing option, and the aging specifications.

If you leave this processing option blank, the system produces one statement for each customer by company. For example, if you enter invoices for the customer for companies 00001, 00020, and 00050, the system produces three statements, one for each company.

If you leave this field blank, the system generates one statement for each customer for each company that

---

### **Aging Tab**

These processing options specify the aging criteria for statements.

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#### 1. Company Constants

Blank = Use options 2 thru 10

1 = Use company constants

Use this processing option to specify whether to retrieve the aging specifications and statement date from the Accounts Receivable constants. If you leave this field blank, the system uses the processing options for aging specifications (Statement Date, Date Types, and Aging Categories). Valid values are:

Blank

Use processing options 2 through 5.

1

Use the Accounts Receivable constants.

---

#### 2. Statement Date

Use this processing option to specify the date that you want to the system to use to determine the aging category to which to assign open invoices. The system compares the date that you enter to the date on the invoice, as specified by the Date Types processing option, to determine the number of days the invoice is past due. The system uses this date as the Statement Date that prints on the statement.

If you leave this processing option blank, the system uses today's date to age open invoices.

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### 3. Date Types

D = Due date

I = Invoice date

G = G/L date

S = Statement date

Use this processing option to specify the date on the invoice that you want the system to use to determine the aging category. The system compares the date that you specify to the value in the Statement Date processing option to determine the number of days the invoice is past due. Valid values are:

Blank

Use the invoice due date.

1

Use the invoice date.

2

Use the G/L date.

3

Use the statement date.

---

---

#### 4. Aging Categories

- 1 = Aging days
- 2 = Fiscal period
- 3 = Calendar

Use this processing option to specify which aging categories the system uses to assign invoices. The system uses the date specified in the Statement Date processing option and the value specified in the Date Type processing option to calculate the aging for each invoice, and then assigns them to the aging category specified by this code. Valid values are:

1

Aging days. The system assigns invoices to the aging categories specified in the Aging Category 1 through Aging Category 6 processing options. The aging categories are user defined.

2

Fiscal periods. The system uses the fiscal periods defined by the date pattern assigned to the company record as the aging categories.

3

Calendar. The system uses each calendar month as an aging category.

If you leave this processing option blank, the system uses the default value 1 (aging days).

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#### 5. Aging Category 1

Use this processing option in conjunction with the value specified in the Aging Category 2 processing option to specify the interval that the system uses for the future and current aging categories.

Note: The system does not print the future aging category on delinquency notices.

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#### 6. Aging Category 2

Use this processing option in conjunction with the values specified in the Aging Category 1 and Aging Category 3 processing options to determine the interval that the system uses for the current and first aging categories.

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### 7. Aging Category 3

Use this processing option in conjunction with the values specified in the Aging Category 2 and Aging Category 4 processing options to determine the interval that the system uses for the first and second aging categories.

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### 8. Aging Category 4

Use this processing option in conjunction with the values specified in the Aging Category 3 and Aging Category 5 processing options to determine the interval that the system uses for the second and third aging categories.

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### 9. Aging Category 5

Use this processing option in conjunction with the values specified in the Aging Category 4 and Aging Category 6 processing options to determine the interval that the system uses for the third and fourth aging categories.

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### 10. Aging Category 6

Use this processing option in conjunction with the value specified in the Aging Category 5 and Aging Category 7 processing options to determine the interval that the system uses for the fourth and fifth aging categories.

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11. Credits

Blank = Age credits

1 = Apply to current balance

Use this processing option to specify whether to age credit memos according to the aging specifications, or to apply credits to the Current aging column that prints on the statement.

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12. Exclude Future Amounts

Blank = Do not exclude

1 = Exclude

Use this processing option to specify whether to prevent future invoice amounts from printing on the statement. The system uses the aging specifications from the Accounts Receivable constants or the processing options to determine whether the invoice has a future amount. For example, if you age invoices based on the due date, and the statement date is 6/30/05, the system prevents all invoices with a due date after 6/30/05 from printing the statement.

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13. Multi-Currency

Blank = Domestic

1 = Foreign

Use this processing option to specify whether to print amounts in the foreign currency of the invoice. Valid values are:

Blank

Print domestic amounts only on the statement.

1

Print domestic and foreign amounts on the statement.

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14. Draft Flag

Blank = Do not print with draft

1 = Print with draft

Use this processing option to produce statements with a draft. If you use this option, the system assigns a draft number to the statement, not a statement number.

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**Print Tab**

These processing options specify options such as how the system prints the Remit To address, the version of the print program to use, and the letter to print on the statement.

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1. Remit To Address

Blank = Company

A = 1st address number

B = 2nd address number

C = 3rd address number

D = 4th address number

E = Factor/special payee

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F = 5th address number  
Address = address number

Use this processing option to specify the remit to address that prints on the statement. The remit to address indicates where the customer should send their payments. The system retrieves this address based on the address book record that is set up for the company that is designated on the invoice in the Address Book Master table (F0101). Valid values are:

**Blank**

Use the address of the company designated in the Customer Ledger (F03B11), unless you specify a company in the Consolidation processing option. The system retrieves the company's address book number from the Company Constants table (F0010).

**A**

Use the value in the 1st Address Number field (AN81) of the company record.

**B**

Use the value in the 2nd Address Number field (AN82) of the company record.

**C**

Use the value in the 3rd Address Number field (AN83) of the company record.

**D**

Use the value in the 4th Address Number field (AN84) of the company record.

**E**

Use the value in the Factor/Special Payee field (AN85) of the company record.

**F**

Use the value in the 5th Address Number field (AN86) of the company record.

**Address**

Specify an address book number that you want the system to use instead of the company's address book number.

For example, if you generate statements for company 00001, and you want the receipts to be remitted to a lockbox address, you set up the lockbox address as a record in the Address Book system and assign the lockbox address book number to one of the address book number fields on the address book record for company 00001. In this processing option, you specify which of these address book numbers to use.

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**2. Print Program**

Use this processing option to specify the statement print program to use to produce

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statements. Use the Search button for a list of valid statement print programs. If you leave this processing option blank, the system uses R03B5001. Each print statement program has processing options that control the type of information that the system prints on the statement. The data selection and data sequence of the print program controls the amount of detail that prints on the statement and the order in which it prints.

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### 3. Version of Print Program

Use this processing option to specify the version of the statement print program to use. If you leave this processing option blank, the system uses ZJDE0001.

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### 4. Letter Name

Use this processing option to specify a predefined letter for text that you want to print on the statement. If the letter was set up with a letter type, you must also specify the letter type.

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### 5. Letter Type

Use this processing option to specify a predefined letter for text that you want to print on the statement. If the letter was set up with a letter type, you must also specify the letter type.

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## **Update Tab**

These processing options specify whether the system uses an “as of” date to calculate invoice open amounts, whether it updates the statement number on invoice and receipt records, and whether the system creates one A/R Notification History Detail record (F03B21) for each invoice or invoice pay item.

---

### 1. Date - As Of

Use this processing option to specify the date that you want to use to produce statements for a prior period. This date is useful if a customer requests a statement for a specific date or for a date that is different from the original date that you used to produce the statement.

For example, if you need to produce a statement from several months ago, you enter the date that you want to use for the statement date in this processing option, and the system compares it to the closed date on the invoice to determine whether the invoice was open as of that date. If the invoice was open, the system recalculates the open amount and

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includes it on the statement. The system recalculates the open amount by adding to the current open amount the receipts that were applied to the invoice and have a G/L date that is on or after the as of date.

If you want to reprint a statement that was previously generated for a prior period, use the Review Statements program (P03B202).

Caution: The system requires additional processing time to determine whether the invoice was open on the date that you specify; therefore, do not complete this field unless you want to use this feature. For the system to perform As Of processing, you must include paid invoices in the data selection of the Statement Notification Refresh program (R03B500X). You might also want to limit your data selection to the specific customer for whom you are generating the statement.

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---

## 2. Statement Number Update

Blank = Always update

1 = Update blank fields only

Use this processing option to overwrite the statement number on invoices that are included on multiple statements. For example, if an open invoice is included on statement 123 and the invoice is still open when you run statements again, the system assigns the new statement number to the invoice and overwrites the previous value. Valid values are:

Blank

Update the statement number on all invoice records.

1

Update the statement number on only those invoice records that do not have a value in the Statement Number field (CTL).

---

---

## 3. Summarize Invoices

Blank = Pay items only

1 = Summarized and pay items

---

Use this processing option to specify whether to include a summarized invoice record in

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addition to each invoice pay item record in the A/R Notification History Detail (F03B21) table. You use the Review Statement program (P03B202) to review the information in this table. Valid values are:

Blank

Include invoice pay item records only.

1

Include a summarized invoice record in addition to the invoice pay item records.

Note: If you want to print summarized invoice information on the statement, use the corresponding processing option in the statement print program that you are using (R03B5001, for example).

---

## **Processing Options for Statement Print (R03B5001)**

### **Print Tab**

These processing options specify the information to print on the statements.

---

#### **1. Print Aging Information**

Blank = Do not Print

1 = Print

Use this processing option to specify whether to print aging information on the statement. Valid values are:

Blank

Do not print aging information.

1

Print aging information.

---

#### **2. Suppress Account Summary**

Blank = Do not suppress

1 = Suppress

Use this processing option to specify whether to print an account summary on the bottom of each statement. Valid values are:

Blank

Print an account summary.

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1

Do not print an account summary.

---

---

3. Print Date

Blank = Due Date

1 = Invoice Date

Use this processing option to specify the date to print on the statement. Valid values are:

Blank

Print the due date.

1

Print the invoice date.

---

---

4. Print Statement Number

Blank = Do not Print

1 = Print

Use this processing option to specify whether to print the statement number at the top of each statement. Valid values are:

Blank

Do not print the statement number.

1

Print the statement number.

---

---

5. Print ' Remit to ' Address

Blank = Do not Print

1 = Print

Use this processing option to specify whether to print the Remit To address at the top of each statement. Valid values are:

Blank

Do not print the Remit To address.

---

---

1

Print the Remit To address.

Note: The system determines which Remit To address to print based on the corresponding processing option in the Statement Notification Refresh program (R03B500X).

---

---

6. Print Summarized Invoices

Blank = Print each payitem

1 = Summarize

Use this processing option to specify whether to print each invoice or each invoice pay item on the statement.

Blank

Print each invoice pay item on the statement.

1

Print one invoice that summarizes all its pay items on the statement. You must appropriately set the corresponding processing option (Summarize Invoices on the Update Tab) in the Statement Notification Refresh program (R03B500X) if you enter 1 for this processing option.

---

## Reviewing Statements

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Because the system stores statement information, you can review statements online. This is especially useful when a customer contacts you about a statement. The Review Statements program (P03B202) allows you to quickly access the statement and interactively respond to the customer's concern. You can also reprint a statement previously generated.

When you review statement information, you can review the invoices and payments that were recorded on the statement.

When you review statements, you can access:

- All statements for all of your customers
- All statements for a specific customer
- Statements with a specific notification date
- Invoice and payment information on a specific statement
- Summary information for the statement, such as associated aging information

The information that the system displays is for inquiry purposes only.

When you review statements, the system displays information from the A/R Notification History (F03B20) and A/R Notification History Detail (F03B21) tables. These tables are also used to store information about delinquency notices.

### See Also

- *Reviewing Statements in the Invoice and Receipt Currencies in the Multicurrency Guide.*

### ► To review statements

---

*From the Statement Reminder Processing menu (G03B22), choose Review Statements.*

1. On Work With Notifications, click Find to display all statements for all customers, or complete any of the following fields to limit the information that the system displays, and click Find:
  - Statement Number
  - Customer Number
  - Notification Date

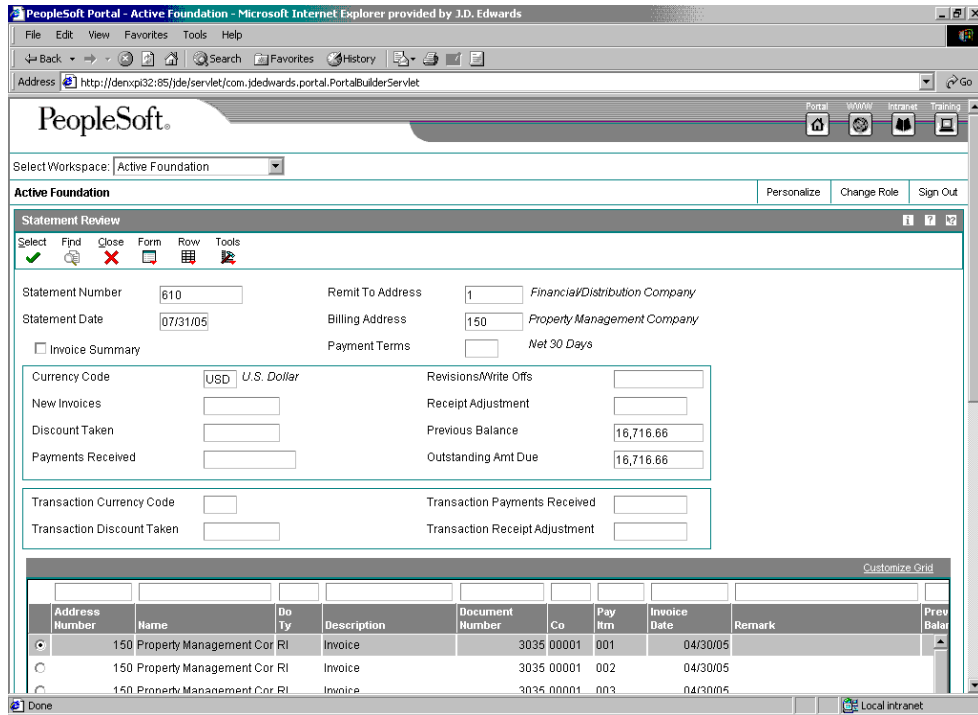
---

#### Note

The system displays both delinquency notices and statements for the customer if you do not specifically designate a statement number. To display only statements, enter ST in the QBE row for the Notification Type (No Ty) field.

---

2. To review the details of a statement, choose the statement and click Select or choose Review from the Row menu.



3. On Statement Review, to display invoice pay items that are summarized, click the following option and click Find:
  - Invoice Summary
 

The system displays the summarized invoice pay item only when you choose the corresponding processing option when you run Statement Notification Refresh (R03B500X).
4. To review the statement summary, which includes aging information, choose Summary from the Form menu.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Notification Summary

OK Cancel Tools

Statement Number: 614

Notification Date: 07/31/05

Remit To Address: 1 Financial/Distribution Com

Address Number: 3002 Atlantic Corporation

Payment Terms: 001 1/10 Net 30

Previous Balance:

New Invoices:

Discount Taken:

Payments Received:

Revisions/Write Offs:

Outstanding Balance Due:

Currency Code: EUR Euro

Aging Information	
Future Amount	
Current	<input type="text"/>
1 - 30	<input type="text"/>
31 - 60	<input type="text"/>
61 - 90	<input type="text"/>
91 - 120	<input type="text"/>
Over 120	<input type="text"/>

The system ages invoices according to the specifications that you chose in the processing options for Statement Notification Refresh (R03B500X).

## Processing Options for Review Statements (P03B202)

Version

1. Version of the Statement Notification Reset

(R03B5015) for the statement to be reset.

Blank = Version ZJDE0001

## Reprinting Statements

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<b>Reprinting statements</b>	<p>While reviewing statements, you might need to reprint one for a customer. To do this, choose the statement that you want to reprint on Work With Notifications, and then choose Reprint from the Row menu.</p> <p>Alternatively, on Statement Review, choose Reprint from the Form menu, and then click Cancel.</p> <p>The system runs the print program when you exit the Work With Notifications form.</p>
<b>Changing statement print information</b>	<p>You can change the information that the system uses to print statements. For example, you can change the print program and the version that the system uses to reprint statements. To change statement print information, choose Print Information from the Row menu on the Work With Notifications form.</p>

## Resetting Statements

---

You can reset transactions on current statements and reprocess the statements to include additional information that might not have been received or processed at the time you generated the original statement. This includes payment information, adjustments, and changes to invoices. For example, if you process statements before receiving a payment, you can reset the statement that you generated to include the payment information on the statement before sending it to the customer.

You can reset only the last statement generated. The system issues an error message if you try to reset previously generated statements.

When you reset statements, the system runs the version of the Statement Notification Reset program (R03B5015) that you enter in the processing options of the Review Statements program (P03B202) and resets the following tables to the status they had before you originally processed the statements:

- A/R Notification History (F03B20).
- A/R Notification History Detail (F03B21).
- Customer Ledger (F03B11). If you process and print an invoice in a statement once, the system resets the Statement Number (CTL) and Statement Date (SMTJ) to blank. If you do so more than once, the system resets CTL and SMTJ to their previous values.
- Receipts Detail (F03B14). The system resets the statement number and statement date to blank.
- Invoice Revisions (F03B112). The system resets the Statement Print Flag (STPF) to blank.

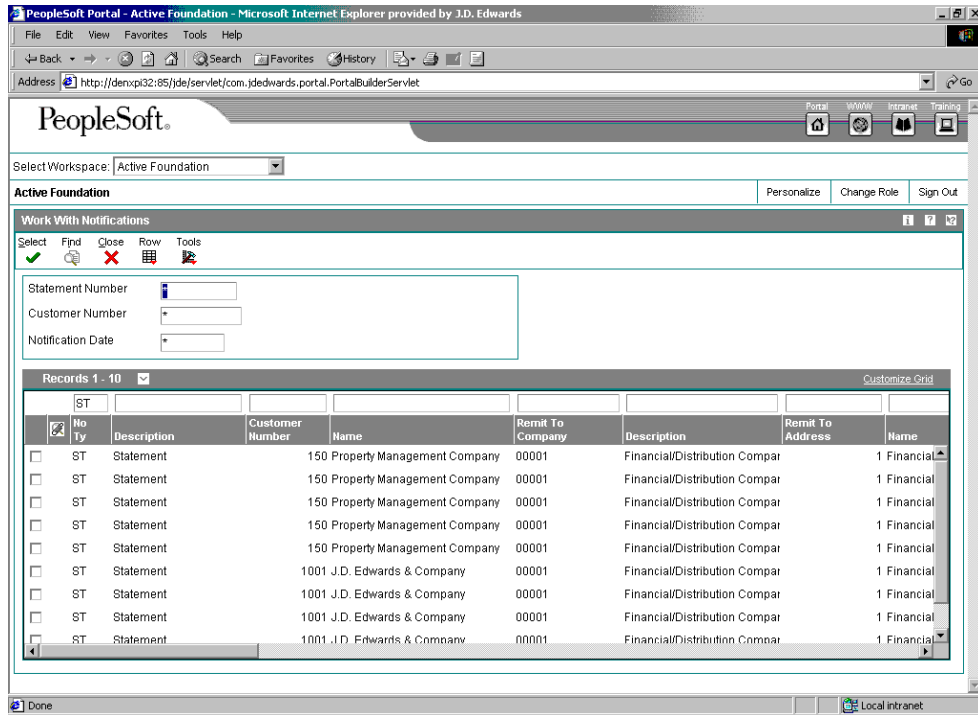
If you need to revise a statement that is not the current statement, you can generate a new statement by using the As Of Date processing option in the Statement Notification Refresh program (R03B500X).

### ► To reset statements

---

*From the Statement Reminder Processing menu (G03B22), choose Review Statements.*

1. On Work With Notifications, locate and choose the statement that you want to reset.
2. From the Row menu, choose Reset.



In the detail area, the system marks the statements for reset. To deselect statements, choose the marked statements and choose Reset from the Row menu.

3. Click Close.

When you click Close, the system runs the Statement Notification Reset program (R03B5015). You must rerun Statement Notification Refresh to regenerate a new statement for the customer.

## Purging Statements and Delinquency Notices

---

*From the Statement Reminder Processing menu (G03B22), choose Statement/Notification Purge.*

When you consider statement or delinquency notice information to be obsolete, you can purge it. The Statement/Notification Purge program removes statement and delinquency notice records from the A/R Notification History (F03B20) and A/R Notification History Detail (F03B21) tables. The system does not write purged information to another table for archiving. If you want to retain purged information, keep a backup of your tables before purging them.

The system purges both statement and delinquency notices unless you specify a notification type in the data selection.

- To purge statements only, use the notification type ST.
- To purge delinquency notices only, use the notification type DL.

The system purges records based on the values in the Notification Date processing option and Number of Months processing option. This ensures that the system purges the correct information. If these two processing options are not used in conjunction with each other, the system reads the oldest value (either the date in the Notification Date processing option or the value in the Number of Months processing option) to purge the fewest number of records.

The system does not produce a report of the records purged.

---

### Note

The purge program does not remove records with a future date. To remove all the records in the F03B20 and F03B21 tables, consider using a data file utility.

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## Processing Options for Statement/Notification Purge (R03B5010)

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### Date

Enter a Notification Date for the Purge. All Notifications less than or equal to this date will be removed. If left blank the date will default to today's date.

### Notification Date

Enter the number of months of history that should be retained. Any records past this month, and older than the notification date will be removed.

### Number of Months

Enter a '1' to run in the final mode. Default of blank will print report only.

### Final Mode

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## Processing Hankin Hante Payments

Hankin Hante is a Japanese payment method to automatically split Accounts Payable payments. Payments over a designated amount are split into two smaller payments of different payment instruments-- typically, a bank transfer and a draft. Splitting payments by using the Hankin Hante method is a general business practice in Japan because it allows a company to improve cash flow by deferring payment.

The Japanese government imposes a stamp tax on bank drafts. The amount of the stamp tax is determined by the draft amount. As a general practice, Japanese businesses split draft payments into two or more smaller drafts so that they pay less stamp tax.

For example, the stamp tax for a draft of 8,000,000 JPY is 2,000 JPY, the stamp tax for a 5,000,000 JPY draft is 1,000 JPY, and the stamp tax for a draft of 3,000,000 JPY is 600 JPY. Splitting an 8,000,000 JPY draft into two drafts of 5,000,000 JPY and 3,000,000 JPY saves 400 JPY in stamp tax.

To split Accounts Payable payments into payments of different types, complete the following steps:

1. Set up your system for Hankin Hante payments:
  1. Define the split amounts for drafts and for bank transfers in the Hankin Hante Split Amounts program (P75J0411).
  2. Assign the same payment instrument to each Hankin Hante supplier.
  3. Complete the Draft Ratio field on the Address Book Revision Japan form. You complete this form when you enter additional information for suppliers.
2. Use the Create Payment Control Groups program (R04570) to create preliminary payment control groups.
3. Run the Automatic Payment Split – Hankin Hante program (R75J04PS) in proof mode to review the Hankin Hante payment splits.
4. Run the Automatic Payment Split – Hankin Hante program in final mode.
5. Run the Create Payment Control Groups program to create payment control groups for the newly split bank transfers and drafts.
6. Run the Automatic Payment Groups program (P04571) to write and update draft and bank transfer payments.
7. Run the Batches program (P0011) to review draft and bank transfer payments.
8. Run the General Ledger Post Report program (R09801) to post draft and bank transfer payments to the general ledger.
9. Run the Automatic Draft Split – Hankin Hante (R75J04DS) program in proof mode to review the split of the Hankin Hante draft payments.
10. Run the Automatic Draft Split – Hankin Hante program in final mode.
11. Run the Bank Draft Number Revision–Japan program (P75301) to update the draft number and change the maturity date.
12. Run the Manual Draft Split – Hankin Hante program (P75J04DS) to manually split drafts that could not be split automatically.

13. Run the A/P Draft Payable List-Japan program (R75402) to print the draft report.
14. Run the A/P Drafts Inquiry/Selection program (P04260) to select drafts for settlement.
15. Run the Post Drafts Payable program (R04803) to post the drafts to the general ledger.

## **Setting Up Payment Split and Draft Split Amounts for Japan**

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Before you automatically split Hankin Hante payments into drafts and bank transfer payments, or split drafts into smaller drafts, you must set up the Hankin Hante Split Amounts table (F75J04SA) with the split amounts for bank transfers and drafts. When you access the F75J04SA table using the Hankin Hante Split Amounts program (P75J0411), you click an option to choose whether to set up payment splits or draft splits. When you choose to set up payment splits, you create a list that the system uses to determine the amounts at which to split a Hankin Hante payment into a draft and a bank transfer. When you choose to set up draft splits, you create a list that the system uses to determine the amounts at which to split draft payments.

You must set up the F75J04SA table with a list of payment splits before you can run the Automatic Payment Split – Hankin Hante program (R75J04PS), and you must set up the F75J04SA table with a list of draft splits before you can run the Automatic Draft Split – Hankin Hante program (R75J04DS). If you do not set up the F75J04SA with the appropriate lists, the R75J04PS and R75J04DS reports print an error message; and the programs do not split the payments or drafts.

Generally, you set up payment splits and draft splits once and modify them only when your company changes its Hankin Hante payment policy.

Before you automatically split Hankin Hante payments, you must also do the following:

- Assign the same payment instrument to each supplier for which you want to split payments into drafts and bank transfers.
- Assign a draft ratio to each supplier.

### **See Also**

- ❑ *Setting Up Payment Instruments* in the *Global Solutions Japan Guide* for information about assigning payment instruments
- ❑ *Entering Additional Information for Suppliers* in the *Global Solutions Japan Guide* for information about assigning a draft ratio

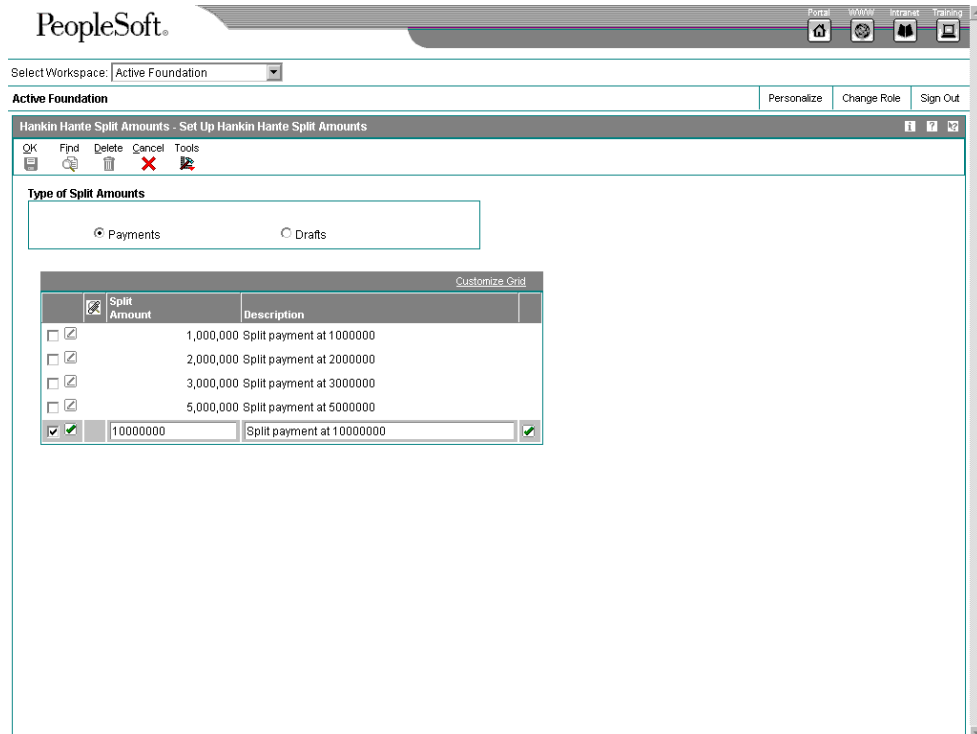
### **► To set up payment split and draft split amounts**

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*From the Japanese Localization menu (G75J), choose Hankin Hante Split Amounts.*

1. On Set Up Hankin Hante Split Amounts, choose one of the following options:
  - Payments
  - Drafts

Choose Payments if you want to set up or modify the split amounts that the system uses to determine the levels at which to split Accounts Payable payments into bank transfers and drafts. Choose Drafts if you want to set up or modify the split amount that the system uses to determine the levels at which to split drafts into smaller drafts.



2. Complete the following field with an amount at which you want to split payments or drafts:
  - Split Amount
3. Complete the following field with a description of the split:
  - Description
4. Repeat Steps 2 and 3 until you have set up all of the split levels that you need, and then click OK.

### See Also

- ❑ *Automatically Splitting Payments in Japan* in the *Global Solutions Japan Guide* for examples of how the value that you enter in the Split Amount field on the Set Up Hankin Hante Split Amounts form determines how the system splits payments
- ❑ *Automatically Splitting Drafts in Japan* in the *Global Solutions Japan Guide* for examples of how the value that you enter in the Split Amount field on the Set Up Hankin Hante Split Amounts form determines how the system splits drafts.

## Automatically Splitting Payments in Japan

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*From the Japanese Localization menu (G75J), choose Automatic Payment Split – Hankin Hante (R75J04PS).*

You run the Automatic Payment Split – Hankin Hante batch process after you run the Create Payment Control Groups (R04570) batch process. When you run the R75J04PS process in final mode, the system splits Hankin Hante payments into bank transfers and drafts. You specify in processing options the payment type for Hankin Hante payments and the payment types for drafts and bank transfers in processing options. The system splits the amount for each supplier into bank transfers and drafts according to the split amounts that you set up in the Hankin Hante Split Amounts program (P75J0411) and the draft ratio that you specify when you set up the supplier master information.

When the system splits the payment into a draft and bank transfer, the following actions occur:

- The vouchers are restored to an unpaid, approved status.
- The payment instrument for each voucher changes to either a draft or bank transfer, and if necessary, the system splits the one pay item into two pay items.

You specify the payment instruments for the Hankin Hante payments that you want to split and the payment instruments for drafts and bank transfers in the processing options. The Hankin Hante payment instrument determines which payment workfile records the system selects for processing. In final mode, the draft and bank transfer payment instruments are assigned to the Accounts Payable Ledger (F0411) records for each payment that is split into drafts and bank transfers. You set up payment instruments in the Payment Instrument (00/PY) UDC.

When you run the Automatic Payment Split – Hankin Hante batch process, the system processes only the payment control groups that are at a Write status and that are of the payment instrument type that you specify for Hankin Hante payments.

You can specify in the processing options the version of the Create Payment Control Groups (R04570) batch process that the Automatic Payment Split – Hankin Hante batch process runs as the final step when you run the Automatic Payment Split – Hankin Hante program in final mode. If you do not specify a version for the Create Payment Control Groups batch process in the Automatic Payment Split – Hankin Hante batch process, you must run the Create Payment Control Groups process manually.

The report for the R75J04PS batch process shows the following information in the detail section:

- Payee number
- Payee name
- Payment type
- Document number
- Company
- Original pay item
- Original amount
- Draft payment

- Bank transfer payment
- New pay items

If you have not set up the Hankin Hante Split Amounts table (F75J04SA) with the payment split amounts, the report prints an error message and the system does not process any records.

### Example of Automatically Splitting Hankin Hante Payments

Suppose that your company has defined the split for Hankin Hante payments in 1,000,000 JPY increments. Suppose further that you set up and assigned a payment type of H to suppliers for Hankin Hante payments and that you set up the draft ratio for your suppliers as shown in Table 1.

**Table 1 (Draft Ratios)**

Supplier	Payment Instrument	Draft Ratio
5001	H	50 percent
5002	H	75 percent
5003	H	50 percent
5004	H	50 percent
5005	H	0 percent

You run the Create Payment Control Groups (R04570) batch process to create payment workfile records for H-type payment instruments, and then run the Automatic Payment Split – Hankin Hante process to split the H-type payment records into bank transfers and drafts.

The system splits the payment amount that is due to each supplier according to the split amounts in table F75J04SA and the draft ratio for each supplier. The system first verifies that the payment amount is at least equal to the lowest split amount in table F75J04SA. If the payment amount is greater than or equal to the lowest amount in the table, the system processes the amount that is due to the supplier according to the supplier's draft ratio. If the payment amount is not at least the amount of the lowest split amount, the system processes the amount that is due as a draft.

Table 2 shows how the system would split Hankin Hante payments for the suppliers who are listed in Table 1.

**Table 2 (Supplier Payments)**

Supplier	Original Payment Amount	Draft Payment	Bank Transfer Payment
5001	4,000,000	2,000,000	2,000,000
5002	4,000,000	3,000,000	1,000,000
5003	1,500,000	750,000	750,000
5004	1,000,000	1,000,000	
5005	1,000,000		1,000,000

Suppose Supplier 5001 has three vouchers that total 4,000,000 JPY, as shown in Table 3.

**Table 3 (Supplier 5001 Vouchers)**

Voucher	Original Payment Amount
PV 1234 001	1,000,000
PV 1235 001	2,000,000
PV 1236 001	1,000,000
	-----
<b>Total</b>	4,000,000

Supplier 5001 has a draft ratio of 50 percent. This situation means that up to 50 percent of the amount due can be sent as a draft. Since 50 percent of the original amount is equal to one of the levels in the Hankin Hante Split Amounts table (F75J04SA), the payment is split into a draft of 2,000,000 JPY and a bank transfer of 2,000,000 JPY. The system does the following to accomplish the split:

- Resets PV 1234 001 from payment instrument H (Hankin Hante) to payment instrument D (draft).
- Splits PV 1235 001 into two pay items. Pay item 001 is reset to payment instrument of D (draft) and the amount is changed to 1,000,000 JPY. Pay item 002 has a payment instrument of W (bank transfer) and is 1,000,000 JPY.
- Resets PV 1236 001 from payment instrument H (Hankin Hante) to payment instrument W (bank transfer).

Table 4 shows the results of the payment split for Supplier 5001.

**Table 4 (Supplier 5001 Splits)**

Voucher	Original Payment Amount	Draft Payment	Bank Transfer Payment
PV 1234 001	1,000,000	1,000,000	
PV 1235 001	2,000,000	1,000,000	
PV 1235 002			1,000,000
PV 1236 001	1,000,000		1,000,000
	-----	-----	-----
<b>Totals</b>	4,000,000	2,000,000	2,000,000

Suppose Supplier 5002 has three vouchers that total 4,000,000 JPY, as shown in Table 5.

**Table 5 (Supplier 5002 Vouchers)**

Voucher	Original Payment Amount
PV 2234 001	1,000,000

Voucher	Original Payment Amount
PV 2235 001	2,000,000
PV 2236 001	1,000,000
	-----
<b>Total</b>	4,000,000

Supplier 5002 has a draft ratio of 75 percent. This situation means that up to 75 percent of the amount that is due can be sent as a draft. Since 75 percent of the original amount is equal to one of the levels in the in table F75J04SA, the system splits the original amount into a draft that is equal to 75 percent of the original amount and a wire transfer that is equal to 25 percent of the original amount. The system does the following to accomplish the split:

- Resets PV 2234 001 and PV 2235 001 from payment instrument H (Hankin Hante) to payment instrument D (draft)
- Resets PV 2236 001 from payment instrument H (Hankin Hante) to payment instrument W (bank transfer)

Table 6 shows the results of the payment split for Supplier 5002.

**Table 6 (Supplier 5002 Splits)**

Voucher	Original Payment Amount	Draft Payment	Bank Transfer Payment
PV 2234 001	1,000,000	1,000,000	
PV 2235 001	2,000,000	2,000,000	
PV 2236 001	1,000,000		1,000,000
	-----	-----	-----
<b>Totals</b>	4,000,000	3,000,000	1,000,000

Suppose Supplier 5003 has one voucher of 1,500,000 JPY. Supplier 5003 has a draft ratio of 50 percent. This situation means that up to 50 percent of the amount due can be sent as a draft. Since 50 percent of the original amount is less than the lowest split amount in the F75J04SA table, the system splits the original amount into a draft that is equal to 50 percent of the original amount and a wire transfer that is equal to 50 percent of the original amount. The system does the following to accomplish the split:

- Splits PV 3235 001 into two pay items. Pay item 001 is reset to payment instrument D (draft), and the amount is changed to 750,000 JPY. Pay item 002 has a payment instrument of W (bank transfer) and is 750,000 JPY.

Table 7 shows the results of the payment split for Supplier 5003.

**Table 7 (Supplier 5003 Splits)**

Voucher	Original Payment Amount	Draft Payment	Bank Transfer Payment
PV 3234 001	1,500,000	750,000	
PV 3234 002			750,000

Voucher	Original Payment Amount	Draft Payment	Bank Transfer Payment
-----	-----	-----	-----
<b>Totals</b>	1,500,000	750,000	750,000

Suppose Supplier 5004 has one voucher of 1,000,000 JPY. Since 1,000,000 is equal to the lowest split amount in table F75J04SA, the system processes the entire payment as a draft and does not consider the supplier's draft ratio. The system does the following to process the payment:

- Resets PV 4234 001 from payment instrument H (Hankin Hante) to payment instrument D (draft)

Table 8 shows the result of the R75J04PS process for Supplier 5004.

**Table 8 (Supplier 5004 Splits)**

Voucher	Original Payment Amount	Draft Payment	Bank Transfer Payment
PV 4234 001	1,000,000	1,000,000	
-----	-----	-----	-----
<b>Total</b>	1,000,000	1,000,000	

Suppose Supplier 5005 has one voucher of 1,000,000 JPY. This supplier has a draft ratio of 0 percent, so the system processes the entire amount that is due as a bank transfer. The system does the following to process the payment:

- Resets PV 5234 001 from payment instrument H (Hankin Hante) to payment instrument W (bank transfer)

Table 9 shows the result of the R75J04PS process for Supplier 5005.

**Table 9 (Supplier 5005 Splits)**

Voucher	Original Payment Amount	Draft Payment	Bank Transfer Payment
PV 5234 001	1,000,000		1,000,000
-----	-----	-----	-----
<b>Total</b>	1,000,000		1,000,000

### Before You Begin

- Set up the payment split amounts in the Hankin Hante Split Amounts program (P75J0411) program. See *Setting Up Payment Split and Draft Split Amounts* in the *Global Solutions Japan Guide*.
- Define a payment instrument in the Payment Instrument UDC (00/PY) for Hankin Hante suppliers, and assign that payment instrument to each Hankin Hante supplier. See *Setting Up User Defined Codes for Japan* in the *Global Solutions Japan Guide*.

## Processing Options for Automatic Payment Split – Hankin Hante (R75J04PS)

### Process Tab

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#### 1. Proof or Final Mode

Use this processing option to specify whether to run this process in proof or final mode. Valid values are:

Blank

Run in proof mode. The system generates and prints a report without performing any updates.

1

Run in final mode. The system restores the vouchers to an unpaid approved status, updates the Accounts Payable Ledger table (F0411), and prints the report.

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#### 2. Draft Payment Instrument

Use this processing option to specify the type of payment instrument that the system assigns to the voucher pay items for the split payment that is paid by the draft. You choose a payment instrument type from the Payment Instrument UDC table (00/PY).

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#### 3. Bank Transfer Payment Instrument

Use this processing option to specify the type of payment instrument that the system assigns to the remaining voucher pay items of the split payment to be paid by bank transfer. You choose a payment instrument type from the Payment Instrument UDC table (00/PY).

### Select Tab

#### 1. Hankin Hante Payment Instrument

Use this processing option to specify the type of payment instrument that the system splits into draft and bank transfer payments. The system selects for processing only the unwritten payment control groups of the payment instrument type that you specify. You choose a payment instrument type from the Payment Instrument UDC table (00/PY).

### Versions Tab

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1. Create Payment Control Groups (R04570)

Use this processing option to specify the version that the system uses to create new payment groups. If you enter a version, the system automatically runs the specified version of the Create Payment Control Groups program (R04570) after splitting the Hankin Hante payments into draft and bank transfer payments. If you leave this processing option blank, you must run the Create Payment Control Group process (R04570) manually.

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## Automatically Splitting Drafts in Japan

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*From the Japanese Localization menu (G75J), choose Automatic Draft Split – Hankin Hante (R75J04DS).*

You split drafts to minimize the amount of stamp tax that you must pay. In the processing options for the Automatic Draft Split – Hankin Hante program, you can specify whether the system splits drafts according to the split amounts that you specify in the Hankin Hante Split Amounts table (F75J04SA) or according to the fixed amount that you specify in the processing options. You set up the amounts in table F75J04SA by using the Hankin Hante Split Amounts program (P75J0411).

If you choose to split the drafts using the amounts in table F75J04SA, you can also choose whether to limit the number of splits. When you limit the number of splits, you limit the number of drafts. For example, if you specify that two splits are allowed, the maximum number of drafts is three (the original draft plus the two drafts that are split from the original).

The system processes only pending drafts that have a document type of P1, a pay status of D, and that are eligible for splitting. Eligible drafts are those that have amounts greater than the fixed amount which is specified, if the fixed-amount split method is selected in the processing options, or that have amounts greater than the lowest table-split amount if that split method is selected.

The report for the Automatic Draft Split – Hankin Hante program shows the following information:

- Payee number
- Payee name
- Payment type
- Document number
- Company
- Original pay item
- Original draft amount
- Split draft amounts
- New pay items

The system produces a report when you run the Automatic Draft Split – Hankin Hante program in proof and final mode. Additionally, the system does the following when you run the program in final mode:

- Splits the original drafts into smaller drafts
- Retains the original pay item for one draft
- Creates new pay items for the new drafts
- Updates the Accounts Payable Ledger (F0411) table with the new draft amount for the original pay item, and the new pay items and amounts for the new drafts

If you set the Draft Split Method processing option to process splits by using table amounts and you have not set up the table amounts, or you set the processing option to process splits by using a fixed amount and you have not specified an amount in the Fixed Split Amount processing option, the system does not process the splits; the report contains an error message.

**Example of Automatic Draft Splits using the Table Amounts Method**

Suppose your company has defined split amounts for drafts as shown in the following table:

Split Type	Amount
Draft	1,000,000
Draft	2,000,000
Draft	3,000,000
Draft	5,000,000
Draft	10,000,000

Suppose further that you set the Draft Split Method processing option to process splits using table amounts and do not specify a maximum number of splits. When you run the Automatic Draft Split – Hankin Hante program, the system splits an 18,500,000 JPY draft into four drafts as follows:

- The original draft amount of 18,500,000 JPY is greater than the last (highest) draft split amount of 10,000,000 JPY, so the system changes the amount for that pay item to 10,000,000 JPY.
- The remaining 8,500,000 JPY is greater than the fourth split amount of 5,000,000 JPY, so the system creates a second pay item for 5,000,000 JPY.
- The remaining 3,500,000 JPY is greater than the third split amount of 3,000,000 JPY, so the system creates a third pay item for 3,000,000 JPY.
- The remaining 500,000 JPY is less than the first (lowest) split amount, so the system creates a fourth pay item for 500,000 JPY.

The following table shows how the system split the original draft:

Original Draft	Original Draft Amount	Split Drafts	Splits Draft Amounts
P1 1234 001	18,500,000	P1 1234 001	10,000,000
		P1 1234 002	5,000,000
		P1 1234 003	3,000,000
		P1 1234 004	500,000

If you process the same original draft of 18,500,000 JPY and set the Maximum Number of Splits processing option to 2, the system splits the draft as follows:

- The original draft amount of 18,500,000 JPY is greater than the last (highest) draft split amount of 10,000,000 JPY, so the system changes the amount for that pay item to 10,000,000 JPY.

- The remaining 8,500,000 JPY is greater than the fourth split amount of 5,000,000 JPY, so the system creates a second pay item for 5,000,000 JPY.
- The system creates a third pay item for the remaining 3,500,000 JPY because three is the maximum number of drafts allowed when you set the maximum number of splits to two.

The following table shows how the system split the original draft:

Original Draft	Original Draft Amount	Split Drafts	Splits Draft Amounts
P1 1234 001	18,500,000	P1 1234 001	10,000,000
		P1 1234 002	5,000,000
		P1 1234 003	3,500,000

### Example of Automatic Draft Splits using the Fixed Amounts Method

Suppose that you set the Draft Split Method processing option to process splits using a fixed amount, and you set the Fixed Split Amount processing option to 1,000,000 JPY. When you run the Automatic Draft Split – Hankin Hante program, the system splits a 3,500,000 JPY draft into four drafts as follows:

- The original draft amount of 3,500,000 JPY is greater than the specified split amount of 1,000,000 JPY, so the system changes the amount for that pay item to 1,000,000 JPY.
- The remaining 2,500,000 JPY is greater than the specified split amount of 1,000,000 JPY, so the system creates a second pay item for 1,000,000 JPY.
- The remaining 1,500,000 JPY is greater than the specified split amount of 1,000,000 JPY, so the system creates a third pay item for 1,000,000 JPY.
- The remaining 500,000 JPY is less than the specified split amount of 1,000,000 JPY, so the system creates a fourth pay item for 500,000 JPY.

The following table shows how the system split the original draft:

Original Draft	Original Draft Amount	Split Drafts	Splits Draft Amounts
P1 4321 001	3,500,000	P1 4321 001	1,000,000
		P1 4321 002	1,000,000
		P1 4321 003	1,000,000
		P1 4321 004	500,000

### Before You Begin

- Set up draft split amounts in the Hankin Hante Split Amounts table (F75J04SA). See *Setting Up Payment Split and Draft Split Amounts for Japan* in the *Global Solutions Japan Guide*.

## Processing Options for Automatic Draft Split – Hankin Hante (R75J04DS)

### Process Tab

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#### 1. Proof or Final Mode

Use this processing option to specify whether to run the program in proof or final mode. Valid values are:

Blank

Run in proof mode. The system prints an edit report and does not update any records.

1

Run in final mode. The system splits the selected drafts, updates the Accounts Payable Ledger table (F0411), and prints a report.

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#### 2. Draft Split Method

Use this processing option to specify the method that the system uses to split the selected drafts. If you choose the fixed amount method, you must enter an amount in the Fixed Split Amount processing option in the R75J04DS program. Valid values are:

1

Fixed amount method. The system splits the selected drafts according to the amount that you enter in the Fixed Split Amount processing option. For example, if you enter 1,000,000, the system splits a draft of 3,000,000 into three drafts of 1,000,000 each, and splits a draft of 1,500,000 into one draft of 1,000,000 and one draft of 500,000.

2

Table amounts method. The system splits the selected drafts based on the amounts set up for drafts in the Hankin Hante Split Amounts table (F75J04SA).

---

### 3. Fixed Split Amount

Use this processing option to specify the amount of the fixed split when you use the fixed amount method to split drafts. You must enter an amount in this processing option if you set the Draft Split Method processing option in this program to 1 (Fixed amount). The system ignores this processing option if you set the Draft Split Method processing option to 2 (Table amount).

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### 4. Maximum Number of Splits

Use this processing option to specify the maximum number of times that the system splits selected drafts into smaller drafts when you set the Draft Split Method processing option to 2 (Table amounts). When you set the Draft Split Method processing option to 2 and specify a maximum number of splits in this processing option, the system splits the original drafts into smaller drafts according to the draft split amounts in the Hankin Hante Split Amounts table (F75J04SA), but limits the number of times it splits the original drafts.

For example, if the F75J04SA table specifies draft split levels of 1,000,000, 3,000,000, 5,000,000, and 10,000,000, and you enter 2 for this processing option, the system splits an original draft of 19,500,000 two times, which results in three drafts (the original draft and two new drafts). In this example, the draft amounts would be 10,000,000, 5,000,000, and 4,500,000. If you did not specify a maximum number of splits in this processing option, the system would split the original draft into drafts of 10,000,000, 5,000,000, 3,000,000, 1,000,000, and 500,000.

If you leave this processing option blank and you set the Draft Split Method processing option for this program to 2 (Table amounts), the system does not limit the number of splits. The system ignores this processing option if you set the Draft Split Method processing option to 1 (Fixed amount).

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## Manually Splitting Drafts for Japan

Many companies split drafts into smaller amounts to save on stamp taxes. You can automatically split drafts by using the Automatic Draft Split – Hankin Hante (R75J04DS) batch program, or you can manually split drafts by using the Manual Draft Split – Hankin Hante (P75J04DS) application. You can split only one draft at a time when you split drafts manually.

### ► To manually split Hankin Hante drafts

From the Japanese Localization menu (G75J), choose Bank Draft Number Revision.

1. On Bank Draft Number Revision, click Find to locate the draft with which you want to work.
2. Choose the draft, and then choose Split from the Row menu.

You can choose Split only if the draft is in Japanese Yen.

	Draft Amount	Document Number	Doc Type	Doc Co	Pay Item
<input type="radio"/>	1,000.00-	5024	P1	00001	001
<input type="radio"/>	200.00-	5024	P1	00001	002
<input checked="" type="radio"/>		5024	P1	00001	003

3. On Split Drafts Pending, change the draft amount in the following field to the amount of one of the drafts:

- Draft Amount

The system displays the unallocated amount in the Remaining Amount field. You must specify one or more drafts for this amount until the amount displayed is 0.

4. Tab to the next blank line and complete the following field with the amount of the next draft:
  - Draft Amount

The new draft has the same document number, document type, and document company as the original draft. The pay item for the new draft is the next pay item number.
5. Repeat step 4 until you have split the entire original amount and the amount that the system displays in the Remaining Amount field is 0.
6. Click OK to split the draft.

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**Note**

The OK button is disabled until the amount in the Remaining Amount field is 0.

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## Accounts Payable Draft Processing for Japan

In Japan, most accounts payable vouchers are paid with a draft. To pay vouchers with a draft, businesses:

1. Enter supplier invoices.
2. Process the invoices through the Accounts Payable department.
3. Create draft documents in lieu of checks or bank transfers.
4. Send draft documents to the bank for payment.

When the draft documents arrive for processing, the bank performs the following steps:

1. Assigns draft numbers to the payments to be processed.
2. Remits funds to the supplier on the draft.

In addition to completing the internal draft process, businesses are required to do the following:

1. Report and remit a stamp tax for each supplier voucher that is paid with a draft.
2. Include the bank-assigned draft number on all draft reporting.

### **Before You Begin**

- You must set up the Stamp Tax table for reporting purposes before processing drafts. See *Setting Up the Stamp Tax Table for Japan* in the *Global Solutions Japan Guide*.

## Setting Up Bank Account Information

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You must set up bank account information if you process Accounts Payable payments or use specific Accounts Receivable applications, such as draft processing and auto debit processing. Depending on the type of information that you process, you must set up bank account information for your company's bank accounts, as well as for your suppliers or customers.

The system provides the following programs for setting up bank account information:

- Bank Account Information (P0030G) – You use this program to set up your company's bank accounts. If you process Accounts Payable payments or Accounts Receivable automatic debits, you must set up your company's bank accounts.
- Bank Account Cross Reference (P0030A) – You use this program to set up bank account information for your suppliers and customers. If you process Accounts Payable payments using electronic funds transfer, you must set up bank account information for the supplier. If you process automatic receipts, Accounts Receivable drafts, or automatic debits, you must set up bank account information for the customer.
- Bank Account Addresses (P0030A) – You use this program if you want to associate a bank transit number with a bank address book record.

Although all the programs update and store bank account information in the Bank Transit Master table (F0030), the system differentiates each bank account record using a record type. The record type not only identifies whether the bank account is for a supplier or customer; it is also used to differentiate customers who process drafts and automatic debits from suppliers who process automatic payments.

The following table describes the available record types and how they are used:

Record Type	Description
<b>B</b>	The system assigns this value to records created using the Bank Account Addresses program (P0030A). You use this program to associate bank transit numbers with the bank account address number.
<b>C</b>	The system assigns this value when you set up bank account information and specify the option for Customer using the Bank Account Cross Reference program (P0030A).
<b>D</b>	The system assigns this value when you set up bank account information and turn on the A/R Drafts, Auto Debit option using the Bank Account Cross Reference program (P0030A). You must turn on this option for customers who process drafts or auto debits.
<b>G</b>	The system assigns this value when you set up G/L bank account information for your company using the Bank Account Information program (P0030G).
<b>H</b>	The system assigns this value when you set up Dutch bank accounts using the Dutch Payments Bank Information program (P74030H).
<b>M</b>	The system assigns this value when you set up bank account information by business unit using the Business Unit Information program (P0030B).

<b>P</b>	The system assigns this value when you set up bank account information and turn on the Auto Receipts Payor option using the Bank Account Cross Reference program (P0030A).
<b>V</b>	The system assigns this value when you set up bank account information and turn on the Supplier option using the Bank Account Cross Reference program (P0030A).
<b>X, Y</b>	These codes are predefined for you to use if your supplier has multiple bank accounts. You do not need to use these specific codes (X or Y); you can set up and use any value in the UDC for bank type codes (00/BT) that are not listed above.

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### Note

Although the same program is used for the Bank Account Cross Reference and Bank Account Addresses applications, the system displays a different form for each application, as follows:

- If you choose Bank Account Cross Reference, the system displays the Work With Bank Accounts By Address form (W0030AD).
- If you choose Bank Account Addresses, the system displays the Work With Bank Transit Addresses form (W0030AE).

You can also access this form by choosing Bank Transit from the Form menu on Work With Bank Accounts by Address.

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### See Also

- *Setting Up Multiple Bank Accounts for Suppliers* in the *Accounts Payable Guide* for detailed setup instructions

### ► To set up G/L bank account information

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*Use one of the following navigations:*

*From the Automatic Payment Setup menu (G04411), choose Bank Account Information.*

*From the Accounts Receivable Setup menu (G03B41), choose Bank Account Information.*

*From the Automatic Debiting menu (G03B131), choose G/L Bank Accounts*

1. On Work With G/L Bank Accounts, click Find to display all bank account records.
2. To add a new bank account record, click Add.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Set Up G/L Bank Account

OK Cancel Form Tools

G/L Bank Account

Description

**Payment Information**

Next Payment Number  Next Autodebit Number

**Default Print Options**

Number of Alignment Forms

Detail Lines Per Stub

3. On Set Up G/L Bank Account, complete the following fields:
  - G/L Bank Account
  - Description
4. Complete the following optional field for Accounts Payable payment processing:
  - Next Payment Number
5. Complete the following optional field for the Accounts Receivable system:
  - Next Autodebit Number
6. To set up default print options for Accounts Payable payments, complete the following fields:
  - Number of Alignment Forms
  - Detail Lines Per Stub
7. Click OK, and then click Cancel.
8. On Work With G/L Bank Accounts, to enter additional bank account information, locate and choose your bank account, and then choose Bank Info from the Row menu.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Revise Bank Information

OK Cancel Form Tools

G/L Bank Account: 1.1110.BEAR  
 Description: Bear Creek National

Bank Address Number: 3333  
 Bank Transit Number: 578955422  
 Bank Account Number: 45-879512  
 IBAN:   
 Control Digit:   
 Checking or Savings Account:  *Checking account*  
 SWIFT Code:   
 Bank Country Code:

Float Days  
 Receivables:   
 Payables:

Override Supplier Pre-Note Code

9. On Revise Bank Information, complete the following fields:

- Bank Address Number  
This is the bank's address book number.
- Bank Transit Number  
You can leave this field blank.
- Bank Account Number
- Control Digit
- Checking or Savings Account
- SWIFT Code

10. To avoid the use of the pre-note code that is assigned to the supplier, verify that the following option is turned on:

- Override Supplier Pre-Note Code

---

**Note**

Some payment instruments are hard-coded to produce a paper check if insufficient information is provided, regardless of whether this option is turned on.

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11. Complete the following options if you use float days:
  - Receivables  
This field is used only in Accounts Receivable draft processing.
  - Payables
12. Click OK.
13. On Work With G/L Bank Accounts, if you use A/P drafts or BACS, choose BACS Info from the Row menu.
14. On Revise BACS Information, complete the following fields and click OK:
  - Bank User Number
  - Reference/Roll Number
  - Bank Reference Name
15. On Work With G/L Bank Accounts, to enter account information for CTX bank tapes used in A/P payment processing, choose X12 Info from the Form menu.
16. On Work With Bank Account X12 Information, click Add.
17. On Set Up Bank Account X12 Information, complete the following fields and click OK:
  - Authorization Info Qualifier
  - Authorization Information
  - Security Info Qualifier
  - Security Information
  - Interchange Sender ID
  - Interchange Receiver ID
  - Application Sender's Code
  - Application Receiver's Code

► **To delete or revise G/L bank account information**

---

*Use one of the following navigations:*

*From the Automatic Payment Setup menu (G04411), choose Bank Account Information.*

*From the Accounts Receivable Setup menu (G03B41), choose Bank Account Information.*

*From the Automatic Debiting menu (G03B131), choose G/L Bank Accounts*

1. On Work With G/L Bank Accounts, click Find to display all bank account records.

2. To delete a bank account record, choose the bank account record and click Delete.
3. On Confirm Delete, click OK.
4. To revise payment information or default print options, choose the bank account record and choose Revise from the Row menu.
5. On Set Up G/L Bank Account, revise any of the fields on the form and click OK.
6. To revise additional bank information, such as the bank transit or account numbers, on Work With G/L Bank Accounts, choose the bank account record and choose Bank Info from the Row menu.
7. On Revise Bank Information, revise any of the fields on the form and click OK.
8. To revise BACS information, on Work With G/L Bank Accounts, choose the bank account record and choose BACS Info from the Row menu.
9. On Revise BACS Information, revise any of the fields on the form and click OK.
10. To revise CTX information, on Work With G/L Bank Accounts, choose X12 Info from the Form menu.
11. On Work With Bank Account X12 Information, click Find, choose the bank account, and click Select.
12. On Set Up Bank Account X12 Information, revise any of the fields on the form and click OK.

► **To set up supplier and customer bank account information**

---

*Use one of the following navigations:*

*From the Automatic Payment Setup menu (G04411), choose Bank Account Cross Reference.*

*From the Accounts Receivable Setup menu (G03B41), choose Bank Account Cross-Reference.*

*From the Automatic Debiting menu (G03B131), choose Customer Bank Account.*

1. On Work With Bank Accounts by Address, click Find to display all bank account information, or complete the following field to limit the display and click Find:
  - Address Number

---

**Note**

The system displays records for suppliers and customers only. The system does not display records for record types B, G, or M.

---

2. To add a new bank account record, click Add.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation

Personalize Change Role Sign Out

**Set Up Bank Accounts By Address**

OK Cancel Form Tools

Address Number 3333 Continental Incorporated

**Record Type**

Supplier  Customer  A/R Drafts, Auto Debit  Auto Receipts Payor

**Bank Information**

Bank Transit Number 96051785

Bank Account Number 2173579

Control Digit

IBAN

Description First Interstate Bank

Checking or Savings Account

SWIFT Code

Reference/Roll Number

Bank Address Number

Bank Country Code

3. On Set Up Bank Accounts By Address, complete the following field:
  - Address Number
4. To specify the record type, choose one of the following options:
  - Supplier
  - Customer
  - A/R Drafts, Auto Debit
  - Auto Receipts Payor
5. Complete the following fields:
  - Bank Transit Number  
You can leave this field blank.
  - Bank Account Number
  - Control Digit
  - IBAN
  - Description
  - Checking or Savings Account

- SWIFT Code  
The system displays this field only when you choose the option for Supplier.
- Reference/Roll Number  
The system displays this field only when you choose the option for Supplier.

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**Note**

Some of the fields are required for specific bank formats in specific countries. Your bank might not require all of this information.

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- Bank Address Number
  - Bank Country Code
6. Click OK.

---

**► To delete or revise supplier or customer bank account information**

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*Use one of the following navigations:*

*From the Automatic Payment Setup menu (G04411), choose Bank Account Cross Reference.*

*From the Accounts Receivable Setup menu (G03B41), choose Bank Account Cross-Reference.*

*From the Automatic Debiting menu (G03B131), choose Customer Bank Account.*

1. On Work With Bank Accounts By Address, complete the following field and click Find:
  - Address Number

---

**Note**

The system displays all bank account records for suppliers and customers only. The system does not display bank account records for record types B, G, or M.

---

2. To delete a bank account record, choose the record and choose Delete from the toolbar.
3. On Confirm Delete, click OK.
4. To revise bank account information, choose the bank account that you want to revise and choose Revise from the Row menu.  
  
The system displays either the Set Up Bank Accounts By Address or the Set Up Multiple Vendor Bank Accounts form depending on the record type of the bank account that you choose.
5. Revise any of the fields on the form and click OK.

► **To set up bank transit numbers by bank address**

---

You can associate a bank transit number with a bank's address book number.

*From the Accounts Receivable Setup menu (G03B41), choose Bank Account Addresses.*

---

**Note**

You can also access this form by choosing Bank Transit from the Form menu in the Bank Account Cross Reference program.

---

1. On Work With Bank Transit Addresses, click Add.

The screenshot shows the 'Set Up Bank Transit Address' form in the PeopleSoft interface. The form is titled 'Set Up Bank Transit Address' and is part of the 'Active Foundation' workspace. It contains several input fields: 'Bank Transit' with the value '852200451', 'Address Number' with the value '3333', and an 'Address' section with three lines of text: 'CSC Corporation', '43 Billmore Plaza', and 'Scottsdale, AZ 85257'. There are also several empty input fields below the address section. The form has a standard PeopleSoft header with the logo and navigation links like 'Personalize', 'Change Role', and 'Sign Out'.

2. On Set Up Bank Transit Address, complete the following fields and click OK:

- Bank Transit
- Address Number

The system creates a record in the Bank Transit Master table (F0030) with the record type B.

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**Note**

You can revise the address book number that is associated with the bank transit number by locating the bank transit record and choosing Revise from the Row menu. If you need to revise the bank transit number, choose the record and delete it, and then add it again.

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## **Creating a Payment Group Version for A/P Drafts - Japan**

*From the Automatic Payment Processing menu (G0413), choose Create Payment Control Groups.*

Before you can process A/P drafts as payments for vouchers, you must create payment groups. When you create payment groups, the system groups vouchers that have similar information, such as the same bank account and payment instrument. This grouping allows the system to process similar vouchers in the same way. You use the payment groups when you review and write payments.

Each payment group contains information that determines how the group is processed, including:

- Bank account
- Payment instrument
- Output queue

Each payment group also contains control information that determines which format program to use for each of the following:

- Payments
- Registers
- Attachments
- Debit statements

You must set up a unique version of the Create Payment Control Groups program to process accounts payable drafts for Japan. Set up the data selection for the version to specify the payment instrument for drafts or bank transactions. If you want to specify the draft payment instrument, choose user defined code D. If you want to specify the bank transaction payment instrument, choose user defined code Q.

Use the processing options for the new version to specify an override bank account number. The system uses the override account number as the short account ID of the draft payables account to which the drafts will be posted.

Set up the data selection for the version to specify your payment instrument for Japanese drafts and the original bank account number on the voucher records.

## Processing Automatic Payments to Create A/P Drafts - Japan

---

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

After you set up your system to meet Japanese requirements for accounts payable drafts, you can create drafts using the automatic payment process in the J.D. Edwards Accounts Payable system.

### Creating an A/P Draft - Japan

To create A/P drafts, access the Work with Payment Groups form and inquire on the draft payable account number. Choose the vouchers that you want to include in a payment group for drafts.

When you create A/P drafts, you use the Write function on Work with Payment Groups to print the drafts.

After you use the Write function to print your drafts, use the Update function to do the following

5. Change the pay status of an original voucher from # (in process) to P (paid).
6. Create a matching document with a document type of P1. This matching document closes the original voucher.
7. Create a new original document. The system assigns a document type of P1 with a pay status of D to the new document, indicating that the draft has been created
8. Print the Stamp Tax Calculation Report - Japan (R750403). The system generates the report based on the amount of the draft and the information in the Stamp Tax - Japan table (F75013).

When you create A/P drafts, you can use a processing option to submit the group to post. When you submit the payment group to post, the system creates journal entries that debit the accounts payable trade account and credit the drafts payable account. The system uses AAI item PDx to identify the general ledger account to use for drafts payable.

### Paying an A/P Draft - Japan

When an A/P draft has been paid by your bank and cash has been transferred, you must identify the paid draft in your system by choosing the draft for payment. When you choose the draft for payment, the system closes the draft and creates a batch for posting.

The following table shows how the system uses the document type and document number information to group the entries that are related to the original voucher. The table shows one draft that replaces several vouchers. Each row represents a new record in the accounts payable tables.

Action	Document Type	Document Number	Amount	Matching Document Type	Matching Document Number
Enter	PV	456	50,000		

Action	Document Type	Document Number	Amount	Matching Document Type	Matching Document Number
vouchers	PV	457	50,000		
Close	PV	456	50,000	P1	155
vouchers	PV	457	50,000	P1	155
Create draft	P1	155	100,000		

## Posting Outstanding A/P Drafts - Japan

After an A/P draft has been paid, you post the draft to the general ledger. The system selects drafts with a pay status of draft selected, and then generates and posts journal entries that debit drafts payable and credit the payables bank account. The system also changes the pay status of the draft to paid and generates a post report.

### See Also

- ❑ *Processing Options for Work with Payment Groups* in the *Accounts Payable Guide* for more information on processing options for the A/P Automatic Payments program
- ❑ *Automatic Payment Processing* in the *Accounts Payable Guide* for more information on processing options for the A/P Automatic Payments program

## Processing Options for Stamp Tax Calculation Report - Japan (R750403)

### Process Tab

Use this processing option to specify the mode in which the system processes the Stamp Tax calculation.

---

1. Mode

Blank = Proof

1 = Final

Use this processing option to specify the mode in which to process the stamp tax calculation. Valid values are:

Blank

Proof mode

1

Final mode

---

## **Processing Manual Payments to Create A/P Drafts - Japan**

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When you need to remit an accounts payable draft to pay a supplier immediately, you can use the manual payment process.

To create an accounts payable draft for a voucher that you have already entered, enter a manual payment with voucher match. You can choose whether to print the payment. If you do not print the payment, you prepare it manually.

### **► To process manual payments to create A/P drafts - Japan**

---

*From the Manual Payment Processing menu (G0412), choose Payment with Voucher Match.*

1. On Work with Payments, click Add.
2. On Manual Payment Entry, complete the following fields:
  - Payment Number
  - Supplier Number
  - Bank Account Number
  - Payment Amount
  - Remark
  - Payment Date
  - Currency Code
  - Exchange Rate

If you do not enter a payment number, the system uses the next payment number of the account that you enter in the G/L Bank Account field.

3. To automatically print the payment, click the Print Payment option.
4. From the Form menu, choose Pay Items to access Select Open Pay Items.
5. On Select Open Pay Items, choose the voucher that you want to pay and click Select.

The system automatically loads the voucher in the detail area of Manual Payment Entry.

6. On Manual Payment Entry, click OK to finish entering the payment.

## **Entering Bank-Assigned Draft Numbers for A/P Drafts – Japan**

In Japan, banks assign a bank draft number to all draft transactions. Businesses are required to include the bank draft number on all draft reporting.

Bank draft numbers are alphanumeric codes that you can input and revise manually. You can also use the number to review your drafts.

### **► To enter bank draft numbers for A/P drafts for Japan**

*From the Japanese Localization menu (G75J), choose Bank Draft Number Revision.*

1. On Bank Draft Number Revision, complete the following fields to locate a specific draft:
  - G/L Bank Account Number
  - Supplier Number
  - Draft Number
  - Document Type
  - Bank Draft Number
2. In the Automatic Loading section, complete the following field to automatically number bank drafts:
  - Starting Bank Draft Number
3. Click Find.
4. Complete the following fields in the detail area:
  - Bank Draft Number
  - Cleared Date

# Printing the A/P Draft Payable List - Japan

From the Japanese Localization menu (G75J), choose A/P Draft Payable List.

In Japan, businesses that process drafts can print the A/P Draft Payable List to list all of the outstanding draft payables, including the bank name and value date.

Bank Account Number	Bank Name	Supplier Number	Supplier Name	Value Date	Draft Number	Issue Date	Bank Draft	Pages-	Gross Amount
R75402 75000.0120	Drafts payable	75017	Japan Supplier 75017 (ALPH)	824/2005	453	7252/2005	824/2005	1	100,000.-
				Total For		Check/Item Date			100,000.-
				Total For		Japan Supplier 75017 (ALPH)			100,000.-
				Total For		Drafts payable			100,000.-
						Grand Total			100,000.-

## Working with Bank and Branch Information for Japan

---

Bank transfers are commonly used in Japan to move funds between bank accounts. The Japanese Bank Association (JBA) has defined detailed standards regarding fund transfers that include:

- Bank transfer tape format
- Bank charges applied to transfers
- Consumption taxes assessed on bank charges

In Japan, businesses can remit payment by electronic or paper bank transfers. To process any bank transfer, banks require the following information:

<b>Bank/branch number</b>	Every bank and bank branch through which a transfer is processed can be identified by a bank/branch number. Bank/branch numbers are assigned to banks by the JBA. Businesses should validate these numbers to prevent incurring a bank charge for the submission of invalid bank information.
<b>Payor and payee bank account information</b>	The bank account information for the payor and the payee consists of an account number and an account type. The following account types are possible: <ul style="list-style-type: none"><li>• Savings</li><li>• Current</li><li>• Deposit</li><li>• Other</li></ul>
<b>Bank transfer payor number</b>	A bank transfer number is assigned to each payor by the bank.
<b>Transfer type</b>	Businesses can select the following transfer types: <ul style="list-style-type: none"><li>• Express with bank charges</li><li>• Letter with bank charges</li><li>• Express without bank charges</li><li>• Letter without bank charges</li></ul>

## Updating Bank and Branch Information for Japan

From the Japanese Localization menu (G75J), choose Bank/Branch Table Upload.

In Japan, banks and bank branches are identified by a bank number and a branch number. These numbers are assigned to banks by the JBA.

You can upload the latest bank and branch information from the JBA into a table on your system. When you process bank transfers, the system validates the bank numbers and branch numbers for each transfer against valid values in the table.

To upload bank and branch information to your system, run the Upload Bank/Branch Master program. The system creates the Bank/Branch Master - Japan table (F75010) and prints a report that lists the following information:

- Total number of bank records added
- Total number of branch records added
- Total number of records read

Use processing options to replace all of the existing records in the F75010 table or to add only records that do not already exist in the table.

## Processing Options for Bank/Branch Table Upload – Japan (R75010A)

---

File

1.

Enter the From Library name. The Library which contains the uploaded JBA Bank.Branch Information File specified in Option 2. (FUTURE)

2.

Enter the From File name. The File which contains the JBA Bank/Branch Information uploaded through Client Access/PC Support. (FUTURE)

Update

1.

Enter '1' to REPLACE records in file. Default is ADD record to file. Replace or Add

---

## Revising Bank and Branch Information for Japan

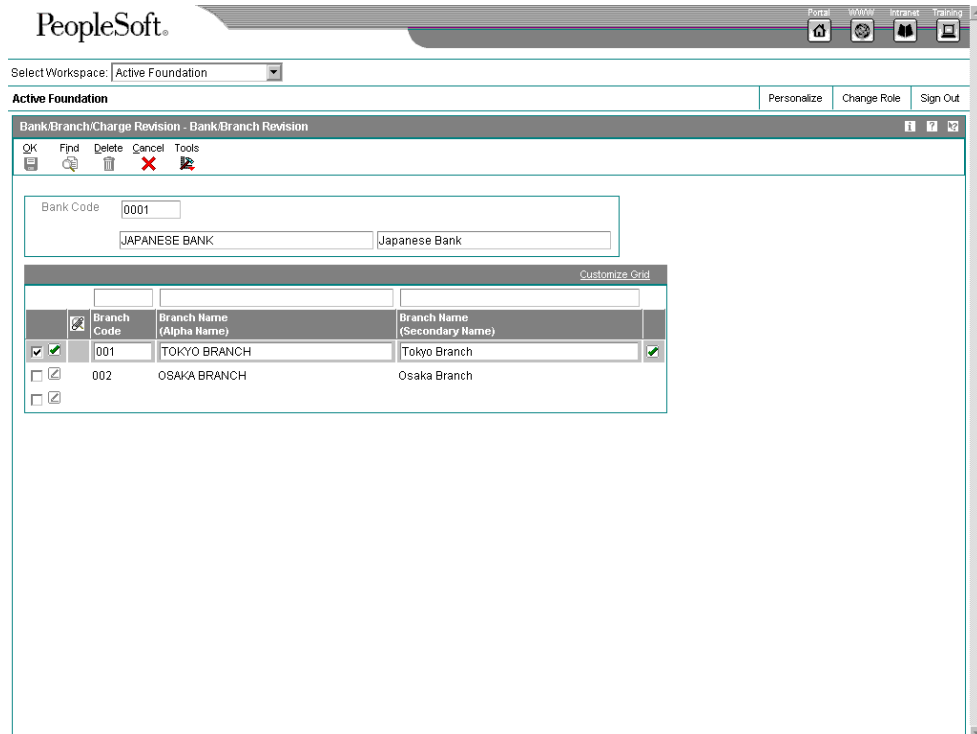
You can update or add bank and branch information to your system manually on an as-needed basis. The following steps describe how to revise bank and branch information. To add bank and branch information, click the Add on the Work With Bank - Japan form.

### ► To revise bank and branch information for Japan

---

*From the Japanese Localization menu (G75J), choose Bank/Branch/Charge Revision.*

1. On Work with Bank - Japan, locate an existing record.
2. From the Row menu, choose Bank/Branch.



3. On Bank/Branch Revision, complete the following fields:
  - Branch Name (Alpha Name)
  - Branch Name (Secondary Name)

## Entering Bank Charge Information for Japan

Banks levy a service charge on each transfer that they process. The amount of the service charge is based on the following information:

- The actual amount of the transfer (also referred to as the treating amount)
- Whether the transfer is an express or letter transfer
- Whether the transfer is an internal or external bank transfer
- Whether the transfer is an internal or external branch transfer

Either the customer or the supplier agrees to pay the bank charges. The amount of the transfer is the total payment amount minus the bank charges and tax.

In addition, the service charge for each bank transfer is subject to consumption tax.

In some cases, the addition of the consumption tax on the amount of the transfer moves the transfer into another treating charge category. When this action happens, the transfer becomes subject to a lower service charge, and the business must recognize an adjustment for the transfer.

To process accounts payable bank transfers, you must maintain bank charge information for your system. To do this procedure, access the Bank Charge Revision form.

► **To enter bank charge information for Japan**

*From the Japanese Localization menu (G75J), choose Bank/Branch/Charge Revision.*

1. On Work with Bank - Japan, locate an existing record.
2. From the Row menu, choose Bank Charge.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation

Bank/Branch/Charge Revision - Bank Charge Revision

Bank Code: 0001 Currency Code: JPY

	Treating Amount	In-Branch Charge	In-Branch C-Tax	Ex-Branch Charge	Ex-Branch C-Tax	Express-Trans Charge	Express-Trans C-Tax	Letter-Trans Charge
<input checked="" type="checkbox"/>	29,999	100	5	200	10	400	20	300
<input type="checkbox"/>	9,999,999,999	500	25	600	30	800	40	700

3. On Bank Charge Revision, complete the following fields:

- Treating Amount
- In-Branch Charge
- In-Branch C-Tax
- Ex-Branch Charge
- Ex-Branch C-Tax
- Express-Trans Charge
- Express-Trans C-Tax
- Letter-Trans Charge
- Letter-Trans C-Tax

## Creating Payment Groups for Bank Transfers – Japan

*From the Automatic Payment Processing menu (G0413), choose Create Payment Control Groups.*

Before you can process bank transfers, you must create payment groups. When you create payment groups, the system groups vouchers that have similar information, such as the same bank account and payment instrument. This grouping allows the system to process the same types of vouchers in the same way. You use the payment groups when you review and write payments.

Each payment group contains information that determines how the group is processed, including:

- Bank account
- Payment instrument
- Output queue

Each payment group also contains control information that determines which format program to use for each of the following:

- Payment format
- Registers
- Attachments
- Debit statements

You must set up a unique version of the Create Payment Control Groups program to process accounts payable bank transfers for Japan. Set up the data selection for the version to specify the payment instrument for bank transfers.

When you run the Create Payment Control Groups program for bank transfers, the system:

- Calculates the appropriate bank charges and consumption tax for each transfer.
- Creates a separate pay item for each transfer to represent the bank charge, consumption tax, and adjustment amounts as follows:
  - Pay item 997 represents the bank charge amount.
  - Pay item 998 represents the consumption tax amount.
  - Pay item 999 represents any adjustment amount.
- Reduces the total payment amount for the transfer by these amounts.
- Prints a report listing the bank charges.

---

### Note

If you use accounts payable bank transfers for Japan, voucher pay items 997, 998, and 999 are reserved. You cannot use these voucher pay items in the base Accounts Payable system.

---

When you process accounts payable bank transfers for Japan, the system creates the following journal entries for each transfer:

- Normal journal
- Bank charge journal
- Consumption tax journal
- Bank charge adjustment journal

To void the bank transfer, you must void all of the associated journals entries.

---

# Automatic Payment Processing

Use automatic payment processing to pay vouchers during your usual payment cycle.

The following graphic illustrates the automatic payment process:

## Automatic Payment Process



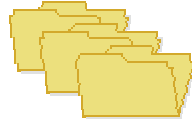
**Step 1.**  
Set up auto withholding.



**Step 2.**  
Run Cash Requirements report.



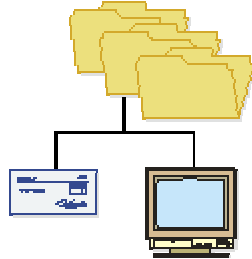
**Step 3.**  
Decide what to pay. Use Speed Status Change to put all other Payments on hold.



**Step 4.**  
Create payment groups.



**Step 5.**  
Review the Payment Group Edit report and the Payment analysis report (optional).

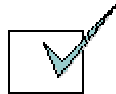


**Step 6.**  
Work with payment groups.

**Step 7.**  
Write payment / copy to tape.



**Step 8.**  
Update payment.



**Step 9.**  
Review payment register.



**Step 10.**  
Post payments.

**Before You Begin**

- Set up bank account information for your suppliers. See *Setting Up Bank Account Information* in the *Global Solutions Japan Guide*.

## Working with Payment Instruments

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You can specify various output formats for automatic payments by assigning the programs that generate the formats to user-defined payment instruments. Payment formats can be printed or electronic; and can include checks, magnetic tapes, and drafts. You must set up a payment instrument for each payment format that you use.

The programs that you assign to your payment instruments determine the formats for payments and any additional output that the system generates when you process payment groups. The additional output components can include one or more of the following:

- **Payment registers**  
A printed list of payments.
- **Attachments**  
A printed report that contains the detail information which does not fit on a payment stub.
- **Debit statements**  
A printed list of debit balances. This printed list is debit balances that indicates that you have overpaid a supplier. It shows net amounts that are either a credit or that zero out on a voucher.

To assign formats to payment instruments, you specify a format generation program for each component of a payment instrument. For example, you could assign the Auto Payment Detail program (P04573), which is for standard attachments, to the attachments component of your payment instrument for drafts. Then, when you generate drafts, the system accesses this program to produce the appropriate type of attachment.

You can also define the specific uses for a payment instrument by assigning a specific bank account to the instrument. For example, you can set up two types of payment instruments for drafts with each type of instrument drawn on a different bank account.

### Payment Instrument Codes

You set up payment instrument codes in UDC 00/PY, and then use the Set Up Payment Instrument Defaults form to associate payment instruments with each payment instrument code.

---

#### Note

You can use any digit or letter as a payment instrument code except for the letters B, C, D, G, and M. These letters are hard-coded for use in the Bank Type Code field and might cause problems if you use them for payment instruments.

---

You designate a payment instrument code using the Supplier Master Information program (P04012). When you create payment groups, the system creates a different payment control group for each payment instrument.

If you assign a bank account to a payment instrument, the system uses the payment instrument default, or the combination of the payment instrument and the bank account, to produce payments in a specific default format.

## Working with Japanese Payment Formats

Assign the following programs to payment instruments for Japan:

- Payment formats** Specify the Create A/P Bank Tape – Japan program (R04572JP) as the Write program to generate the payment format that is accepted by Japanese banks.
- Attachments** Specify the Japan Bank Transfer Paper program (R04573JP) as the Attachment program to generate the attachments for accounts payable bank transfers for Japan.

### Processing Options for Create A/P Bank Tape – Japan (R04572JP)

---

Tape

Enter the following default values:

Device Name

Tape Density

Label Name

Block Size

New Volume

Tape (more)

New Owner ID

File Name

---

### Processing Options for Japan Bank Transfer Paper (R04573JP)

---

Date selection

Enter "1" for Japanese Date format, default will use Western Date format.

---

---

Selection Number

---

## Setting Up Payment Instruments

Payment instruments can be checks, tapes, drafts, BACS (Bank Automated Clearing System), and so on. You must define the payment instruments that your business uses. Clients outside the U.S. must set up payment instruments that are country specific for their automatic payments. You control the format of each payment instrument by choosing programs and versions of the programs that produce each component of a payment. These components include the following:

- Payment. This is the printed copy or tape table for the payment.
- Payment register. This is the printed list of payments.
- Attachment. This is a printed report that contains the detail information that does not fit on a payment stub.
- Debit statement. This is a printed list of debit balances that indicates that you have overpaid a supplier. It shows net amounts that are either a credit or that zero out a voucher.

The Payment Instrument Defaults program (P0417) includes all of the default programs associated with each component. The default program information is stored in the A/P Payments - Default Print and Update table (F0417).

You assign a program number to each component of a payment instrument. For example, you might assign program P04573 (for print standard attachments) to the attachments component of a payment instrument. The system accesses this program and produces the appropriate type of attachment.

You are not limited to using the preassigned programs for each payment instrument. For example, if the default of blank for your company is to print a check that is in a Canadian format, you can change the payment print program from the Auto Payments Write/Reset program (P04572) to the Print Automatic Payments - Check - Canada report (R04572C).

You are able to narrow your selections for each component even further by selecting a version of each program that will write the components. The advantage of this is that you can use different processing options or data selection in the versions, based on your needs.

A debit statement is another type of payment instrument and is used to notify suppliers when you have overpaid them. By assigning a program to the debit statement component, you can print a separate debit statement form with a payment. A debit statement is automatically generated if debit memos and open vouchers for a supplier net to zero. The system assigns a debit statement number as the payment number for the payment record, clears the open amounts of all records, and changes the pay status to paid.

You can limit the use of a payment instrument by assigning it a specific bank account. For example, you can set up two types of payment instruments for drafts with each type drawn on a different bank account.

## See Also

- ❑ *Working with Payment Groups* in the *Accounts Payable Guide* for more information about the payment process

## Before You Begin

- ❑ Determine what payment instruments you use.
- ❑ Set up additional codes in UDC 00/PY for payment instruments, if necessary.

## ► To assign programs to a payment instrument

From the *Automatic Payment Setup* menu (G04411), choose *Payment Instrument Defaults*.

1. On *Work With Payment Instrument Defaults*, click *Find* to display payment instruments.
2. Choose the payment instrument and click *Select*.

PeopleSoft. Portal WWW Intranet Training

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Set Up Payment Instrument Defaults

OK Cancel Tools

Payment Instrument

G/L Bank Account 1.1110.BEAR

Print Programs

Payments	P04572	Print Payments - Standard	Print Version	<input type="text"/>
Payment Register	P04576	Payment Register - Standard	Register Version	<input type="text"/>
Attachments	P04573	Print Attachments - Standard	Attachment Version	<input type="text"/>
Debit Statements	P04574	Print Dbt Statement - Standard	Debit Version	<input type="text"/>

3. On *Set Up Payment Instrument Defaults*, enter a program number in the following fields:
  - Payments
  - Payment Register
  - Attachments
  - Debit Statements

4. Enter a version number in any of the following optional fields for the corresponding print program:
  - Print Version
  - Register Version
  - Attachment Version
  - Debit Version
5. Click OK.

► **To revise processing options for payment instrument formats**

---

Some of the programs associated with a payment instrument have processing options that further define the format of each component of a payment instrument. Review and, if necessary, revise these processing options before using each program.

The payment instrument formats use the Rxxxx convention (where xxxx equals the program number), whereas the program format used in the payment instrument defaults is Pxxxx. For example, to access the format for P04572, the standard print payment format, you enter R04572 in the Batch Application field, and click Find.

*From the System Administration Tools menu (GH9011), choose Batch Versions.*

1. On Work With Batch Versions - Available Versions, enter the program number in the following field and click Find:
  - Batch Application
2. Choose the version.
3. From the Row menu, choose Processing Options.
4. Revise the processing options, as necessary.

► **To assign a payment instrument to a supplier**

---

When you print payments, the system uses the payment instrument assigned to the voucher. Typically, you set up the most commonly used payment instrument as the default, so you do not have to define a payment instrument for each supplier. The system uses the payment instrument assigned to the supplier, unless you override it when you enter a voucher.

*From the Supplier & Voucher Entry menu (G0411), choose Supplier Master Information.*

1. On Work With Supplier Master, locate and choose the supplier.
2. Click Select.
3. On Supplier Master Revision, click the Vouchers tab and complete the following field:
  - Payment Instrument
4. You can also select the following optional box:
  - Pre-Note Code
5. Click OK.

To assign or change a payment instrument associated with vouchers entered previously, use Speed Status Change.

## Processing Options for Payment Instruments

The following subsections include processing options for the payment instrument formats.

### See Also

- Localization guides for country-specific payment formats

## Processing Options for Print Automatic Payments – Standard Format (R04572)

---

### Translation

1. Enter the program name to translate payment amounts from numbers to words. (See User Defined Codes system '98', record type 'CT' for program names.) If left blank, the translation program associated with the payment currency will be used.

### Translation Program

### Address

1. Enter an override address format to use for the payee and/or company addresses. If left blank, the country format will be used.

### Address Format (FUTURE)

### Payment

1. Enter a '1' if you would like to print the company name and address on the payment. If left blank, no company information will print.

### Company Name

2. Enter a '1' if you would like the payee name and number printed on the stub. If left blank, no payee information will print on the stub.

### Payee Name

3. Enter a '1' if you would like the purchase order number to print on the stub instead of the supplier invoice number.

### Purchase Order

4. Choose one of the following to print on the stub: '' - Remark, '1' - Supplier Name

---

---

(Useful if paying alternate payee for several vendors), '2' - Supplier Invoice Number.

Alternate Stub Information

Print

1. Enter the Forms Type for the Payments Spool File. If left blank, the default is 'APCHECKS'.

Form Type (FUTURE)

---

**Processing Options for Print Automatic Payments – Draft Format (R04572N)**

---

Address

1. Enter an override address format. If left blank, the address number's country format will be used.

Address Format (FUTURE)

Payment

1. Choose one of the following to print on the stub: '' - Remark, '1' - Supplier Name (useful if paying alternate payee for several vendors), '2' - Supplier Invoice Number

Print Information

Print

1. Enter the Forms Type for the Payments Spool File. If left blank, the default is 'APCHECKS'

Form Type (FUTURE)

---

**Processing Options for Create A/P Bank Tape – CTX Format (R04572T2)**

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EFT

---

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1. Enter the File ID modifier (1 pos.). This is used to distinguish between multiple files created on the same date. Default is '1'.

#### File ID Modifier

2. Enter the tape payment detail (10 pos.) description. For example, you may want to enter EXP REIMB for expense reimbursements. This description may be used by the bank and printed on the supplier's bank account statement.

#### Tape Payment Detail Description

##### EFT(more)

1. Enter the Immediate Origin (10 positions). (Header Record 1, positions 14-23). If you provide only 9 characters/digits, we will right justify your information and place a blank in the first position of this field. If this option is blank, the Tax ID for the bank account's company will be used. NOTE: If this field is blank and no Tax ID is available, the tape will be rejected by the Clearing House.

#### Immediate Origin

2. Enter the Company ID Number.(10 positions).(Record 5, 41-50 and Record 8, 45-54). The ID Number MAY be preceded by one of the following ID Code Designators (ICDs) or a value of your own.

'1' = IRS Employer ID No. (EIN)

'3' = Data Universal No. System(DUNS)

'9' = User Assigned Number

If this option is blank, the Tax ID for the bank account's company will be used. NOTE: If this field is blank and no Tax ID is available OR less than 10 characters, the tape will be rejected by the Clearing House

#### Identification Code Designator

3. Enter a value (20 character alpha) to be placed in the Discretionary Data field on the Company/Batch Header Record (Record 5, position 21-40) If left blank, the Discretionary Data field will be left blank

#### Discretionary Data

##### PRINT

1. Enter the payment print program to use if the pre-note status is set to 'P', requiring a payment print.

---

Print Program

TAPE

1. Enter the following defaults values:

Device Name

Tape Density

Label Name

Block Size

New Volume Name

TAPE (more)

New Owner ID

File Name

---

### **Processing Options for Print Automatic Payments – Subcontract Processing (R04572J)**

---

Translation

1. Enter the program name to translate payment amount from numbers to words. (See User Defined Codes system code '98', record type 'CT' for program names.) If left blank, the translation program associated with the payment currency code will be used.

Translation Program

Address

2. Enter an override address format to use for the payee and/or company addresses. If left blank, the country format will be used.

---

Address

Payment

3. Enter a '1' if you would like to print the company name and address on the payment. If left blank, no company information will print.

Company Name

Print

4. Enter the Forms Type for the Payments Spool File. If left blank, the default is ' SUBCHECKS'

Form Type

---

## Creating Payment Control Groups

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*From the Automatic Payment Processing menu (G0413), choose Create Payment Control Groups.*

After you have processed your vouchers, you can prepare to write your payments. Before you write payments, you must create payment groups to organize vouchers that can be paid together. For example, you can organize vouchers by bank account and payment instrument in separate groups. Then the vouchers can be paid with the proper check stock. You use the payment groups when you review and write payments.

Create Payment Control Groups is a batch process that you run once for each payment cycle. The program typically creates more than one payment group. Each payment group contains information that determines how the group will be processed, including:

- Bank account
- Payment instrument

Each payment group also contains control information that determines which program to use for:

- Payments
- Registers
- Attachments
- Debit statements

If you need to include additional vouchers in a payment group, you can undo the group, approve those vouchers for payment, and rerun the program. The system displays payment groups after you write them until you undo them or update them to the Accounts Payable ledger.

When you create payment groups, the system:

1. Selects vouchers with a pay status of A (approved) and a due date that is less than or equal to the specified pay through date.
2. Creates payment groups for all selected vouchers by grouping vouchers with the following common information:
  - Vouchers summarized or unsummarized
  - Bank account
  - Payment instrument
  - Business unit (optional)
  - Company (optional)

---

**Note**

To group vouchers for a supplier where the vouchers have different G/L bank accounts, use version XJDE0008, or a copy of it, to create the payment group. Be sure to enter the G/L Bank Account override on the Printing tab of the processing options. This version of P04570 does not include G/L Bank Account as a mandatory sequence, so will use the override G/L bank account processing option to determine the G/L bank account for the checks. If you do not enter a value in the processing option, this version will give unpredictable results.

---

After the system creates payment groups, each group also has the following information in common:

- Version ID
  - User
  - Creation date
  - Output queue
3. Assigns each payment group a "next status" of WRT (write).
  4. Changes the pay status of selected vouchers from A to # (payment in-process).
  5. Creates the following worktables to use in writing payments:
    - A/P Payment Processing - Header table (F04571). Contains a single header record for each payment group with information about that group of payments.
    - A/P Payment Processing - Summary table (F04572). Contains a record for each payment within a group. These records are the actual payments that will be written and updated through the Work with Payment Groups program. This information is the basis for the Accounts Payable - Matching Document table (F0413).
    - A/P Payment Processing - Detail table (F04573). Contains a record for each voucher pay item within a payment. This is the information that will be printed on the payment stub and used to update the Accounts Payable ledger. This information is the basis for the Accounts Payable Matching Document Detail table (F0414).
  6. Prints a Create Payment Control Groups report that shows the vouchers that are selected for payment. It also shows pay items that were bypassed for payment and prints an error message next to each blank payment total. Examples of error messages include:
    - Hold payment code active
    - Supplier master information missing
    - Amount under payment limit

The following graphic shows the process for creating payment groups:

### Creating Payment Groups



Accounts Payable  
Ledger (F0411)



Before you create  
Payment groups

Voucher	Pay Status	Pay Inst	Due Date (MM/DD)
PV101	A		6/01
PR102	H		7/15
PD103	A	T	6/01
PV104	H		6/05
PV105	A	T	6/15

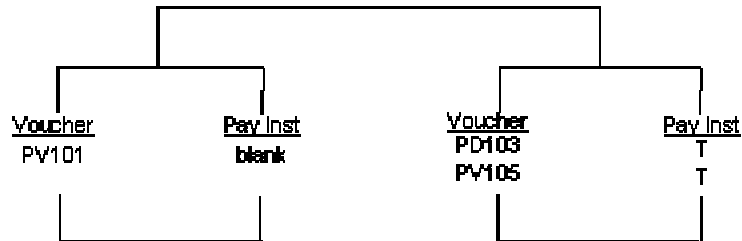


Create payment groups

Pay Status = Approved  
Due on or before  
June 15



Create two  
payment groups



#### See Also

- *Multicurrency Payments* in the *Multicurrency Guide* for more information about how to create payment groups based on currency code

### **Before You Begin**

- ❑ Verify that you set up suppliers with the correct payment instrument.
- ❑ Make changes to vouchers, if necessary. In general, you cannot change vouchers in a payment group until you complete the automatic payment process or remove the voucher from the group.
- ❑ Approve vouchers for payment.
- ❑ Calculate withholding, or set the processing options for this program to automatically calculate withholding.

### **Next Numbers for Create Payment Control Groups**

When the Create Payment Groups program (R04570) is run, the payment group is assigned a number that is used to identify the payment group in the three workfiles that are used in the payment process (F04571, F04572, and F04573). This number prevents payments in one payment group from being combined with payments in different payment groups.

The Accounts Payable system uses the Next Numbers table (F0002) to assign these payment group numbers. The F0002 table is locked during the time a number is being assigned to one payment group, and is released immediately after the payment group has been assigned its identifying number.

The F0002 table will increment until it reaches its maximum (a number greater than 99 million), then will reset the next number for payment control groups to 1.

---

#### **Note**

The next number for Create Payment Control Groups is the number assigned to a payment control group, not to the payments within a group. There can be many payments in a single payment control group. Only one number from the Next Numbers table (F0020) is assigned to each payment control group.

---

### **Processing Options for Create Payment Groups (R04570)**

#### **Dates Tab**

These processing options allow you to customize payment and discount dates of payment groups. If you leave the Pay Through Date processing blank and the Displacement Days processing option is zero, the system date is used for the Pay Through Date.

---

### 1. Pay Through Date

Use this processing option to specify a due date through which you want to create a group of vouchers for payment. For example, if you want to create a payment group consisting of vouchers with due dates through March 15, 2005, enter 03/15/05. The system creates a payment group consisting of vouchers with due dates on or before March 15, 2005. Enter the date in this processing option, or leave the processing option blank to select vouchers by Displacement Days.

Note: If you leave the Pay Through Date field blank and the Displacement Days processing option as zero, the system date is used for the Pay Through Date.

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### 2. Displacement Days

Use this processing option to specify the number of days from today's date through which you want to create a group of vouchers for payment. For example, if today's date is March 10, and you specify three displacement days, the system includes vouchers with due dates through March 13 in the payment group.

Enter the number of days in this processing option, or leave as zero to use the system date as the Pay Through Date.

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### 3. Discount Cutoff Date

Use this processing option to enter the final date that you are allowed to take a discount. Pay items with a due date prior to the date you enter are not eligible for discounts, so the system sets the discount amounts of these pay items to zero. If this processing option is blank, the program takes all discounts currently available for the selected pay items.

---

---

## Amounts Tab

These processing options specify payment ranges, currency, and payment range exceptions.

The minimum and maximum amounts here refer to payment amounts, not voucher amounts. Use data selection to control the maximum and minimum amounts of the vouchers to be selected.

---

## 1. Payment Amount Range

### Maximum

Use this processing option to enter a numeric value indicating a payment amount range for a group of vouchers. For example, you can select vouchers between 500 and 1000.

NOTE: Do not enter symbols indicating a specific currency. Rather, specify the currency in the Currency Code processing option.

- o Maximum - Enter the maximum amount allowed for vouchers in the selection range.

### Minimum

Use this processing option to enter a non-zero numeric value indicating a payment amount range for a group of vouchers. For example, you can select vouchers between 500 and 1000.

NOTE: Do not enter symbols indicating a specific currency. Rather, specify the currency in the Currency Code processing option.

- o Minimum - Enter the minimum amount allowed for vouchers in the selection range.

To prevent the system from generating a debit statement (negative or zero payment totals) enter the lowest currency unit. For example, .01 for USD or CAD.

## 2. Currency Code for Range Amounts

Use this processing option to enter a code that specifies the currency for the values you entered in the Payment Amount Range processing option fields. If necessary, the system converts these amounts to the payment currency of each payment control group. For

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example, if you enter ranges of 100 to 5000 in USD, the system converts those USD amounts to EUR for an EUR payment group, to GBP for a GBP payment group, and so on. The conversion allows for the correct minimum and maximum comparisons for all payment groups created each time you run this program.

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### 3. Payment Instruments for Range Exceptions

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#### Minimum Payment Instrument

Use this processing option to assign payment instruments to vouchers that are not included in the amount range you specify in the Payment Amount Range processing option.

- o Minimum Payment Instrument - A payment instrument that you want to assign to vouchers that have an amount less than the minimum amount range you specify in the Payment Amount Range processing option.

NOTE: You set up payment instruments on user defined code table 00/PY. You must also set up payment instruments defaults. On the Automatic Payment Setup menu (G04411), choose Payment Instrument Defaults (P0417).

#### Maximum Payment Instrument

Use this processing option to assign payment instruments to vouchers that are not included in the amount range you specify in the Payment Amount Range processing option.

- o Maximum Payment Instrument - A payment instrument that you want to assign to vouchers that have an amount more than the maximum amount range you specify in the Payment Amount Range processing option.

NOTE: You set up payment instruments on user defined code table 00/PY. You must also set up payment instruments defaults. On the Automatic Payment Setup menu (G04411), choose Payment Instrument Defaults (P0417).

---

## Printing Tab

These processing options allow you to customize various printing options for payment groups.

---

### 1. Sequence ID

Use this processing option to determine the order that the program processes and prints the A/P payments by entering a sequence ID.

Sequence IDs are user defined. To set up and define sequence IDs, choose Payment Sequence from the Automatic Payment Setup menu (G04411).

NOTE: You cannot leave this processing option blank.

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---

### 2. Print Attachments

Use this processing option to specify whether to print attachments with the payment. For example, you might want to print an attachment when the payment detail information will not fit on the pay stub. Only 99 pay stubs can print per payment, and each pay stub can print 10 detail lines.

Valid values are:

Blank

Do not print attachments.

1

Print attachments.

Note: If you leave this option blank and you have more than 99 pay stubs, two or more payments will print. However, if you enter 1, a single payment will print with one pay stub referring to the attachment. The attachment will print all pay items.

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Before using this processing option, you must assign an attachments program to your payment instrument. From the Automatic Payment Setup menu (G04411), choose Payment Instrument Defaults, and then choose the payment instrument and click Select. On Set Up Payment Instrument Defaults, you can enter a program number in the Attachments field to specify the attachment program you want the payment instrument to use. The default attachment program is R04573.

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### 3. G/L Bank Account

Use this processing option to specify a bank account that you want the system to use instead of the bank account that is assigned to the voucher pay item when the voucher is entered.

To specify a G/L bank account, enter its short account ID. The short account ID is an eight-digit alphanumeric field that does not allow any special characters. Therefore, if you identify a short account ID in the General Accounting Constants by attaching a special character to it, you do not include the special character in this field.

If the short account ID does not use eight digits, whatever digits are unused must be filled with zeros. For example, if the short account ID for the bank account you want to use is 108, enter the number as 00000108. If you use the visual assist to choose the bank account, the system enters the number into the field correctly.

If the intercompany settlements constant is set to N, and you specify a G/L override bank account in this field, the system compares each voucher's company to the company of the override G/L bank account. If the voucher company is not the same as the company of the override G/L bank account, the system does not include that voucher in the payment group.

Before you can enter a G/L bank account in this field, you must set up the account on your system. To set up G/L bank accounts, choose Bank Account Information from the Automatic Payment Setup menu (G04411).

If you use multicurrency, consider the following guidelines when using this processing option:

- o If the bank account is a monetary account, it must have the same currency as either the domestic or foreign currency of the voucher.

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o If the bank account is a non-monetary account, its company currency must be the same as the domestic currency of the voucher.

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#### 4. Payment Currency

Use this processing option to specify the currency method that the program uses for payment.

Valid values are:

Blank

You pay in the currency of the G/L bank account. For monetary accounts, this is the currency assigned to the G/L bank account in the Account Master table (F0901). For nonmonetary accounts, this is the currency assigned to the company in which the business unit of the G/L bank account resides. For example, the currency associated with the G/L bank account 1.1110.BEAR is U.S. dollars (USD) because business unit 1 belongs to company 00001 whose currency is USD. If you enter vouchers in the euro (EUR) for company 00001, you can either pay the vouchers from the monetary bank account in EUR, or you can pay them from a bank account that belongs to a company whose base currency is USD.

1

You pay the domestic amount of the voucher in the domestic currency. For example, if you entered the voucher in FRF for company 00001, whose base currency is USD, the voucher is paid in USD.

2

You pay the foreign amount of the voucher in the foreign currency. For example, if you entered the voucher in EUR for company 00001, whose base currency is USD, the vouchers are paid in EUR. Vouchers that do not have a foreign currency are paid in the domestic currency.

3

You pay the current domestic amount of a foreign voucher in the domestic currency. For example, if you entered the voucher in EUR for company 00001, whose base currency is USD, the foreign amount is converted to the current domestic amount based on today's

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---

effective exchange rate, and the voucher is paid in USD.

4

You pay the voucher in an alternate currency that is neither the domestic amount nor foreign currency of the voucher. For example, if you entered the voucher in EUR for company 00001, whose base currency is USD, but you want to pay the voucher in Canadian dollars (CAD), the voucher is paid in the alternate currency. Designate the payment currency in processing option 5.

Exchange Rate Notes: When you make payments in the current domestic currency, the Create Payment Groups program calculates the domestic amounts being paid using the exchange rate effective that day. This may be different from the exchange rate effective when you actually make the payment.

Later in the automatic payment process, the system calculates a gain or loss if the exchange rate of the voucher is different from the exchange rate of the payment.

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---

#### 5. Alternate Currency Code

Use this processing option to enter the code for the alternate currency amount. You enter a value in this processing option only if you specified 4 in the Payment Currency processing option.

---

---

#### 6. Prepayment Selection

Use this processing option to indicate whether you want to include negative prepayment items in the payment group.

Valid values are:

Blank Do not include negative prepayment items.

---

1 Include negative prepayment items.

---

**Process By Tab**

These processing options specify the categories by which the system groups payments.

---

1. Company

Use this processing option to specify whether to create separate payments based on company.

Valid values are:

Blank No

1 Yes

---

---

2. Due Date

Use this processing option to specify whether to create separate payments based on due date.

Valid values are:

Blank No

1 Yes

---

---

3. Payee

---

---

Use this processing option to specify whether to create payments based on payee, regardless of the supplier.

Valid values are:

Blank No

1 Yes

For example, the following table illustrates one possible voucher, supplier, and payee combination:

Voucher 1, Supplier 1001, Payee 1001

Voucher 2, Supplier 1001, Payee 1002

Voucher 3, Supplier 1001, Payee 1002

Voucher 4, Supplier 1002, Payee 1002

Voucher 5, Supplier 1003, Payee 1001

If you leave the Payee processing option blank, the system generates four payments, based on the payee, then supplier:

- o Payee 1001: Supplier 1001, Voucher 1
- o Payee 1001: Supplier 1003, Voucher 5
- o Payee 1002: Supplier 1001, Vouchers 2 and 3
- o Payee 1002: Supplier 1002, Voucher 4

---

If you set the Payee processing option to 1, you have two payments based only on the payee:

o Payee 1001: Supplier 1001, Voucher 1, and Supplier 1003, Voucher 5

o Payee 1002: Supplier 1001, Vouchers 2 and 3, and Supplier 1002, Voucher 4

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---

#### 4. Business Unit

Use this processing option to specify whether to create separate payment control groups by business unit.

Valid values are:

Blank No

1 Yes

---

#### **Summarize Tab**

These processing options allow you to customize the information that appears on the payment stub.

---

##### 1. Summarized Pay Item

Use this processing option to specify whether to summarize pay items within a document on the pay stub or attachment. When you set the processing option to summarize pay items, the Due Date processing option on the Process By tab must have a value of 1. Valid values are:

Blank

---

---

Do not summarize pay items.

1

Summarize pay items.

---

---

## 2. Summary Description

Use this processing option to specify the information that appears in the Description field on the pay stub.

Valid values are:

Blank The generic description Invoice Summary appears on the pay stub.

1 The remark from the first pay item appears on the pay stub.

---

### **Report Tab**

These processing options specify the information that will appear on the report. To produce separate payments by job, the Statement Number field (CTL) must be included in the sort sequence.

---

#### 1. Print Mailing Address

Use this processing option to specify whether the mailing address for each payee appears on the report.

Valid values are:

Blank No

---

---

1 Yes

---

---

2. Print Contract Number

Use this processing option to specify whether the the contract number appears on the report.

Valid values are:

Blank No

1 Yes

NOTE: To produce separate payments by job, the Statement Number field (CTL) must be included in the sort sequence. See DEMO version XJDE0007 for an example of the sort sequence, or copy DEMO version XJDE0007 and use it as a basis for your report.

---

---

3. Print Job Number

Use this processing option to specify whether the job number appears on the report.

Valid values are:

Blank No

1 Yes

NOTE: To produce separate payments by job, the Statement Number field (CTL) must be included in the sort sequence. See DEMO version XJDE0007 for an example of the sort sequence, or copy DEMO version XJDE0007 and use it as a basis for your report.

---

**Bank Tape Tab**

These processing options specify the bank information that prints on the report.

---

1. Print Bank Tape Information

Use this processing option to specify whether bank tape information appears on the edit report.

Valid values are:

Blank No

1 Yes

---

---

---

---

## 2. Payee Bank Account Error

Use this processing option to specify whether the program issues an error when bank account information does not exist for the payee.

Valid values are:

Blank Do not issue an error.

1 Issue an error.

## 3. Bank Account X12 Information Error

Use this processing option to specify whether the program issues an error when X12 information does not exist for the G/L bank account.

Valid values are:

Blank Do not issue an error.

1 Issue an error.

---

If this processing option is populated, the system will generate a message whenever a payee does not have bank account information stored in Bank Information table (F0030). This will happen whether a bank tape is being processed or not. The system cannot distinguish between pay instruments when using this processing option.

### **Withholding Tab**

These processing options specify whether to submit the Calculate Withholding program before you create payment control groups.

---

## 1. Calculate Withholding

Use this processing option to specify whether to submit the Calculate Withholding program prior to creating payment control groups.

Blank No

1 Yes

---

---

## 2. Program Version

Use this processing option to specify the version number of the Calculate Withholding program. You must specify a version number if you enter 1 in the Calculate Withholding processing option.

Blank Version number ZJDE0001 (default)

Or, enter the specific program version number

---

## Data Sequence for Create Payment Control Groups

The data sequence for this program is set to create separate payments by payee. Any changes to this sequencing results in payments by voucher instead of payments by payee. Selecting the Multiple Payments option on the Supplier Master Revision form does not override the payee sequencing.

The sequence for Create Payment Control Groups must be as follows:

- G/L Bank Account
- Payment Instrument
- Check Routing Code

This sequence must be used to produce payments that are grouped properly.

## Working with Payment Groups

---

After you create payment groups, you can work with them to review and change payments. You generally review payments twice:

- After you create payment groups but before you write payments. This allows you to identify payments and vouchers that you want to change or remove from the payment cycle. You can:
  - Change information at the payment and voucher levels
  - Remove payment groups, payments, and vouchers from the payment cycle
  - Change control information for payment groups
- After you write payments but before you update the A/P ledger. This allows you to identify payments that you want to void or remove from the payment cycle. You can:
  - Void the payments that were written and rewrite them
  - Remove payment groups, payments, and vouchers from the payment cycle

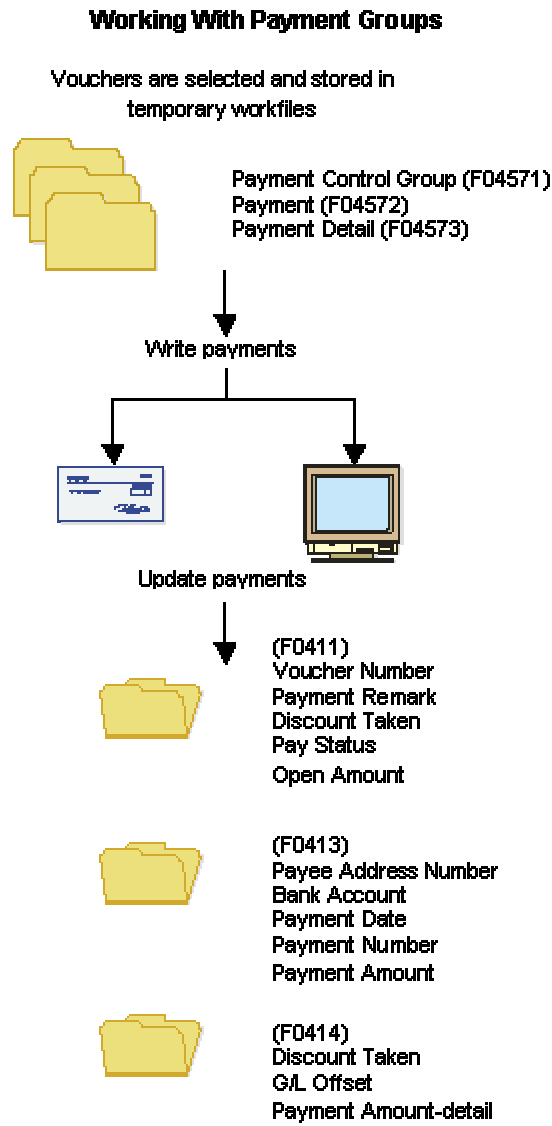
When you work with payment groups, you work with pay items that are at one of the following statuses:

<b>Write</b>	The pay item is ready to be written.
<b>Update</b>	The payment has been written and is ready to be updated in the Accounts Payable Ledger table (F0411).

When pay items in a payment group are at a status of *write* or *update*, you might need to perform one of the following actions:

<b>Undo</b>	Undo means to remove a pay item from the payment group. You can undo pay items, regardless of whether they are at a status of write or update. In either case, the pay item will have an open amount other than 0, and will have a status of approved.
<b>Reset</b>	Reset means to return a pay item to the previous step in the payment process.  If the status of the pay item is update and you reset it, the pay item returns to a pay status of write.

The following graphic shows the process for working with payment groups:



After you process payment groups

Voucher	Pay Status	Pay Inst	Due Date (MM/DD)
PV101	P		6/01
PR102	H		7/15
PD103	P	T	6/01
PV104	H		6/05
PV105	P	T	6/15

## Printing the Payment Analysis Report

*From the Automatic Payment Processing menu (G0413), choose Payment Analysis Report.*

You can print the Payment Analysis report at any time in the automatic payment process to ensure that payments are correct. This report shows whether payments are ready to be written or ready to be updated to the A/P ledger. It shows all payments in all payment groups.

### Processing Options for Payment Analysis Report (R04578)

---

#### Print

1. Enter a '1' if you would like to see the detail voucher information displayed. If left blank, only payment information will print.

#### Detail Voucher Information

2. Enter a '1' if processing payment control groups by Business Unit and would like to display the Business Unit on the report. If left blank, the Business Unit will not appear.

#### Business Unit

---

## Reviewing Payment Groups

When you review payment groups, you can display groups based on a next status of write, update, or both. For example, you might want to review all payment groups that are ready to be written (next status of WRT). Optionally, you can review payments assigned to a specific bank account or payments that meet a number of additional search criteria.

This program displays information from the A/P Payment Processing - Header table (F04571).

### ► To review a payment group

---

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, click one or both of the following options:
  - Write Status
  - Update Status
2. To further limit your search, complete the following field:
  - Bank Account

3. Click Find.

For additional search criteria, you can preset a value in a processing option. For example, if you want to review only those vouchers for business unit 100, you can preset that value in a processing option. This is particularly useful if you routinely review vouchers that meet certain search criteria.

4. To view the detailed information for a single payment group, select the payment group on Work With Payment Groups.
5. Choose Detail from the Row menu.

PeopleSoft®

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Payment Group Detail

Cancel Tools

Bank Account 1.1110 BEAR Bear Creek National Bank

Version TR0002 Payment Instrument  Default (A/R & A/P)

Originator DEMO

Payment Group Control Number 9 Currency USD

**Write Status**

Payment Amount 13,123.00 Number of Payments 2

Discount Taken 77.00

**Update Status**

Payment Amount Number of Payments

Discount Taken

The Payment Group Detail form shows the same detailed information for the single payment group that appears on Work With Payment Groups.

## Reviewing Payments with a Write Status

Before you write payments, you can do the following:

- Review payment and voucher information (write status)
- Review payment summary information (write status)

The payment group programs display information from the following temporary worktables:

- A/P Payment Processing - Header table (F04571)
- A/P Payment Processing - Summary table (F04572)

► **To review payment and voucher information (write status)**

You can review the payment and voucher information for a specific payment group before you write a payment. For example, you might want to verify that the correct bank account was assigned to a payment group or that a specific voucher is included in a payment.

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, click the following option and click Find:
  - Write Status
2. Choose a payment group and click Select.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation

Work With Payment Group - Write Status

Bank Account: 1.1110.BEAR Bear Creek National Bank  
Total Amount: 13,123.00  
Version: TR0002  
Number of Payments: 2  
Currency: USD

Amount From: Through:

Payee Number	Payee Name	Payment Amount	Discount Taken	Value Date	Stub Total	Company	Bank Transit
<input type="checkbox"/>	1001 Edwards, J.D. & Company	5,500.00				1 00001	111255000
<input type="checkbox"/>	4344 Universal Incorporated	7,823.00		77.00		1 00001	107004381

3. On Work With Payment Group - Write Status, choose a payee and click Select.

PeopleSoft®

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Work With Payment Detail

Select Find Close Regional Info Row Tools

Payee 4344 Universal Incorporated  
 Bank Account 1.1110.BEAR Bear Creek National Bank  
 Payment Amount 7,623.00 Currency USD

Document Number	Doc Type	Doc Co	Pay Item	Payment Amount	Discount Taken	Invoice Number
<input type="checkbox"/>	1571 PV	00001	001	2,673.00		27.00 C375
<input type="checkbox"/>	1572 PV	00001	001	4,950.00		50.00 C741

- On Work With Payment Detail, choose a voucher and click Select to review voucher information associated with a payment.

PeopleSoft®

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Payment Detail

Cancel Tools

Document No/Typ/Co 1571 PV 00001  
 Pay Item 001  
 Supplier Number 4344 Universal Incorporated  
 Remark Advertising Expense  
 Invoice Number C375  
 Invoice Date 05/10/05 Due Date 05/20/05  
 Company 00001 Financia#Distribution Company

Payment Amount 2,673.00 Currency USD  
 Discount Taken 27.00

The Payment Detail form shows the voucher information associated with a payment.

► **To review payment summary information (write status)**

When you review payments within a payment group, you can review the summary information for each payment before you actually write the payment.

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, click the following option and click Find:
  - Write Status
2. Choose a payment group and click Select.
3. On Work With Payment Group - Write Status, choose the payee that you want to review.
4. From the Row menu, choose Detail.

The screenshot shows the PeopleSoft interface for the 'Payment Header Detail - Write Status' form. The form is titled 'Payment Header Detail - Write Status' and is located within the 'Active Foundation' workspace. The form contains the following fields:

Payee Number	4344	Universal Incorporated
Payment Amount	7,623.00	Currency USD
Discount Taken	77.00	Stub Total 1
Bank Transit	107004381	
Value Date		
Company	00001	Financia#Distribution Company

## Reviewing Payments with an Update Status

Before you update the payments that you have written, you can review them. To do so, complete either of the following tasks:

- Review payment information (update status)
- Review payment summary information (update status)

You can reset a payment group that is at update status and rewrite your payments, if necessary. When you reset written payments in an update status (UPD), you return them to a status of write (WRT). The payment group programs display information from the following worktables:

- A/P Payment Processing - Header table (F04571)
- A/P Payment Processing - Summary table (F04572)

### ► To review payment information (update status)

---

You can review payment information for a specific payment group before you update the payment.

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, click the following option and click Find:
  - Update Status
2. Choose a payment group and click Select.

### ► To review payment summary information (update status)

---

When you review payments within a payment group, you can review the summary information associated with a specific payment.

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, click the following option and click Find:
  - Update Status
2. Choose a payment group and click Select.
3. On Work With Payment Group - Update Status, choose the payee that you want to review.
4. From the Row menu, choose Detail.

### See Also

- ❑ *Resetting Payment Processing* in the *Accounts Payable Guide* for information about changing values in payment processing

## Revising Unprocessed Payments

You can make limited changes to payments, vouchers, and payment groups before you write them, including the following:

- Excluding debit memos (credit vouchers)
- Splitting payments
- Revising the value date of payments
- Removing voucher pay items
- Removing unprocessed payments
- Removing an entire payment group
- Revising control information for a payment group

### See Also

- *Setting Up Payment Instruments* in the *Accounts Payable Guide* for information about how to set up payment instruments

### ► To exclude a debit memo (credit voucher)

---

You can exclude a debit memo on any of the following forms:

- Work With Payment Groups (the steps in this procedure use this form)
- Work With Payment Group - Write Status
- Work With Payment Detail
- Work With Payment Group - Update Status

Debit memos occur when you have overpaid a supplier or have been issued credit from a supplier. You can exclude these debit memos from payment processing.

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, choose a payment group, payment, or voucher.
2. From the Row menu, choose Undo.
3. On Undo Confirmation, click Yes.
4. On Reset Payments, click OK.

## Related Tasks

**Excluding all debit memos** To exclude all debit memos, set the processing option for Minimum Amount in Create Payment Control Groups to the smallest currency unit (for example, .01).

**Reviewing debit memos** When you process debit memos for review purposes only, you can run the Payment Analysis Report or review them on Work With Payment Groups before you undo them.

### ► To split a payment

When you want to pay part of a voucher now and part later, you can split the payment. When you decrease the gross amount of a voucher, the system creates a new voucher pay item for the remaining balance. The new pay item is created using the default pay status, which is typically A (approved) for payment. The new pay item is not part of a payment group.

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, choose a payment group and click Select.
2. On Work With Payment Group - Write Status or on Work With Payment Group - Update Status, depending on what options you selected on Work With Payment Groups, choose a record and choose Pay Items from the Row menu.
3. On Work With Payment Detail, choose a voucher.
4. From the Row menu, choose Split.

The screenshot displays the 'Split Payment' dialog box in the PeopleSoft application. The dialog is titled 'Split Payment' and has a standard Windows-style title bar with 'OK', 'Cancel', and 'Tools' buttons. The main content area is divided into two sections. The first section contains input fields for 'Document No/Tyr/Co' (value: 1580), 'PV' (value: 00001), 'Pay Item' (value: 001), 'Invoice Number' (value: 17984), and 'Payment Amount' (value: 5,500.00). The second section, titled 'Enter Amounts to be Paid', contains input fields for 'Gross Amount' (value: 2500) and 'Discount Taken' (value: 50). The background shows the PeopleSoft interface with the 'Active Foundation' workspace selected.

5. On Split Payment, complete the following fields and click OK:
  - Gross Amount
  - Discount Taken

► **To revise the value date of a payment**

Typically, payment value dates apply to draft processing and indicate the date that a payment reaches a bank.

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, follow the steps for reviewing payments for a payment group with a next status of Write.
2. On Work With Payment Group - Write Status, choose ValueDate from the Form menu.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation

Revise Payment Value Date

Bank Account: 1.1110.BEAR Bear Creek National Bank

Version: TR0002

Total Amount: 13,123.00

Number of Payments: 2

Currency: USD

Global Value Date: [ ]

Payee Number	Payee Name	Payment Amount	Value Date
<input checked="" type="checkbox"/>	1001 Edwards, J.D. & Company	5,500.00	[ ]
<input type="checkbox"/>	4344 Universal Incorporated	7,623.00	[ ]

3. On Revise Payment Value Date, complete the following field to revise the value date of all payments in the group:
  - Global Value Date
4. Click Load Date to update the value date for each payment.
5. To revise the value date of an individual payment, complete the following field:
  - Value Date

6. Click OK.

---

► **To remove a voucher pay item**

---

When you do not want to pay a voucher, remove it from the payment group. The system resets the pay status of the voucher from payment in-process to approved.

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, follow the steps for reviewing vouchers.
2. On Work With Payment Detail, choose a voucher.
3. From the Row menu, choose Undo.
4. On Undo Confirmation, click Yes.
5. On Reset Payments, click OK.

---

► **To remove an unprocessed payment**

---

If you do not want to make a payment, you can remove it from the payment group. The system removes the voucher pay items from the payment group and resets their pay status from payment in-process to approved.

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, follow the steps for reviewing payments for a payment group with a next status of Write.
2. On Work With Payment Group - Write Status, choose a payment.
3. From the Row menu, choose Undo.
4. On Undo Confirmation, accept or reject undoing the selected payment.

---

► **To remove an entire payment group**

---

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, choose a payment group.
2. From the Row menu, choose Undo.
3. On Undo Confirmation, click Yes.

**See Also**

- ❑ *Reviewing Payments with a Write Status* in the *Accounts Payable Guide* for more information about how to review payments that are in a Write status
- ❑ *Reviewing Vouchers* in the *Accounts Payable Guide* for information about how to review vouchers

## Working with Automatic Payments

---

After you create payment groups, you must write payments. When you create payment groups, the system creates temporary payment records. You then use these records to print payments or copy them to a bank tape, depending on your setup.

### Writing Payments

When you write payments, you can print the payments or copy them to a bank tape. You can perform either of the following actions:

- Write all payments in a payment group
- Write selected payments in a payment group

When you write payments, the system:

- Creates a matching document with a document type of PK (automatic payment). This payment closes the voucher.
- Creates a matching document with a document type of PT (electronic funds transfer).
- Assigns payment numbers.
- Changes the "next status" of the payment group from WRT (write) to UPD (update).
- Prints payments using control information for payment groups.
- Prints attachments if needed

---

#### Note

Create Payment Control Groups (R04570) controls the printing of attachments. The J.D. Edwards standard payment processing is designed to print *ten* lines of detail on a payment stub.

If there are more than ten lines of detail to print, and the R04570 processing option to print attachments is set, the payment stub will print "See Attachment" and all detail will print on the attachment.

If the R04570 processing option for attachments is not set to print attachments and there are more than ten lines of detail for a single payment, the J.D. Edwards Auto Payments Write/Reset program (P04572) will print ten lines of detail on a stub, void the payment, print ten lines of detail on the next stub, void the payment, and so on until all lines of detail have been printed. The payment form following the last line of detail will print with the full payment amount. The P04572 will print up to 99 lines of detail on a single payment. If there are more than 99 lines of detail, the system will print multiple payments.

---

When you issue a payment, you issue it to the alternate payee. You choose whether the alternate payee is the supplier or the factor/special payee in the voucher entry processing options by specifying a version of the Voucher Entry Master Business Function. On the Defaults tab for the Voucher Entry MBF enter a "1" in the Alternate Payee option to populate the alternate payee with the factor/special payee. Leaving this option blank will populate the alternate payee with the supplier number. You can override the alternate payee default when you enter the voucher.

The system does not update the Accounts Payable Ledger table (F0411), the Accounts Payable Matching Document table (F0413), or the A/P Matching Document Detail table (F0414) until the update process. The payments remain in the temporary workfiles: A/P Payment Processing - Header table (F04571), A/P Payment Processing - Summary table (F04572), and A/P Payment Processing - Detail table (F04573).

---

**Note**

When you write a payment whose amount, in words, exceeds the number of characters provided in the print program, the system prints checks with digits for the payment amount instead of words.

---

## Record Reservation for Payments

Record reservation for payments is a process in which the system determines, prior to writing payments, how many payment numbers to reserve for a payment cycle. The system adds that number to the next payment number in the Bank Transit Master table (F0030). The F0030 table has a record for each bank account in the system. Payment numbers are reserved by bank account.

The purpose of using the record reservation process is to prevent more than one payment from having the same payment number. This is especially useful when more than one user is making payments from one bank account at the same time.

To use record reservation, the F0030 table must be added to UDC 00/RR with the Special Handling Code set to 1.

After the user defined code is set up, when you write payments, the system determines the number of payments to be used and increases the value in the Next Check Number field in the F0030 table by that number. Thus, if the next payment number in the F0030 table for the bank account being used in the payment cycle is 258, and the record reservation process determines that 30 payment numbers are going to be used, the system updates the next payment number to 288. When another person writes payments from the same bank account, the next payment number will begin at 288. Payment numbers between 258 and 287 will be used only by the payment cycle that reserved those numbers.

If two users access the write payments process at the same time, the system activates the record reservation process for the first user and sends an error message to the second user. When the first user completes the record reservation process, the second user will be able to access a payment number record and reserve the number of payments needed for that payment cycle.

## Payment ID Using Next Numbers

When a write payment program is run (R04572 or one of its variations, such as R04572A, R04572C, and so on), each payment is assigned a number that identifies it throughout the payment process and after the process finishes. This number is the Payment ID (PKID), and is a key to both the Accounts Payable - Matching Document (F0413) and Accounts Payable Matching Document Detail (F0414) tables. The Payment ID prevents pay items in one payment from being mixed with pay items that are paid on a different payment.

The Accounts Payable system uses the Next Numbers - Automatic table (F0002) or the Next Numbers by Company/Fiscal Year – Automatic table (F00021) to assign Payment ID numbers. The table is locked while a number is being assigned to the pay items associated with one payment, and is unlocked immediately after the pay items have been assigned their identifying numbers.

**Before You Begin**

- Review payments and make any changes necessary.
- Verify control information for payment groups.

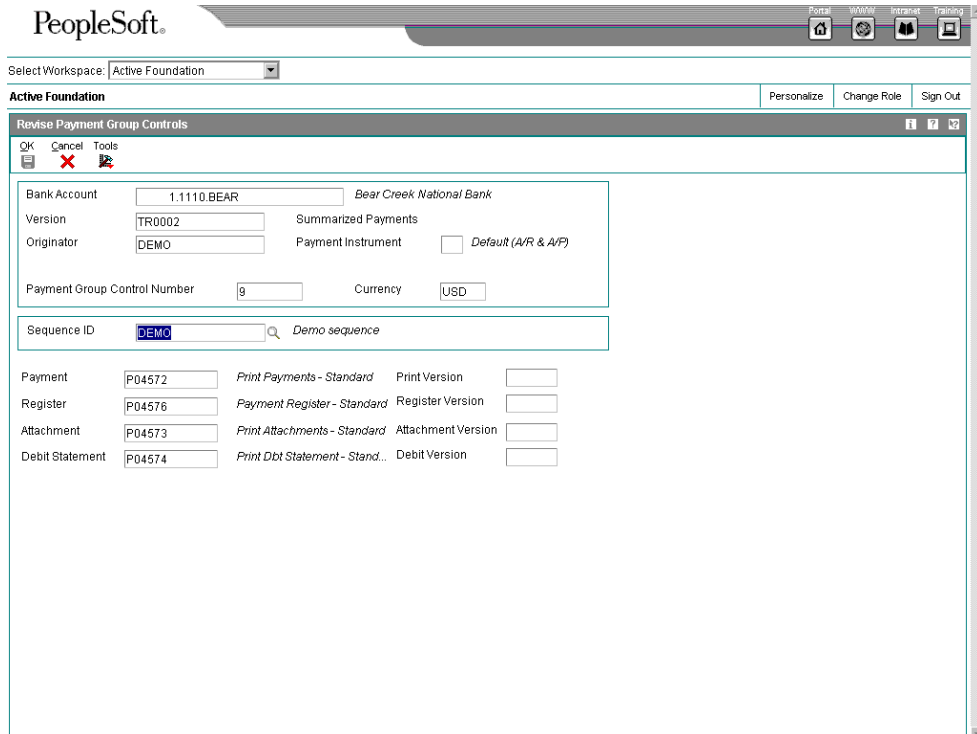
**► To write all payments in a payment group**

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

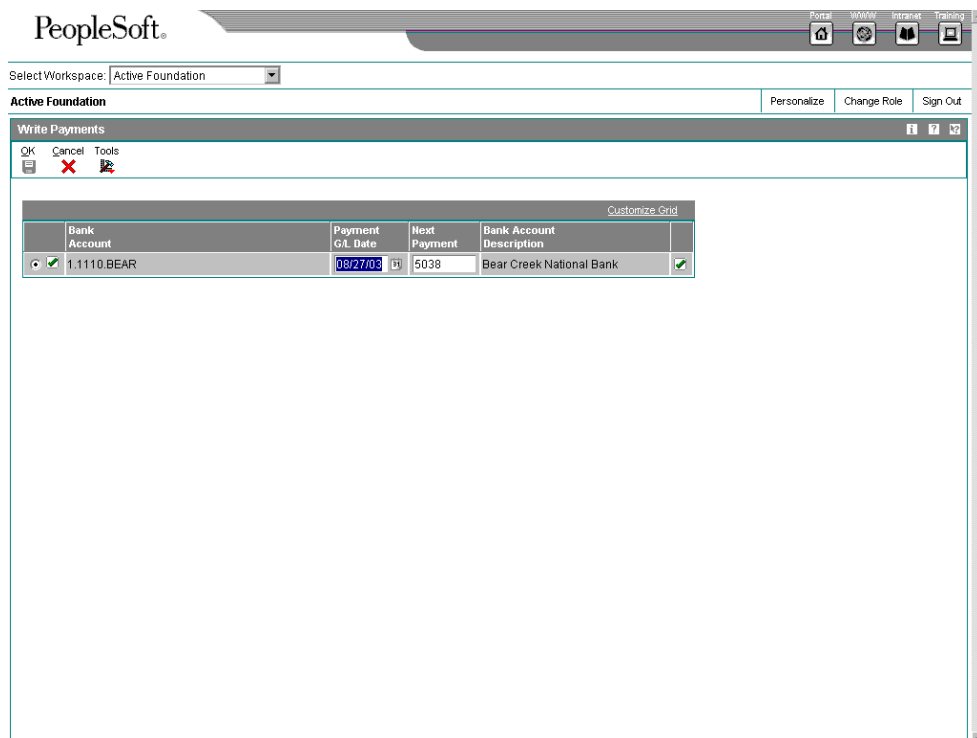
1. On Work with Payment Groups, follow the steps for reviewing payment groups.
2. Choose one or more payment groups.

If some payments in a group have already been written, the payment group appears as two lines on the Work With Payment Groups form, with the appropriate totals for each line. One line is at a WRT (write) status and the other line is at a UPD (update) status.

3. From the Row menu, choose Controls.



4. On Revise Payment Group Controls, verify that the following fields show the correct programs and versions and click OK:
  - Payment
  - Print Version
  - Register
  - Register Version
  - Attachment
  - Attachment Version
  - Debit Statement
  - Debit Version
  
5. On Work with Payment Groups, choose Write from the Row menu.



The Write Payments form displays one line for each bank account.

6. On Write Payments, verify the following fields and click OK:
  - Payment G/L Date
  - Next Payment

► **To revise control information for a payment group**

---

You can change the programs for printing payments, payment register, attachments, and debit statements by changing the control information for the payment group. You can also change the sequence ID, which determines the order in which the group's payments print.

The system uses payment instrument defaults to create the control information when you create payment groups. You can change this information before you write payments. Any change that you make affects the entire payment group.

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, follow the steps for reviewing payment groups.
2. Choose a payment group.
3. From the Row menu, choose Controls.
4. On Revise Payment Group Controls, change the following field (optional):
  - Sequence ID
5. Change any of the following print program fields:
  - Payment
  - Print Version
  - Register
  - Register Version
  - Attachment
  - Attachment Version
  - Debit Statement
  - Debit Version
6. Click OK.

► **To write selected payments in a payment group**

---

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work with Payment Groups, follow the steps for reviewing payment groups.
2. On Work With Payment Group - Write Status, complete the following fields to limit your search and click Find:
  - Amount From
  - Through
3. Choose one or more payments.

4. From the Row menu, choose Write.
5. On Write Payments, verify the following fields and click OK:
  - Payment G/L Date
  - Next Payment

### See Also

- *Reviewing Payment Groups* in the *Accounts Payable Guide* for information about how to review payment groups after creating them

## Resetting Payment Processing

After you write payments but before you update them, you might need to rewrite them. For example, you might need to rewrite payments because of an error, such as a paper jam, wrong payment number, or wrong payment date.

Before you can rewrite payments, you must reset them. Written payments have a next status of UPD (update). When you reset payments, you are returning them to a next status of WRT (write), so you can correct the problem and rewrite them.

If you need to undo or reset a payment, you can identify the tape affected on the Copy Bank Tape File to Tape program that you access from the Automatic Payment Processing menu (G0413). This program shows information, including the file ID and the member ID.

If you reset payments that were written to a bank tape, you must delete the bank tape record before you can rewrite the payments.

When you reset payments, you can either void payments or rewrite them with the same payment number:

- If you enter a new beginning payment number, the system voids any payments selected for reset that have a payment number less than the new beginning number, if that number was previously assigned.
- If you accept the next payment number (the default), the system voids payments by writing zero records.

The system processes voided payments when you update the A/P ledger. You see these records when you post payments to the general ledger.

You can set a processing option for Work with Payment Groups to process voided payments that are stored in the Account Ledger table (F0911).

### ► To reset payment processing

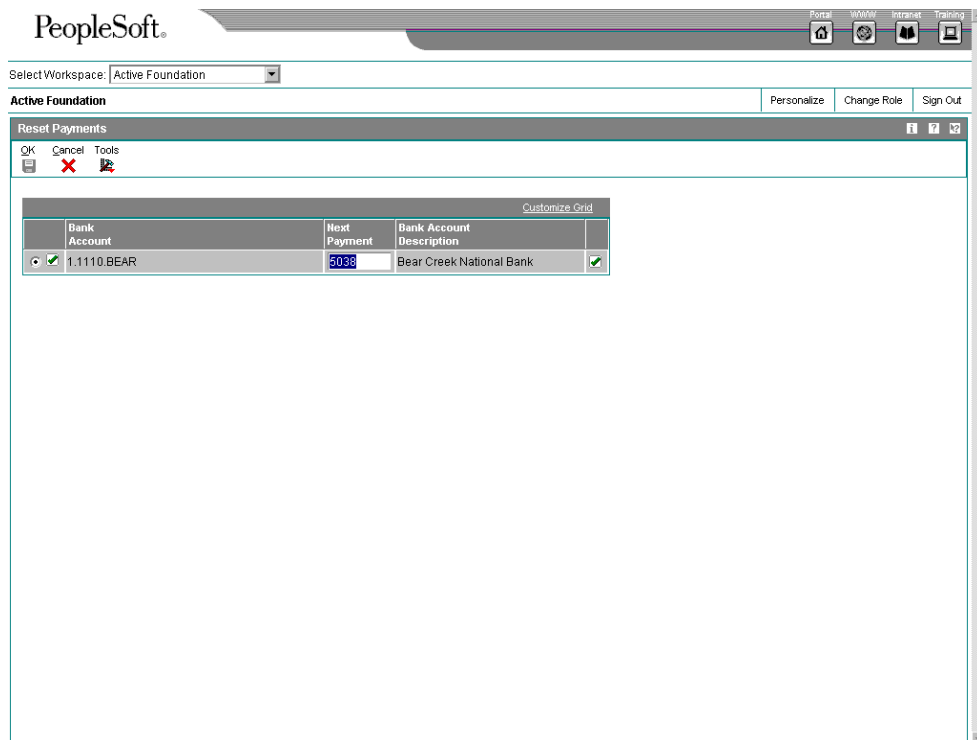
---

When you reset payment processing, the pay items return to open vouchers.

*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work with Payment Groups, follow the steps for reviewing payment groups.
2. To reset the payments for an entire payment group, choose that group (next status must be UPD) on Work With Payment Groups.

3. To reset single payments, choose the payment on Work With Payment Group-Update Status.
4. To limit your search when resetting single payments, complete the following fields:
  - Beginning Payment
  - Ending Payment
5. Click Find.
6. Choose the payments to reset.
7. From the Row menu, choose Reset.



8. On Reset Payments, change the following field, if necessary, and click OK:
  - Next Payment

► **To reset payment processing for a bank tape**

*From the Automatic Payment Processing menu (G0413), choose Copy Bank Tape File to Tape.*

1. On Copy Bank Tape to Tape, click Find.
2. Choose the payment record you want to remove from the bank tape table and click Delete.
3. On Confirm Delete, click OK.

## See Also

- ❑ *Reviewing Payment Groups* in the *Accounts Payable Guide* for information about how to verify the information in payment groups

## Removing Processed Payments

After you write payments but before you update them, you might need to remove one or all of them from the current payment cycle. To do so, you undo the payment. The system then:

- Voids the payment
- Removes the voucher pay items from the payment group
- Resets the pay status of the voucher from payment in-process to approved

You can then change vouchers and process them for payment at another time.

If you need to undo a payment, you can identify the tape affected on the Copy Bank Tape to Tape form that you access from the Automatic Payment Processing menu (G0413). This form shows information, including the file ID and the member ID.

If you undo one or all payments that were written to a bank tape, you must delete the bank tape record before you process them for payment.

### ► To remove processed payments

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*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work with Payment Groups, follow the steps for reviewing payment groups.
2. Perform one of the following actions:
  - Choose a payment group with a next status of UPD
  - On Work With Payment Group - Update Status, choose a payment
3. From the Row menu, choose Undo.
4. On Undo Confirmation, click Yes.
5. On Reset Payments, complete the following optional field and click OK:
  - Next Payment

If you do not reset the next payment number, the system creates void payments.

If you are resetting payments that were written to a bank tape, complete the following step to remove the payment record from the bank tape table.

6. On Copy Bank Tape to Tape, choose the payment record and click Delete.
7. On Confirm Delete, click OK.

## See Also

- ❑ *Reviewing Payment Groups* in the *Accounts Payable Guide* for information about how to verify the data contained in payment groups

## Copying Payments to Tape

When you write payments, the payment instrument can be an electronic format. In this case, writing payments creates bank tape tables rather than printed payments. You must copy these tables to tape or diskette if you want to send the information to a financial institution.

Copying payments to tape consists of the following tasks:

- Reviewing and changing the status and detail for a tape table
- Copying a tape table to tape or diskette

Typically, your MIS department presets the detail for a tape table. You should not change this information unless instructed to do so. You can, however, change many format specifications prior to copying the table to tape.

You can recopy a bank table to tape as long as you have not deleted the table. This might be necessary if, for example, your financial institution loses the original tape.

When you create a new bank tape table, you do not overwrite an existing table. The A/P Payment Tape table (F04572OW) is a multimember table, which means that each version (payment group) is a separate table. The system does not automatically delete records in the table. Instead, you must delete the record using the Copy Bank Tape to Tape form. Do not do this until you verify that your bank has received the bank tape.

### ► **To review and change the status and detail for a tape table**

---

*From the Automatic Payment Processing menu (G0413), choose Copy Bank Tape File to Tape.*

1. On Copy Bank Tape to Tape, to locate a tape table, click Find, or limit your search by completing any of the fields in the QBE row, and then click Find.
2. Choose the table that you want to work with and click Select.

PeopleSoft®

Update Tape Information

OK Cancel Tools

File ID: F04572T Member ID: OW00000000

File Name: 0TAPE Device Name: TAP01

Record Length: 94 Tape Density: 1600

New Volume: 000001 New Owner ID:

Block Size: 940 Label Name:

3. On Update Tape Information, change any of the information in the following fields as needed:
  - File Name
  - Record Length
  - New Volume
  - Block Size
  - Device Name
  - Tape Density
  - New Owner ID
  - Label Name
4. Click OK.

## Processing Options for Copy Bank Tape File to Tape (P0457)

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### BACS

1. Enter a '1' to display the BACS format

### Display BACS Format

### PROGRAM

1. Enter the name of an alternate program to be used. If left blank, program J0457T will be used. NOTE: This processing option is ignored if BACS processing is turned on.

### Alternate Processing Program (FUTURE)

### Version

1. Copy Bank File to Diskette Version (P0457D)

Blank = ZJDE0001

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### ► To copy a tape table to tape or diskette

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*From the Automatic Payment Processing menu (G0413), choose Copy Bank Tape File to Tape.*

1. On Copy Bank Tape to Tape, to locate a tape table, click Find, or limit your search by completing any of the fields in the QBE row, and then click Find.
2. Choose the table that you want to work with, and then choose Diskette from the Row menu.
3. On Write Bank Diskette, enter the path and/or file name you want to generate.
4. Depending on how you want to use the tape table, select one of the following options:
  - Generate New File
  - Append Records
5. Click OK, and then click OK again when the "File created Successfully" message appears.

## Processing Options for Copy Bank File to Diskette (P0457D)

### Defaults Tab

These processing options specify default information for the system to use when it generates the text file.

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#### 1. Record Length

Use this processing option to specify the record length of the output file. The maximum length is 1000 characters. If you leave this processing option blank, the system creates the output table with the original record length.

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#### 2. Insert Carriage Return

Use this processing option to specify whether the system inserts a hard return at the end of each record. If you leave this processing option blank, the system formats the file into a long string instead of multiple separate records.

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#### 3. Default File Path/Name

Use this processing option to specify the default path and the default name for the output file. The path and file name should conform to the file structure and naming standard of the operating system of the computer where the file is stored.

For example:

If you store the output file on your local machine C drive, you would specify the directory path: C:\FolderName\FileName.txt. If you store the output file to a folder on a networked machine, you might specify the network path: \\MachineName\FolderName\FileName.

If you leave this processing option blank, the system uses the following for the path and name: A:\DTALSV.

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Note: You should store the files only on a Windows client.

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### Data Tab

These processing options specify whether to use replacement characters and whether to capitalize all alpha characters.

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#### 1. Replace pre-defined characters (UDC 04/RC) in One-To-One mode

Use this processing option to specify whether the system replaces special characters. If you specify to replace special characters, the system reads the Replaced Character UDC (04/RC) and replaces single characters according to the values in the UDC. The system then reads the Special Characters UDC (04/SC) and replaces special characters according to the values in that UDC. Valid values are:

Blank

Do not replace special characters

1

Replace special characters

Note: For programs P0457 and P03B571, the system replaces only the first character in the Description 01 field of UDC 04/RC with the first character in the Description 02 field. It does not replace more than one character, even if the UDC is mapped in a one-to-many mode. Other programs that use UDC 04/RC replace more than one character if the UDC is mapped in a one-to-many mode.

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#### 2. Capitalize all alpha characters

Use this processing option to specify whether the system capitalizes all alphabetic characters in the record. If you leave this processing option blank, the system does not capitalize characters.

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### 3. Replacement Character (UDC 04/SC)

Use this processing option to specify whether the system replaces characters in fields and tables that match characters defined in UDC 04/SC with a specified character or with a blank. To replace the characters with a specified character, enter the character in the processing option. To replace the special characters with a blank, leave the processing option blank.

Note: The system always replaces the character defined in UDC 04/SC with either the character that you specify or a blank. If you do not want to replace any characters, UDC 04/SC must be blank.

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### Additional Tape Copy Options

Three additional options for copying a tape table are available, which might be relevant to specific users.

- You can use IBM system commands to view the tape table. You must specify the table and member IDs, for example, table ID F04572T and member ID AP00000390.
- Information in tape tables is stored in a standard format. Instead of copying a tape table to tape or diskette, you can upload a tape table to a financial institution using a modem.
- Bank Automated Clearing System (BACS) clients can approve a bank tape before copying it to tape or diskette. On the Copy Bank Tape to Tape form, choose Approve from the row menu. This menu selection is controlled by a BACS processing option for the Copy Bank Tape File to Tape program (P0457).

### Updating the Accounts Payable Ledger

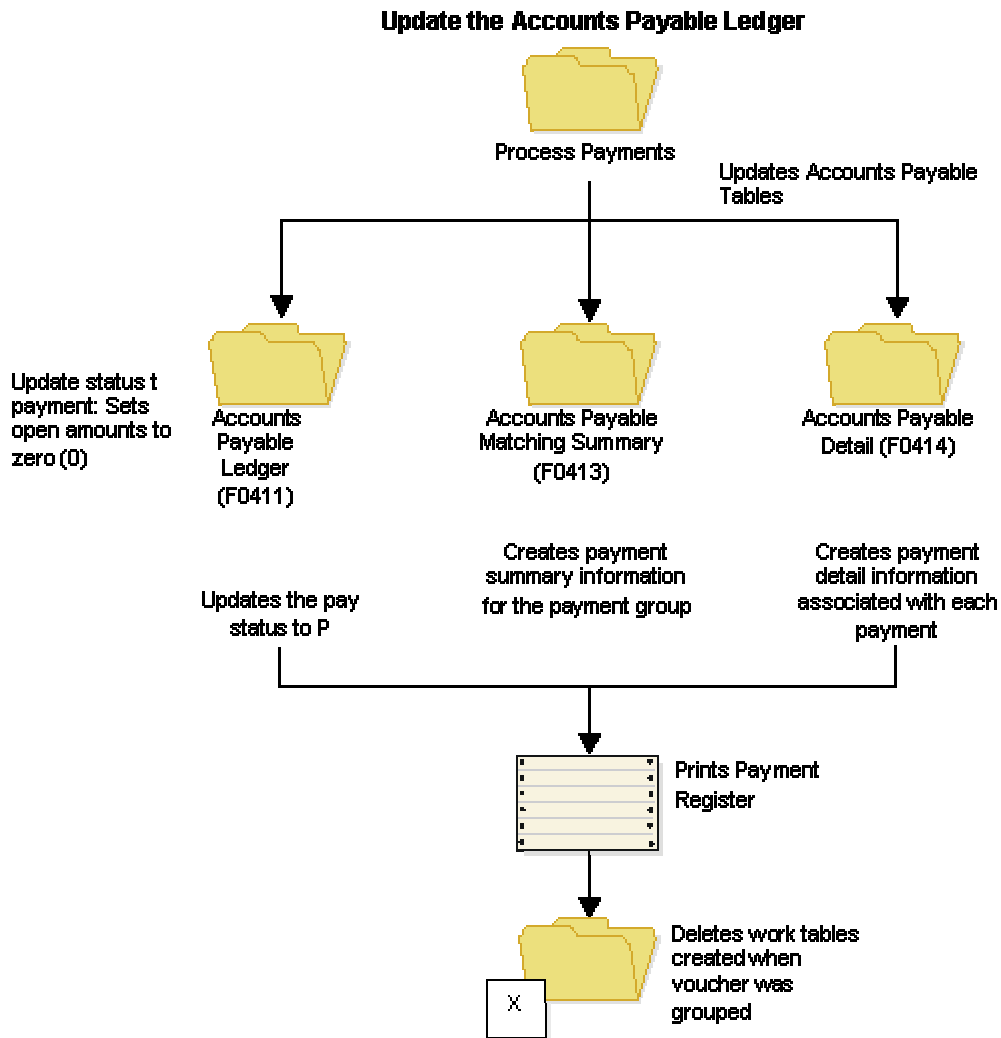
After you write payments, you must update the Accounts Payable ledger. Updating the accounts payable ledger creates transaction records of your payments and your payment register. You can update payments only if the next status of the payment group is UPD (update).

When you update the Accounts payable ledger, the system:

- Processes void payments.
- Changes the pay status of vouchers from payment in-process (#) to paid (P) and sets the open amount to zero.
- Prints a payment register.

- Copies payment information to the Accounts Payable Matching Document table (F0413) and the Accounts Payable Matching Document Detail table (F0414) from the following workfiles:
  - A/P Payment Processing - Header table (F04571)
  - A/P Payment Processing - Summary table (F04572)
  - A/P Payment Processing - Detail table (F04573)
- Removes the records in the worktables that were created when you grouped vouchers for payment. Note that bank tape records remain in the table until they are deleted.

The following graphic illustrates what happens when the system updates the accounts payable ledger:



After you update the accounts payable ledger tables, you can post payments to the General Ledger. Alternatively, a processing option for Work With Payment Groups allows you to automatically submit payments for posting to the General Ledger after you update the accounts payable ledger. During the posting process, the system creates the journal entries that debit the A/P trade account and credit the payables bank account.

**Before You Begin**

- ❑ Verify that all payments printed correctly. After you update the A/P ledger, you cannot reset payment processing. You must void the payments and begin the payment process again.
- ❑ Review processed payments. See *Reviewing Payment Groups* in the *Global Solutions Japan Guide*.

► **To update the Accounts Payable ledger**

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*From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.*

1. On Work With Payment Groups, follow the steps for reviewing payment groups.
2. Choose one or more payment groups with a next status of Update.
3. From the Row menu, choose Update.
4. On Report Output Destination, select the Report Destination and click OK.

**Processing Options for Work with Payment Groups (P04571)**

**Print Tab**

These processing options specify how the system prints payment groups.

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1. Default Print Program Version

Use this processing option to specify the version the system uses for the print program. Enter a version number, or leave this processing option blank to use default version ZJDE0001.

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2. Payment Control Group Output

Use this processing option to specify the output configuration for Payment Control Groups (PCG). You can send a spool file to a printer by PCG, by bank account, or you can send multiple PCGs to a printer simultaneously in one spool file.

Valid values are:

Blank Separate files by PCG.

- 1 Separate files by bank account.
  - 2 Send multiple PCGs in one spool file.
-

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### Save Spool File (FUTURE)

Use this processing option to specify whether you want to save a copy of a spool file after it has printed. This option is not yet functional in OneWorld software.

Valid values are:

Blank Do not save spool file.

1 Save spool file.

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### Hold Spool File (FUTURE)

Use this processing option to specify whether you want to hold a spool file, which requires that you release it manually before it prints. This option is not yet functional in OneWorld software.

Valid values are:

Blank Do not hold spool file.

1 Hold spool file.

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### **Update Tab**

These processing options specify the register program version, how you want the system to post void payments to the general ledger, and whether you want the system to submit the A/P payment post after the payments are updated.

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1. Default Register Program Version

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Use this processing option to specify the version number of the register program. You can enter a specific version number, or leave this processing option blank to use default version ZJDE0001.

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## 2. Post Void Payments

Use this processing option to specify whether you want the system to post void payments to the general ledger. Void payments include alignment checks and reset payments. Void payments also include checks that are printed as Void so that the stub can be used for additional information continued from the previous stub.

Valid values are:

Blank Do not post void payments to the general ledger.

1 Post void payments to the general ledger.

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## 3. Submit Post Program

Use this processing option to specify whether you want the system to automatically submit the A/P payment post after the payments are updated.

Valid values are:

Blank Do not automatically submit the A/P post.

1 Automatically submit the A/P post.

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## Display Tab

These processing options specify the way the system displays payment groups.

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### 1. Display Business Units

#### Display Business Units

Use this processing option to specify whether you want to display the Business Unit assigned to the Payment Control Groups. If you enter 1, the Business Unit field appears on the Work With Payment Groups form. You can perform a search on a specific business unit by completing the Business Unit field in the Specify Preloaded Values processing option.

NOTE: This field is valid if the Create Payment Control Groups program (R04570) was set to process payment groups by business unit.

Valid values are:

Blank Do not display Business Units.

1 Display Business Units.

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#### Write Status

Use this processing option to specify the initial selection of criteria for the Payment Control Group's Next Status. You can change the selection criteria on the Work With Payment Groups form.

Valid values are:

Blank Do not display payment control groups at Write Status.

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1 Display payment control groups at Write Status.

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#### Update Status

Use this processing option to specify the initial selection of criteria for the Payment Control Group's Next Status. You can change the selection criteria on the Work With Payment Groups form.

Valid values are:

Blank Do not display payment control groups at Update Status.

1 Display payment control groups at Update Status.

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#### 3. G/L Bank Account

Use this processing option to specify a preloaded value for the G/L Bank Account selection criteria. You can change the selection criteria on the Work With Payment Groups form. Enter a specific G/L bank account number, or leave this processing option blank to display all G/L bank accounts (default).

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#### Originator

Use this processing option to specify a preloaded value for the Transaction Originator (data item TORG) that ran the Create Payment Control Groups program (R04570). If you specify a preloaded value for this field, you limit the initial inquiry to the PCGs that the Originator created. You can change the selection criteria on the Additional Selection Criteria form. Enter a specific User ID (TORG), or leave this processing option blank to search on all transaction originators (default).

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### Payment Control Group Version

Use this processing option to specify a version number that created the Payment Control Groups (R04570). If you specify a preloaded value for this field, you limit the initial inquiry to the PCGs with this version number. You can change the selection criteria on the Additional Selection Criteria form.

You can enter a specific version number, or leave this processing option blank to search on all versions (default).

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### Payment Instrument

Use this processing option to specify the business unit that was originally assigned to the PCG by Create Payment Control Groups (R04570). If you specify a preloaded value for this field, you limit the initial inquiry to the PCGs with this business unit. You can change the selection criteria on the Additional Selection Criteria form. You can enter a specific business unit (data item MCU), or leave this processing option blank to search on all business units (default).

NOTE: This field is valid if the Create Payment Control Groups program (R04570) was set to process payment groups by business unit. Additionally, this field is valid only if you enter 1 in the Display Business Units processing option.

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### Currency Code

Use this processing option to specify the payment instrument that was originally assigned to the PCG by Create Payment Control Groups (R04570). If you specify a preloaded value for this field, you limit the initial inquiry to the PCGs with this payment instrument. You can change the selection criteria on the Additional Selection Criteria form. You can enter a specific payment instrument (data item PYIN), or leave this processing option blank to search on all payment instruments.

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## Currency Code

Use this processing option to specify the payment currency that was originally assigned to the PCG by Create Payment Control Groups (R04570). If you specify a preloaded value for this field, you limit the initial inquiry to the PCGs with this currency code. You can change the selection criteria on the Additional Selection Criteria form. You can enter a specific payment currency code (data item CRCD), or leave this processing option blank to search on all payment currencies (default).

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## Display Alternate Currency Amounts

Use this processing option to specify whether you want the system to display the payment control group (PCG) amounts in the alternate currency. This conversion is for display purposes only, affecting the amounts on the Work With Payment Groups form. For writing foreign payments, complete the processing options on the Currency tab.

Valid values are:

Blank Do not display PCG amounts in the alternate currency.

1 Display PCG amounts in the alternate currency.

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## Alternate Currency Effective Date

Use this processing option to specify the effective date for the alternate currency's exchange rate. Enter the effective date for the currency's exchange rate, or leave this processing option blank to use the system date (default).

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## Currency Tab

These processing options specify the effective date and exchange rate to use when your business transactions involve foreign currencies.

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## Effective Date

Use this processing option to specify the date to use to retrieve the exchange rate when you write foreign or alternate currency payments. If you leave this processing option blank, the system uses the payment G/L date.

If you create a payment group using the domestic amount of a voucher instead of the foreign amount, the system calculates a currency gain or loss based on the pay date exchange rate. The payment is not a foreign currency payment because it is made in the domestic currency.

Note: If you enter an effective date for which there is no corresponding exchange rate in the Currency Exchange Rates table (F0015), the system uses the exchange rate on the voucher and, therefore, does not create a gain or loss.

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## Use Voucher's Rate

Use this processing option to specify the voucher's exchange rate when you are writing foreign payments.

Blank Use the exchange rate for the specified effective date.

- 1 Use the voucher's exchange rate.

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## Process Tab

This processing option specifies how the system processes payment control groups.

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1. Interactive Process

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Use this processing option to specify how you want the system to process payment control

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groups.

NOTE: This processing option does not override the Object Configuration Manager (OCM) mapping for server batch jobs, but only affects batch jobs run locally.

Valid values are:

Blank Submit the print and update jobs for batch processing.

- 1 Process payments interactively.

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### **BACS Tab**

This processing option specifies whether the system allows the entry of Bank Automated Clearing System (BACS) processing dates. BACS is an electronic funds transfer method used in the United Kingdom.

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#### 1. BACS Processing

Use this processing option to indicate to the system whether you want to allow the entry of Bank Automated Clearing System (BACS) processing dates.

Valid values are:

Blank Do not allow the entry of BACS processing dates.

- 1 Allow the entry of BACS processing dates.
-