

PeopleSoft®

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EnterpriseOne 8.10  
Tax Reference  
PeopleBook

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**May 2004**



EnterpriseOne 8.10  
Tax Reference PeopleBook  
SKU ERP810TR0504

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# About These EnterpriseOne PeopleBooks

## Preface

EnterpriseOne PeopleBooks provide you with the information that you need to implement and use PeopleSoft EnterpriseOne applications.

This preface discusses:

- EnterpriseOne application prerequisites
- Obtaining documentation updates
- Typographical elements and visual cues
- Comments and suggestions

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### Note

EnterpriseOne PeopleBooks document only fields that require additional explanation. If a field is not documented with the process or task in which it is used, then either it requires no additional explanation or it is documented with common elements for the section, chapter, PeopleBook, or product line.

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## EnterpriseOne Application Prerequisites

To benefit fully from the information that is covered in these books, you should have a basic understanding of how to use EnterpriseOne applications.

See the *Foundation Guide*.

You might also want to complete at least one EnterpriseOne introductory training course.

You should be familiar with navigating the system and adding, updating, and deleting information by using EnterpriseOne menus and forms. You should also be comfortable using the World Wide Web and the Microsoft Windows or Windows NT graphical user interface.

These books do not review navigation and other basics. They present the information that you need to use the system and implement your EnterpriseOne applications most effectively.

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## Obtaining Documentation Updates

You can find updates and additional documentation for this release, as well as previous releases, on the PeopleSoft Customer Connection Website. Through the Documentation section of PeopleSoft Customer Connection, you can download files to add to your PeopleBook Library. You can find a variety of useful and timely materials, including updates to the full PeopleSoft documentation that is delivered on your PeopleBooks CD-ROM.

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**Note**

Before you upgrade, you must check PeopleSoft Customer Connection for updates to the upgrade instructions. PeopleSoft continually posts updates as the upgrade process is refined.

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**See Also**

PeopleSoft Customer Connection Website, <http://www.peoplesoft.com/corp/en/login.jsp>

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## Typographical Conventions and Visual Cues

This section discusses:

- Typographical conventions
- Visual cues

### Typographical Conventions

The following table contains the typographical conventions that are used in EnterpriseOne PeopleBooks:

Typographical Convention or Visual Cue	Description
<i>Italics</i>	Indicates emphasis, topic titles, and titles of PeopleSoft or other book-length publications. Also used in code to indicate variable values.
Key+Key	A plus sign (+) between keys means that you must hold down the first key while you press the second key. For example, Alt+W means hold down the Alt key while you press W.
Monospace font	Indicates a PeopleCode program or other code example.
“ ” (quotation marks)	Indicates an adjective that is used in a way that might not be readily understood without the quotation marks, for example "as of" date, "as if" currency, "from" date, and "thru" date.
Cross-references	EnterpriseOne PeopleBooks provide cross-references either below the heading "See Also" or preceded by the word See. Cross-references lead to other documentation that is pertinent to the immediately preceding documentation.

## Visual Cues

EnterpriseOne PeopleBooks contain the following visual cues:

- Notes
- Cautions

### Notes

Notes indicate information that you should pay particular attention to as you work with the PeopleSoft system.

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#### Note

Example of a note.

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### Cautions

Text that is preceded by *Caution* is crucial and includes information that concerns what you must do for the system to function properly.

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#### Caution

Example of a caution.

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## Comments and Suggestions

Your comments are important to us. We encourage you to tell us what you like, or what you would like to see changed about PeopleBooks and other PeopleSoft reference and training materials. Please send your suggestions to:

PeopleSoft Product Documentation Manager, PeopleSoft Inc., 4460 Hacienda Drive, Pleasanton CA 94588

Or you can send e-mail comments to [doc@peoplesoft.com](mailto:doc@peoplesoft.com).

While we cannot guarantee an answer to every e-mail message, we will pay careful attention to your comments and suggestions.

# Using the PeopleBooks Online Library

This section provides an overview of the PeopleSoft Online Library and discusses:

- Navigating Through the PeopleSoft Online Library
- Searching Through the PeopleBooks Online Library

The PeopleSoft Online Library (PSOL) is an HTML-based tool that contains comprehensive documentation for PeopleSoft EnterpriseOne application and tools. Use this documentation as an online research library. The PeopleSoft Online Library is organized hierarchically, like a library of books. It provides standard navigation and search capabilities, including an expandable table of contents, a keyword index, and a full-text search feature.

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## Navigating Through the PeopleSoft Online Library

This section discusses:

- Accessing the PeopleBooks interface
- Enabling the Reference Pane
- Navigating Between Books and Chapters
- Navigating Within a Chapter
- Using the Table of Contents
- Using the Index

## Accessing the PeopleBooks Interface

When you open the PeopleSoft Online Library home page, the PeopleBooks Online Library appears in your browser. When you click the PeopleBooks link, the PeopleBook interface appears in your browser with a list of available PeopleBooks.

After you choose a PeopleBook, the PeopleBook interface displays information in the following three panes:

- Document pane  
The pane on the right side of the window; displays the document HTML file, which corresponds to a chapter in the PeopleBook.
- Navigation pane  
The pane above the Document pane; contains display options, navigation controls, and the current PeopleBook and chapter titles.
- Reference pane

The pane on the left side of the window; contains three tabs: Contents, Index, and Search. Use these tabs to explore the PeopleBooks or to locate a specific topic. You can hide the Reference pane to maximize the size of the Document pane.

## Enabling the Reference Pane

If the Reference pane (with the Contents, Index, and Search tabs) does not appear, click the Show Reference Pane button in the Navigation pane at the top of the browser. To hide the Reference pane, click the Hide Reference Pane button.

## Navigating Between Books and Chapters

Use the Navigation pane to view information about the current PeopleBook, and to navigate between PeopleBooks or between chapters in the current PeopleBook.

Click the links at the bottom of the Navigation pane to access the PeopleSoft Online Library home page (Home), the PeopleBooks Library home page, and the first page of the current PeopleBook.

Use the following buttons in the Navigation pane to navigate through each PeopleBook:

Button	Description
Previous (left directional arrow)	Click Previous to go to the previous chapter in the book.
Next (right directional arrow)	Click Next to proceed to the next chapter in the book.
First	Click First to go to the first chapter in a book.
Last	Click Last to go to the last chapter in a book.

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### Note

These buttons move you to the previous or next file in the sequence in which the chapter files are organized in the book, not (as with a browser's Forward and Back buttons) in the sequence in which you opened the files.

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## Navigating Within a Chapter

Use the navigation features in the Document pane to navigate within a chapter. Click a cross-reference link to go to a related topic. These links appear in See Also headings.

Use the following buttons in the Document pane to navigate within a chapter:

Button	Description
Top (up arrow)	Click Top to go to the top of the current chapter.
Previous (double arrows)	Click Previous to go to the beginning of the parent section.

## Using the Table of Contents

Click the Contents tab to display the table of contents for the current PeopleBook. Use the following functions in the Contents tab to navigate through the current PeopleBook:

Feature	Description
Closed folder (with plus symbol)	Click a closed folder icon to expand a chapter.
Open folder	Click an open folder icon to collapse a chapter.
Section (document symbol)	Click a section icon to open to the section.
Synchronize	Click the Synchronize button to open the Table of Contents to the topic that is currently displayed in the Document pane.
Expand All	Click Expand All to open all of the folders in the Table of Contents.
Collapse All	Click Collapse All to close all of the folders in the Table of Contents.
Keep TOC synchronized with document	Click this option to automatically synchronize the Table of Contents as you navigate through the chapters.

## Using the Index

Click the Index tab to search through a keyword index of the current PeopleBook. To display an index topic, enter a keyword in the text box, or scroll to the keyword and click it. The document appears at the associated topic unless multiple topics exist.

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# Searching Through the PeopleBooks Online Library

This section discusses:

- Performing a Simple Search
- Performing an Advanced Search

## Performing a Simple Search

To perform a simple search, enter the text for which you want to search, and then press Enter or click the Search button. The Search list box displays all of the topics that contain the text that you entered, along with the PeopleBook in which each topic belongs.

The simple search form uses an *accrue* logic when searching. That is, it finds results that contain any or all of the terms which you entered, with priority given to documents that contain all or most of the keywords. The results appear sorted by book title and then by score.

When you search on multiple words, the system displays topics that contain any of the words in the search criteria. However, if you want the search to return topics that contain all of the words in the search criteria, surround the words with quotation marks, for example “Accounts Receivable Features.”

## Performing an Advanced Search

Use the Advanced Search options to expand your search. You can define the type of search to perform and refine your search results. Click the Advanced Search link on the Search tab to access the following Advanced Search options:

- Full Text  
Choose this option to perform a full text search. The Search list box displays all of the chapters with text that matches your search criteria, along with the PeopleBook wherein the chapters belong.
- Chapter Title  
Choose this option to search for text within chapter titles only. The Search list box displays all of the chapter titles that contain the text that you entered, along with the PeopleBook in which the chapters belong.
- Search Within Results  
Choose this option in combination with the Full Text or Chapter Title option to refine your search results.

# Overview of Tax Processing

Tax assessment, collection, reporting, and payment can be very complicated processes depending on the tax requirements for your government. PeopleSoft tax processing software helps to eliminate the confusion by providing all the tax algorithms that you need to automate tax calculations. You use a set of defined tax explanation codes to direct the system to calculate taxes. If you need to change the tax amount, the system provides a set of rules that you customize to help you maintain acceptable changes to tax amounts. When you post transactions, the system updates tax information into a separate table for reporting purposes.

In countries where VAT (value added tax) is levied, it is a common business requirement to track and reconcile VAT amounts by tax rate area for expense and revenue accounts. To accommodate this requirement, you can allocate tax amounts to the general ledger accounts that you specify as taxable. After invoices and vouchers are posted, you run a program to allocate the tax amount entered on the transaction to the taxable accounts that you used in the distribution. The system allocates the amount proportionately based on the amount distributed to each account.

Components of tax processing include the following:

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## Tax Rules

Tax rules do the following:

- Establish tolerance amounts or percentages to provide warning and error messages when the system-calculated tax amount is changed for VAT
- Establish whether you want taxes calculated on the gross amount, including or excluding the discount amount
- Establish whether you want the discount calculated on the gross, including or excluding the tax amount
- Establish whether you want to allow taxes to be understated in the Accounts Receivable system

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## Tax Explanation Codes

Tax explanation codes perform specific calculations based on the type of type of tax you use.

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## Tax Rate Areas

Tax rate areas do the following:

- Define tax rates to be paid to tax authorities
- Define offset accounts to use for posting tax amounts, when applicable
- Define whether a portion of the tax amount is nonrecoverable



- Define whether you want to calculate tax-on-tax for tax explanation codes C and B
- Define taxes associated with items
- Define a maximum cost associated with an item

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## Types of Taxes

When you process transactions with taxes, you choose a tax explanation code that represents the type of tax that you need to assess. Only three tax types exist:

- Sales
- Use
- Value Added (VAT)

All other tax explanation codes represent a combination of these tax types.

### Sales Tax (Seller-Assessed)

When you sell or purchase goods, you might be required to pay a sales tax. The system calculates sales tax on the gross amount of the transaction. Customers who buy goods for their own use pay sales tax at the time of purchase. In most cases, the seller of the goods and services calculates and remits sales taxes to the appropriate tax authority. Suppliers who buy goods for resale do not pay sales tax.

When a company is the end user, it must pay all the sales taxes due. For example, in Denver, Colorado, a company must pay the state sales tax and also the Denver city sales tax. The remitter of the taxes can vary, however. Sales taxes can be remitted to the tax authorities by either the seller or the buyer.

Sales tax is the primary type of tax used in the United States.

### Use Tax (Self-Assessed)

When the buyer of goods and services calculates and remits sales tax, the tax is known as *use tax*. A use tax might be levied when a company keeps the goods that it manufactures for its own use. For example, a pencil manufacturer might owe a use tax when it keeps some of the pencils that it manufactures for the use of its employees. A use tax might also be levied when a buyer in one tax area is responsible for direct payment of local sales taxes on goods and services purchased outside the local tax area. For example, a catalog company in New York does not collect sales taxes from buyers in Colorado; the buyers must pay the Colorado tax authorities directly.

Use tax is used in the Accounts Payable system only.

### Value Added Taxes (VAT)

A value added tax (VAT) is a tax that is collected at each stage in the production and distribution of goods and services as value to the goods is added. As a business adds value to a product (for example, packaging a product), the business must pay VAT on the added value (the value of the packaging). In

other words, the business must pay tax on the difference between the selling price of the packaged product and the cost of materials and services purchased to produce the product. The VAT amount is collected when the business sells the product.

Value added taxes (VAT) are assessed on most sales and purchases. Only a few goods and services are tax-free or not taxable in full.

Goods and services belong in one of three categories:

- **Taxable.** A business that produces only taxable products must collect VAT on its sales and can request a tax credit for the VAT paid on its purchases (purchases of materials that make up the product).
- **Tax-exempt.** A business that produces only tax-exempt products does not need to collect VAT on its sales and cannot request tax credit for the VAT paid on its purchases. Because the business cannot recover any of the VAT paid on purchases, costs can increase. Businesses that provide services such as loans, mortgages, life insurance, and property insurance are examples in this category.
- **Zero-rated (tax-free).** A business that produces only zero-rated products is not required to collect VAT on its sales, but can obtain tax credit for VAT paid on its purchases. Businesses that produce basic food products or produce goods for export are examples in this category.

Businesses that produce products that belong to a combination of the above categories must separately track the taxes paid for tax-exempt purchases and those paid for taxable or zero-rated purchases.

### Example

A simple VAT example for the production and sale of a book is shown below:

	Purchase			Sale			
	Price Paid	VAT	Total	Price Charged	VAT	Total	Paid to Govt.
<b>Forester (log)</b>	0.00	0.00	0.00	10.00	.70	10.70	.70
<b>Mill (paper)</b>	10.00	.70	10.70	15.00	1.05	16.05	.35
<b>Printer (book)</b>	15.00	1.05	16.05	30.00	2.10	32.10	1.05
<b>Wholesaler</b>	30.00	2.10	32.10	35.00	2.45	37.45	.35
<b>Retailer</b>	35.00	2.45	37.45	40.00	2.80	42.80	.35
<b>Total Tax to Government</b>							2.80

The steps required to calculate and pay a 7% VAT in the example above are summarized as follows:

1. Add VAT to the selling price of the goods or services. For example, when the mill sells paper, it adds 1.05 (7% of the 15.00 price charged) to the 15.00 sale price and sells the paper for 16.05.
2. Add all VAT paid to suppliers. For example, the mill paid .70 VAT to the forester.
3. For the current tax period, subtract the sum of the VAT amounts paid (step 2 above) from the sum of the VAT amounts received (step 1 above). This is the amount of VAT that is owed to the government. For example, the mill remits .35 to the tax authority (1.05 added to its selling

price minus .70 paid to the forester). If a business calculates a negative amount, it can request a refund from the government.

Depending on the product category (taxable, tax-exempt, or zero-rated), the business might or might not be able to take advantage of all three steps. A business can add 7% of the selling price (step 1) only for taxable products. A business can subtract the sum of the VAT paid to its suppliers from the VAT owed on the value added (steps 2 and 3) only for taxable products and zero-rated products.

VAT is used worldwide and encompasses a variety of value-added taxes, such as:

- IVA in Italy
- TVA in Belgium
- GST in Singapore
- GST in Canada

# Setting Up Tax Information

Various tax authorities assess and collect taxes. To comply with governmental tax regulations, you must set up tax information. After you set up this information, you can:

- Track taxes according to different tax rates and areas
- Assign a default tax rate to a customer or supplier
- Apply a tax rate to an entire transaction or transaction pay item
- Enter a tax amount or have the system calculate the amount
- Track tax history in a separate table

---

## Setting Up Tax Authorities

Tax authorities are government agencies that assess and collect taxes. For tracking and reporting purposes, your organization must set up an address book record for each tax authority to which it remits taxes. If you want, you can set up a user defined code for a new search type, such as TAX, in UDC 01/ST that you can assign to tax authority address book records to differentiate them from other address book records.

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### Note

Ensure that the self-service processing option is not activated for the Address Book program (P01012) using the Tax Authorities option on the Tax Processing and Reporting menu (G0021); otherwise, you cannot add new tax authorities (address book records).

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### See Also

- ❑ *To enter address book information in the Address Book Guide* for information about adding a new address book record

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## Setting Up Tax Rules

You set up tax rules so that the system can calculate any applicable taxes when you enter transactions with taxes. You can define tax rules differently by company and by system. The system uses these rules to:

- Establish tolerance limits on changes that you make to the tax amount when you use VAT tax explanation codes (V, C, and B)
- Determine whether the tax calculation includes the discount amount
- Determine whether the discount calculation includes the tax amount
- Determine whether taxes are calculated for sales orders at the order or detail level
- Allow taxes to be understated

---

**Note**

If you do not set up rules for a specific company, the system uses the rules that you define for company 00000. If you do not set up rules for company 00000, the system uses only the following default rules:

- Tolerance limits are set to zero
  - Tax is calculated on gross including discount
- 

When you set up tax rules for the Accounts Payable system, you also set up rules for Procurement. When you set up tax rules for the Accounts Receivable system, you also set up rules for Sales Order Management.

Not all of the tax rules apply to all systems.

## Tolerance Rules

When you enter a tax amount that differs from the system-calculated tax amount, the system automatically issues a warning message for all tax types except VAT.

For VAT taxes, the system uses the tolerance rules that you set up to determine when to issue a warning or error message. The system does not issue a warning message until the difference between the tax amount that you enter and the tax amount that the system calculates exceeds the tolerance limit established for a warning. By setting up tolerance information, you control the type of message that the system issues.

Tolerance rules:

- Apply to both understated and overstated amounts.
- Apply only to VAT taxes and can be defined as either a percentage or amount.

For the Accounts Receivable system, the tolerance rules that you define do not apply to VAT taxes unless you also activate the option to understate taxes.

## Calculation Rules for Discount and Tax Amounts

When you enter transactions with discounts and taxes, you must specify how you want the system to calculate the discount and tax amounts. Calculation rules specify which method to use for calculating discount and tax amounts when both are specified. The rules control how the system validates the correct tax amount, based on the total amount transaction.

Calculation rules are not displayed if you choose the General Accounting system.

## Edit Rules

You have only the option to understate tax amounts when you choose the Accounts Receivable system.

The edit rules activate the tolerance rules for VAT taxes for Accounts Receivable only. If you do not allow taxes to be understated, the tolerance rules that you set up apply to sales taxes only.

## Examples: Calculations for Tax Rules

The system calculates gross and discount amounts using the tax rules that you set up. Each of the following examples uses a different combination of rules to calculate:

- Tax on gross including or excluding the discount amount
- Discount on gross including or excluding the tax amount

The examples use the following amounts:

- Taxable amount: 1,000
- Gross amount: Varies
- Tax rate: 10%
- Tax amount: 100
- Discount: 1%

### Example 1

Calculate Tax on Gross (Including Discount)	
Calculate Discount on Gross (Including Tax)	
Discount Formula	$(\text{Taxable Amount} + \text{Tax Amount}) \times \text{Discount Percent} = \text{Discount Available}$ $(1,000 + 100) \times .01 = 11.00$
Gross Formula	$\text{Taxable Amount} + \text{Tax Amount} = \text{Gross Amount}$ $1,000 + 100 = 1,100$
Taxable Formula	$\text{Gross Amount} / (1 + \text{Tax Rate}) = \text{Taxable Amount}$ $1,100 / 1.1 = 1,000$

## Example 2

<b>Calculate Tax on Gross (Including Discount)</b>	
<b>Calculate Discount on Gross (Excluding Tax)</b>	
<b>Discount Formula</b>	Taxable Amount x Discount Percent = Discount Available $1,000 \times .01 = 10.00$
<b>Gross Formula</b>	Taxable Amount + Tax Amount = Gross Amount $1,000 + 100 = 1,100$
<b>Taxable Formula</b>	Gross Amount / (1 + Tax Rate) = Taxable Amount $1,100 / 1.1 = 1,000$

## Example 3

<b>Calculate Tax on Gross (Excluding Discount)</b>	
<b>Calculate Discount on Gross (Including Tax)</b>	
<b>Discount Formula</b>	$(\text{Tax Amount} / [(1 - \text{Discount Percent}) \times \text{Tax Rate}] + \text{Tax Amount}) \times \text{Discount Percent} = \text{Discount Available}$ $(100 / [(1 - .01) \times .1] + 100) \times .01 = 11.10$
<b>Gross Formula</b>	Taxable Amount + Tax Amount + Discount Amount = Gross Amount $1,000 + 100 + 11.10 = 1,111.10$
<b>Taxable Formula</b>	Gross Amount – Tax Amount – Discount Amount = Taxable Amount $1,111.10 - 100 - 11.10 = 1,000$

## Example 4


<b>Calculate Tax on Gross (Excluding Discount)</b>	
<b>Calculate Discount on Gross (Excluding Tax)</b>	
<b>Discount Formula</b>	$(\text{Taxable Amount} \times \text{Discount Percent}) / (1 - \text{Discount Percent}) = \text{Discount Available}$ $(1,000 \times .01) / (1 - .01) = 10.10$
<b>Gross Formula</b>	Taxable Amount + Tax Amount + Discount Amount = Gross Amount $1,000 + 100 + 10.10 = 1,110.10$
<b>Taxable Formula</b>	Gross Amount – Tax Amount – Discount Amount = Taxable Amount $1,110.10 - 100 - 10.10 = 1,000$

### ► To set up tax rules

*From the Tax Processing and Reporting menu (G0021), choose Tax Rules.*

1. On Work With Tax Rules, click Add.

PeopleSoft®

 Tax Rules - Tax Rules Revisions

Work With Tax Rules Tax Rules Revisions

OK Cancel Previous Next Tools

Company 00001

☒ A/R ☐ A/P ☐ G/L

**Tolerance**

Warning Error

OR ☒ % 2.000 10.000

☐ A...

**Calculations**

☒ Tax on Gross Including Discount

☐ Tax on Gross Excluding Discount

☐ Discount on Gross Including Tax

☐ Sales Order Taxes at Order Level

**Edit**

☐ Allow Understatement of Tax Amt

2. On Tax Rules Revisions, complete the following field:

- Company

If you do not define rules for a specific company, the system uses the rules that you define for company 00000.

3. Click one of the following options:

- A/P

The rules that you establish for Accounts Payable also apply to the Procurement system.

- A/R



The rules you establish for Accounts Receivable also apply to the Sales Order Management system.

- G/L
4. Under Tolerance, click one of the following options to specify the type of tolerance that you want to establish:
    - %
    - Amt
  5. Complete the following fields to specify the range for the type of tolerance that you selected:
    - Tolerance Rate - Warn
    - Tolerance Rate - Error
  6. Under the Calculations heading, click one of the following options:
    - Tax on Gross Including Discount
    - Tax on Gross Excluding Discount
  7. Complete the following options:
    - Discount on Gross Including Tax

If this option is turned on, tax will be included in the gross amount that is used to calculate the discount.
    - Sales Order Taxes at Order Level

The system displays this field only when you choose the option for A/R.

If this option is turned on, the system sums the detail line items, then calculates the tax on the total amount. If you do not complete the option, the system calculates the tax on each detail line item, then sums the tax for the order.
    - Allow Understatement of Tax Amt

The system displays this field only when you choose the option for A/R.
  8. Click OK.

---

## Setting Up AAls for Taxes

If you are required to collect or pay taxes, you must set up your system so that the tax amounts are applied to the correct general ledger accounts. The system applies tax amounts automatically to the account that you specify in an Automatic Accounting Instruction (AAI).

When you set up AAIs for a specific type of tax, such as VAT, you specify which accounts you want the system to debit and credit for the tax amount. If you pay taxes in multiple currencies, you need to set up tax AAIs for each company.

The financial systems (Accounts Payable, Accounts Receivable, and General Accounting) use different AAIs than the distribution systems (Sales Order Management and Procurement).

### See Also

- ❑ *Automatic Accounting Instructions (AAIs)* in the *General Accounting Guide* for information about adding, reviewing, and revising financial AAIs.
- ❑ *Setting Up Automatic Accounting Instructions* in the *Sales Order Management Guide* for information about adding, reviewing, and revising distribution AAIs.

## Financial AAIs for Taxes

You can enter taxes on invoices, vouchers, journal entries, purchase orders, and sales orders. If you enter VAT or Use taxes, you must set up an AAI to debit or credit the appropriate tax account for each of the following systems:

- Accounts Payable
- Accounts Receivable
- General Accounting
- Procurement
- Sales Order Management

### VAT Tax AAIs for Accounts Payable, Accounts Receivable, and General Accounting (PTxxxx, RTxxxxx, GTxxxx)

When you post a transaction that has VAT taxes, the system uses an AAI to locate the general ledger account to use to post the tax amount. Because you might require different accounts for different tax authorities, you can specify a G/L offset value for each tax authority that you set up in the tax rate area, and then set up a corresponding AAI that includes that value. The G/L offset can be up to four characters in length and it follows the AAI item. Examples are PTVATA, RTVATB, and GTTXX. Specifying a value in the G/L Offset field allows you to direct VAT tax amounts to different accounts by offset (or tax authority) for each company and differentiates VAT tax accounts from use tax accounts in the Accounts Payable system.

You can set up the AAI for each company or for company 00000 only. If you do not set up company-specific AAIs, the system uses the AAI that is set up for company 00000. If you do not use a G/L offset, the system uses the account associated with the AAI item (PT, RT, GT) only.

You must specify a business unit and object account when you set up tax AAIs for the Accounts Payable and Accounts Receivable systems. The subsidiary field is optional. For the General Accounting system, if you do not specify a business unit for the tax AAI, the system uses the business unit from the account entered on the journal entry.

The following table shows the hierarchy that the system uses to determine the account to which VAT tax amounts are posted.

Hierarchy	Company	Accounts Payable	Accounts Receivable	General Accounting
1	Company specific	PT + G/L Offset	RT + G/L Offset	GT + G/L Offset
2	Company 00000	PT + G/L Offset	RT + G/L Offset	GT + G/L Offset
3	Company specific	PT	RT	GT
4	Company 00000	PT	RT	GT

---

### Note

The system uses the GTxxxx AAIs when the journal entry with VAT transaction is entered, not when it is posted.

---

## VAT Tax AAIs for Procurement (PTVATD)

The Procurement system uses the same AAI item as the Accounts Payable system (PT), except when you have a purchase order with retainage and you defer VAT. In this case, when you match the voucher to the receipt using the Voucher Match program (P4314), the system uses the AAI item PTVATD to locate the account for the deferred VAT. The system uses this AAI only when:

- The processing option (Retainage tab) for the Voucher Match program (P4314) is set to apply tax to the retained amount.
- You use a tax type of C or V.

When you release retainage, this AAI reverses debits and credits with the VAT Payables (PCVATP) AAI.

If you do not set up this AAI, the system returns an error.

## Use Tax AAI (PT) - Accounts Payable and Procurement

Use taxes (tax explanation code U and B) do not use a G/L offset to specify a tax account; the system always uses PT (blank). You can set up the AAI for each company or for company 00000 only. If you do not set up company-specific AAIs, the system uses the AAI set up for company 00000.

Unlike VAT taxes, you can specify use tax accounts by tax rate area. Instead of using multiple AAIs to specify different tax accounts, you set up different tax accounts for each tax rate area by defining the subsidiary portion of the account as the tax rate area. For example, if the tax account were 1.4433 and the tax rate area were ONT (for Ontario), you would set up 1.4433.ONT in the Account Master table (F0901). Thus, you would have a unique account number for each tax rate area.

When you set up the AAI for PT, you do not specify a subsidiary account; you specify the business unit and object account only. The system ignores the subsidiary account if one exists. When you post the voucher, the system looks for the account number specified in the AAI in conjunction with the tax rate area specified on the voucher. If the account number exists, the system uses it. If the account number, including the tax rate area, does not exist, the system uses the account number. For example, if you set up PT for 1.4433 and enter tax rate area DEN on the voucher, the system searches for 1.4433.DEN. If the system cannot locate this account number, it uses 1.4433.

## Distribution AAI for Taxes

Transactions in the Sales Order Management and Procurement systems use both distribution and financial AAI. The distribution AAI are set up on multiple tables, each of which applies to a certain type of transaction. Not all transactions with taxes use the distribution AAI.

The following table shows the distribution AAI tables that you must set up to enter purchase orders and sales orders with taxes for the specified tax explanation code. Any other tax explanation codes that you enter on the order revert to the financial AAI (RT, PT, GT).

System	AAI Table	Description	Tax Explanation Code	Transaction Type
Sales Order Management	4250	Tax liability	S	N/A
Procurement	4350	Purchase tax accrual	S	3-Way Match (Inventory)
			U	3-Way Match (Inventory)
	4355	Received not vouchered tax	S	3-Way Match (Inventory) 3-Way Match (Non-Inventory)
			U	3-Way Match (Inventory) 3-Way Match (Non-Inventory)

---

**Note**

The system also uses the distribution AAIs for tax explanation codes B and C for the sales and use portion of the tax amount.

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Each AAI table allows you to set up different general ledger accounts based on the company, document type, and G/L category code (offset) that you enter. You enter the same value in the G/L Cat field (GLPT) for the AAI that you have set up in the G/L Offset field in your tax rate areas. For example, if you had a tax rate area set up for CO that includes a G/L offset TXTX, and you had another tax rate area ONT that includes a G/L offset TXTY, you would set up two distribution AAIs. The following example illustrates how the distribution AAIs correlate to the tax rate area.

**Tax Rate Area Setup**

Tax Rate Area	G/L Offset	Tax Rate
CO	TXTX	7.3
ONT	TXTY	5.0

**Distribution AAI Set Up**

AAI Table 4250					
Company	Document Type	G/L Cat	Branch Plant	Object	Subsidiary
00001	SD	TXTX	1	4551	
00001	SD	TXTY	1	4552	
00002	SO	TXTX	1	4553	
00002	SO	TXTY	1	4554	

---

**Note**

You can define a flexible account number for the AAI table 4250. The system searches for the account number in the Sales Flex Accounting table (F4096) based on the AAI table. If the AAI table is not defined to use flexible accounts, the system uses the account number that is set up in the Distribution/Manufacturing - AAI Values table (F4095).

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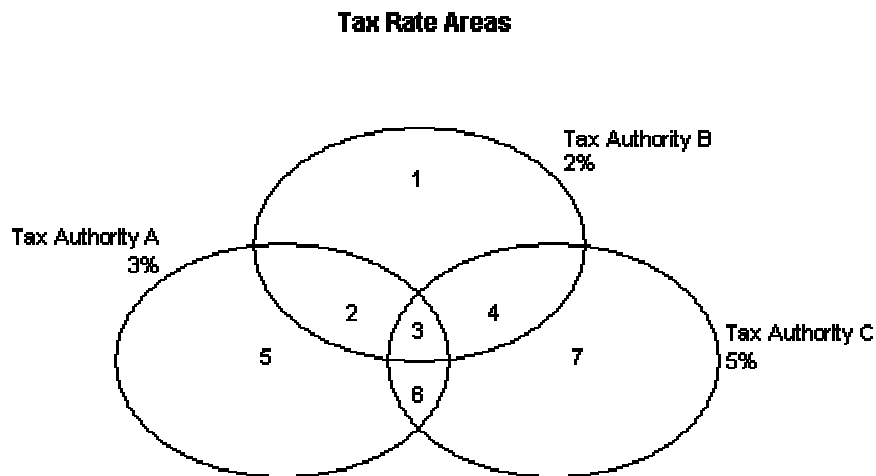
## Setting Up Tax Rate Areas

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

## 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®

**Tax Rate/Areas - Tax Rate/Area Revisions**

Work With Tax Rate/Areas   **Tax Rate/Area Revisions**

OK   Cancel   Form   Previous   Next   Tools

Tax Rate/Area:    Effective Date:

Description:    Expiration Date:

**Tax Authorities**

Address	Tax Authority	G/L Offset	Tax Rate	
<input type="text" value="4090"/>	<i>Revenue of Canada</i>	<input type="text"/>	<input type="text" value="7.000"/>	
<input type="text" value="4030"/>	<i>Treasurer of Ontario</i>	<input type="text"/>	<input type="text" value="8.000"/>	<input type="checkbox"/> Compound Tax
<input type="text"/>		<input type="text"/>	<input type="text"/>	<input type="checkbox"/> VAT Expense
<input type="text"/>		<input type="text"/>	<input type="text"/>	<input type="checkbox"/> VAT Expense
<input type="text"/>		<input type="text"/>	<input type="text"/>	<input type="checkbox"/> VAT Expense
<b>TOTAL TAX</b>			<input type="text" value="15.000"/>	

**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*		$(1,000 \times 7\%) - 75 = -5$
AE	1.4445	VAT Payable (PST)		80	$1,000 \times 8\% = 80$



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

## Prerequisites

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

## ► 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.

PeopleSoft®

**Tax Rate/Area Revisions**

Work With Tax Rate/Areas | Tax Rate/Area Revisions

OK Cancel Form Previous Next Tools

Tax Rate/Area: CO Effective Date: 01/01/97

Description: Colorado State & Regional Tax Expiration Date: 12/31/06

**Tax Authorities**

Address	Tax Authority	G/L Offset	Tax Rate
4010	Colorado State Treasurer	TXTX	3.800

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)

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### 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

---

---

## Tax Explanation Codes

You might be required to calculate, pay, collect, and track taxes on invoices that you receive from your suppliers and send to your customers. When this is necessary, you need to enter a tax explanation code on the transaction. You can enter the tax explanation code on the transaction entry form, or let the system use a default tax explanation code that you set up on the customer or supplier record.

Tax explanation codes are hard-coded user defined codes (00/EX) that specify the algorithm that the system uses to calculate the tax amount and which, if any, G/L account is used to record tax information. Each tax explanation code specifies a particular algorithm that affects the amount to distribute in the general ledger. You can create your own tax explanation codes, but if they begin with B, C, E, S, U, or V, they will use the same algorithm and work exactly like the standard tax explanation codes. For example, S1 will function exactly like S and V7 will function exactly like V. If you create tax explanation codes for any other letter or number, the system uses the sales tax algorithm to calculate tax and distribution amounts.

The letter T follows some tax explanation codes. You use this type of tax explanation code when you want to enter only the tax portion of the transaction. For example, if you enter a voucher and do not include the tax information, you can enter another voucher and use the appropriate tax explanation code followed by the letter T to indicate that the entire voucher represents a tax amount.

Not every tax explanation code is applicable to every system in PeopleSoft software.

The following table lists the available tax explanation codes, the systems that use each code, and the gross and G/L distribution amounts that the system calculates when the taxable amount is entered:

Tax Explanation			
Code	Description	System Used*	Gross and G/L Distribution Amounts
S	Seller-assessed sales tax	A/P, A/R, P/O, S/O	Gross = Goods + Sales tax Distribution = Goods + Sales tax

ST	Same as S, but taxes only	A/P, A/R	Gross = Sales tax Distribution = Sales tax
U	Self-assessed sales tax	A/P, P/O	Gross = Goods Distribution = Goods + Use tax
UT	Same as U, but taxes only	A/P	Gross = 0 Distribution = Use tax
V	Value added tax	A/P, A/R, G/A, P/O, S/O	Gross = Goods + VAT Distribution = Goods
VT	Same as V, but taxes only	A/P, A/R, G/A	Gross = VAT Distribution = 0
V+	Same as V, but calculated as tax on a tax	A/P, A/R, P/O, S/O	Gross = Goods + VAT Distribution = Goods
B	VAT + Use tax	A/P, P/O	Gross = Goods + VAT Distribution = Goods + Use tax
BT	Same as B, but taxes only	A/P	Gross = VAT Distribution = Use tax
C	VAT + Sales tax	A/P, A/R, P/O, S/O	Gross = Goods + VAT + Sales tax Distribution = Goods + Sales tax
CT	Same as C, but taxes only	A/P, A/R	Gross = VAT + Sales tax Distribution = Sales tax
E	Tax exempt	A/P, A/R, P/O, S/O	Gross = Goods Distribution = Goods

\*A/P = Accounts Payable

A/R = Accounts Receivable

G/A = General Accounting (journal entries)

P/O = Procurement

S/O = Sales Order Management

## Sales Tax (S) – Purchase Order to Voucher

When you enter purchase orders with sales tax (tax explanation code S), the system uses distribution AAIs to record the tax and, if you are purchasing for stock, update the inventory account. These AAIs differ depending on whether you are purchasing for stock and whether you use two-way or three-way matching.

The examples that follow show the AAIs that the system uses and the tables and accounts that the system updates when you run the program specified. All of the examples are for a purchase order in the amount of 1,000 USD with a 10% sales tax rate. The system was set up to create the journal entries in detail.

## Purchasing for Stock Items – Three-Way Voucher Match

When you purchase for stock, you must use three-way voucher matching. When you enter the purchase order receipt, the system records the tax in two general ledger accounts: Purchase Tax Accrual and Received Not Vouchered Tax. When the system creates the voucher, it offsets the Received Not Vouchered Tax account. You use the Purchase Tax Accrual account to track the tax portion of the item. You do not remit sales tax to a tax authority because the seller (supplier) pays it.

<b>Example: Purchasing for Stock Items – Three-Way Voucher Match</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Enter Receipts by PO (P4312)  Creates a journal entry	DM – 4310 DM – 4350 DM – 4320 DM – 4355	F0911	Inventory Asset Purchase Tax Accrual (asset) Received Not Vouchered Received Not Vouchered Tax	1,000 100	1,000 100
Voucher Match (P4314)  Creates a voucher	DM – 4320 DM – 4355	F0411  F0911	Taxable (1,000) Tax (100) Gross (1,100)  Received Not Vouchered Received Not Vouchered Tax	   1,000 100	
Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PC	F0911	A/P Trade		1,100

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

### Note

When you enter tax information during the voucher match process, instead of when you enter the purchase order, the system does not make an entry to the account associated with DMAAI 4355; instead, the system debits the account for DMAAI 4350, as well as the Received Not Vouchered account, and credits the A/P Trade account when the voucher is posted.

## Purchasing for Nonstock Items – Three-Way Voucher Match

When you purchase for a nonstock item, you can use either two-way or three-way voucher matching. When you use three-way voucher matching and enter the purchase order receipt, the system records the tax in the Received Not Vouchered Tax account, which is offset when the system creates the voucher. The system records the sales tax on the voucher only and includes it in the amount of the expense distribution. The system does not record sales tax in a separate account because you do not remit it to a tax authority; the supplier pays it.

<b>Example: Purchasing for Nonstock Items – Three-Way Voucher Match</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Enter Receipts by PO (P4312)  Creates a journal entry	DM – 4320 DM – 4355	F0911	Expense Account from PO line  Received Not Vouchered Received Not Vouchered Tax	1,100	1,000 100
Voucher Match (P4314)  Creates a voucher	DM – 4320 DM – 4355	F0411  F0911	Taxable (1,000) Tax (100) Gross (1,100)  Received Not Vouchered Received Not Vouchered Tax	   1,000 100	
Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PC	F0911	A/P Trade		1,100

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

### Purchasing for Nonstock Items – Two-Way Voucher Match

When you use two-way voucher matching, the system does not use the Received Not Vouchered accounts because you do not enter purchase order receipts; you enter the purchase order and create the voucher. The system does not record the sales tax in any general ledger account at any time during the process. The system records the sales tax on the voucher only and includes it in the amount of the expense distribution. The system does not record sales tax in a separate account because you do not remit it to a tax authority; the supplier pays it.

<b>Example: Purchasing for Nonstock Items – Two-Way Voucher Match</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Voucher Match (P4314)  Creates a voucher		F0411  F0911	Taxable (1,000) Tax (100) Gross (1,100)  Expense Account from PO line	   1,100	
Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PC	F0911	A/P Trade		1,100

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## Sales Tax (S) – Sales Order to Invoice

When you enter a sales order with sales tax (tax explanation code S) and run Update Customer Sales (R42800), the system uses distribution AAIs to record the Store Sales, Tax Liability, Cost of Goods (COG) Sold, and Inventory accounts. You offset the Tax Liability account when you pay the tax authority.

The following example shows the AAI that the system uses and the tables and accounts that the system updates when you run the specified program. The example is for a sales order in the amount of 1,000 USD with a 10% sales tax rate.

<b>Example: Sales Order to Invoice</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Update Customer Sales (R42800) Creates an invoice	DM – 4230 DM – 4250 DM – 4220 DM – 4240	F03B11  F0911	Taxable (1,000) Tax (100) Gross (1,100)  Store Sales Tax Liability COG Sold Inventory	   900	   1,000 100  900
Post General Ledger (R09801) Posts the invoice to the general ledger	FIN – RC	F0911	A/R Trade	1,100	

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## Sales Tax (S) – Voucher and Invoice Entry

When you enter a voucher or invoice with sales tax, the system calculates the tax amount but does not create a separate entry to the general ledger. The sales tax appears only in the voucher or invoice record. For vouchers, the tax is part of the expense, so you do not need to enter the tax in a specific account. For invoices, however, you might want to track the sales tax in a separate account because you must pay it. In this instance, you would need to subtract the sales tax amount from the revenue and enter it separately. Alternatively, you can use tax explanation code V for the system to record the tax in the account specified by PTxxxx (for payables) or RTxxxx (for receivables), where xxxx is the G/L offset that is entered on the tax rate area..

The following example shows the AAI that the system uses and the tables and accounts that the system updates when you enter and post a voucher or invoice. The examples are for a taxable amount of 1,000 USD with a 10% sales tax rate.

<b>Example: Voucher Entry</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Standard Voucher Entry (P0411) Creates a voucher		F0411	Taxable (1,000) Tax (100) Gross (1,100)		
		F0911	Expense	1,100	
Post General Ledger (R09801) Posts the voucher to the general ledger	FIN – PC	F0911	A/P Trade		1,100

<b>Example: Invoice Entry</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Standard Invoice Entry (P03B11) Creates an invoice		F03B11	Taxable (1,000) Tax (100) Gross (1,100)		
		F0911	Revenue Sales Tax		1,000 100
Post General Ledger (R0911) Posts the invoice to the general ledger	FIN – RC	F0911	A/R Trade	1,100	

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## Use Tax (U) – Purchase Order to Voucher

When you enter a purchase order with use tax (tax explanation code U), the system calculates the tax amount and makes a separate entry to the general ledger when you post the transaction.

The examples that follow show the AAIs that the system uses and the tables and accounts that the system updates when you run the program specified. All of the examples are for a purchase order in the amount of 1,000 USD with a 10% use tax rate. The system was set up to create the journal entries in detail.

### Purchasing for Stock Items – Three-Way Voucher Match

When you purchase for stock, you must use three-way voucher matching. When you enter the purchase order receipt, the system records the tax in two general ledger accounts: Purchase Tax Accrual and Received Not Vouchered Tax. When the system creates the voucher, it offsets the Received Not Vouchered Tax account and records the tax in the Purchase Tax Accrual asset account only for tracking purposes. When you post the voucher, the system records the tax in the Use Tax



Payable account. When you pay the tax authority, you enter a voucher that offsets the Use Tax Payable account.

<b>Example: Purchasing for Stock Items – Three-Way Voucher Match</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Enter Receipts by PO (P4312) Creates a journal entry	DM – 4310 DM – 4350 DM – 4320 DM – 4355	F0911	Inventory Asset Purchase Tax Accrual (asset) Received Not Vouchered Received Not Vouchered Tax	1,000 100	1,000 100
Voucher Match (P4314) Creates a voucher	DM – 4320 DM – 4355	F0411  F0911	Taxable (1,000) Tax (100) Gross (1,000)  Received Not Vouchered Received Not Vouchered Tax	   1,000 100	
Post General Ledger (R09801) Posts the voucher to the general ledger	FIN – PT FIN – PC	F0911	Use Tax Payable A/P Trade		100 1,000

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

### **Purchasing for Nonstock Items – Three-Way Voucher Match**

When you purchase for a nonstock item, you can use either two-way or three-way voucher matching. When you use three-way voucher matching and enter the purchase order receipt, the system records the tax in the Received Not Vouchered Tax account, which is offset when the system creates the voucher. The system does not include the use tax in the gross amount of the voucher, nor does it include it in the amount of the expense distribution. The system records the tax in a separate account that is offset when you remit the tax to the tax authority.

<b>Example: Purchasing for Nonstock Items – Three-Way Voucher Match</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Enter Receipts by PO (P4312) Creates a journal entry	DM – 4320 DM – 4355	F0911	Expense Account from PO line Received Not Vouchered Received Not Vouchered Tax	1,100	1,000 100
Voucher Match (P4314) Creates a voucher	DM – 4320 DM – 4355	F0411  F0911	Taxable (1,000) Tax (100) Gross (1,000)  Received Not Vouchered Received Not Vouchered Tax	   1,000 100	

Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PT FIN – PC	F0911	Use Tax Payable A/P Trade		100 1,000
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\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## Purchasing for Nonstock Items – Two-Way Voucher Match

When you use two-way voucher matching, the system does not use the Received Not Vouchered accounts because you do not enter purchase order receipts; you enter the purchase order and create the voucher. When the system creates the voucher, it does not include the use tax in the gross amount of the voucher, nor does it include it in the amount of the expense distribution. The system records the tax in a separate account that is offset when you remit the tax to the tax authority.

Example: Purchasing for Nonstock Items – Two-Way Voucher Match					
Program	AAI*	Table	Accounts & Fields Updated	F0911	
				DR	CR
Voucher Match (P4314)  Creates a voucher		F0411	Taxable (1,000) Tax (100) Gross (1,000)		
		F0911	Expense Account from PO line	1,000	
Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PT FIN – PC	F0911	Use Tax Payable A/P Trade		100 1,000

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## Use Tax (U) – Voucher Entry

When you enter a voucher with use tax, the system calculates the tax amount and creates a separate entry to the Use Tax Payable account when you post the transaction. You offset this account when you pay the tax authority.

The following example shows the AAIs that the system uses and the tables and accounts that the system updates when you enter and post a voucher that has a taxable amount of 1,000 USD with a 10% use tax rate.

Example: Voucher Entry					
Program	AAI*	Table	Accounts & Fields Updated	F0911	
				DR	CR
Standard Voucher Entry (P0411)  Creates a voucher		F0411	Taxable (1,000) Tax (100) Gross (1,000)		
		F0911	Expense	1,100	

Post General Ledger (R09801)	FIN – PT FIN – PC	F0911	Use Tax Payable A/P Trade		100 1,000
Posts the voucher to the general ledger					

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## VAT Tax (V) – Purchase Order to Voucher

When you enter a purchase order with VAT tax (tax explanation code V), the system calculates the tax amount and makes a separate entry to the general ledger when you post the transaction.

The examples that follow show the AAIs that the system uses and the tables and accounts that the system updates when you run the program specified. All of the examples are for a purchase order in the amount of 1,000 USD with a 10% VAT tax rate. The system was set up to create the journal entries in detail.

### Purchasing for Stock Items – Three-Way Voucher Match

When you purchase for stock, you must use three-way voucher matching. When you enter the purchase order receipt, the system does not accrue the tax; tax is recorded in the Received Not Vouchered Tax account only, and then is offset when the system creates the voucher. When you post the voucher, the system records the tax in the VAT recoverable tax account. Rather than pay a tax authority, you pay the seller (supplier) for the amount of the goods plus tax and recover the tax amount from the tax authority later.

Example: Purchasing for Stock Items – Three-Way Voucher Match					
Program	AAI*	Table	Accounts & Fields Updated	F0911	
				DR	CR
Enter Receipts by PO (P4312)  Creates a journal entry	DM – 4310 DM – 4320	F0911	Inventory Asset Received Not Vouchered	1,000	1,000
Voucher Match (P4314)  Creates a voucher	DM – 4320	F0411  F0911	Taxable (1,000) Tax (100) Gross (1,100)  Received Not Vouchered	   1,000	
Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PTxxxx FIN – PC	F0911	VAT Recoverable Tax A/P Trade	100	1,100

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## Purchasing for Nonstock Items – Three-Way Voucher Match

When you purchase for a nonstock item, you can use either two-way or three-way voucher matching. When you use three-way voucher matching and enter the purchase order receipt, the system records the tax in the Received Not Vouchered Tax account, which is offset when the system creates the voucher. When you post the voucher, the system records the tax in the VAT Recoverable Tax account. Rather than pay a tax authority, you pay the supplier for the amount of the goods plus tax and recover the tax amount from the tax authority later.

<b>Example: Purchasing for Nonstock Items – Three-Way Voucher Match</b>					
Program	AAI*	Table	Accounts & Fields Updated	F0911	
				DR	CR
Enter Receipts by PO (P4312)  Creates a journal entry	DM – 4320 DM – 4355	F0911	Expense Account from PO line Received Not Vouchered Received Not Vouchered Tax	1,000	1,000 100
Voucher Match (P4314)  Creates a voucher	DM – 4320	F0411  F0911	Taxable (1,000) Tax (100) Gross (1,100)  Received Not Vouchered	   1,000	
Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PTxxxx FIN – PC	F0911	VAT Recoverable Tax A/P Trade	100	1,100

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## Purchasing for Nonstock Items – Two-Way Voucher Match

When you use two-way voucher matching, the system does not use the Received Not Vouchered accounts because you do not enter purchase order receipts; you enter the purchase order and create the voucher. When the system creates the voucher, it includes the VAT tax in the gross amount of the voucher, but not in the expense distribution. When you post the voucher, the system records the tax in the VAT Recoverable tax account. Rather than pay a tax authority, you pay the supplier for the amount of the goods plus tax and recover the tax amount from the tax authority later.

<b>Example: Purchasing for Nonstock Items – Two-Way Voucher Match</b>					
Program	AAI*	Table	Accounts & Fields Updated	F0911	
				DR	CR
Voucher Match (P4314)  Creates a voucher		F0411  F0911	Taxable (1,000) Tax (100) Gross (1,100)  Expense Account from PO line	   1,000	

Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PTxxxx FIN – PC	F0911	VAT Recoverable Tax A/P Trade	100	1,100
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\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## VAT Tax (V) – Sales Order to Invoice

When you enter a sales order with VAT tax (tax explanation code V) and run Update Customer Sales (R42800), the system uses distribution AAIs to record the Cost of Goods (COG) Sold and Inventory accounts. Although the VAT amount appears on the sales update report, the system does not record it in the VAT Payables account until you post the invoice. You offset the VAT Payables account when you pay the tax authority.

The following example shows the AAI that the system uses and the tables and accounts that the system updates when you run the specified program. The example is for a sales order in the amount of 1,000 USD with a 10% VAT tax rate.

Example: Sales Order to Invoice					
Program	AAI*	Table	Accounts & Fields Updated	F0911	
				DR	CR
Update Customer Sales (R42800)  Creates an invoice	DM – 4230 DM – 4220 DM – 4240	F03B11	Taxable (1,000) Tax (100) Gross (1,100)		
		F0911	Store Sales COG Sold Inventory	900	1,000 900
Post General Ledger (R09801)  Posts the invoice to the general ledger	FIN – RTxxxx FIN – RC	F0911	VAT Payables A/R Trade	1,100	100

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## VAT Tax (V) – Voucher and Invoice Entry

When you enter a voucher or invoice with VAT tax, the system calculates the tax amount and creates a separate entry to the general ledger when you post the transaction. In Accounts Payable, you offset the VAT Recoverable Tax account when you receive payment from the tax authority. In Accounts Receivable, you offset the VAT Payables account when you pay the tax.

The following example shows the AAI that the system uses and the tables and accounts that the system updates when you enter and post a voucher or invoice. The examples are for a taxable amount of 1,000 USD with a 10% VAT tax rate.

<b>Example: Voucher Entry</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Standard Voucher Entry (P0411) Creates a voucher		F0411	Taxable (1,000) Tax (100) Gross (1,100)		
		F0911	Expense	1,000	
Post General Ledger (R09801) Posts the voucher to the general ledger	FIN – PTxxxx FIN – PC	F0911	VAT Recoverable Tax A/P Trade	100	1,100

<b>Example: Invoice Entry</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Standard Invoice Entry (P03B11) Creates an invoice		F03B11	Taxable (1,000) Tax (100) Gross (1,100)		
		F0911	Revenue		1,000
Post General Ledger (R09801) Posts the invoice to the general ledger	FIN – RTxxxx FIN – RC	F0911	VAT Payables A/R Trade	1,100	100

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## VAT + Sales Tax (C) – Purchase Order to Voucher

When you enter a purchase order using tax explanation code C for VAT + sales tax, the system calculates the tax amount and makes a separate entry to the general ledger for the VAT portion of the tax when you post the transaction.

The examples that follow show the AAIs that the system uses and the tables and accounts that the system updates when you run the program specified. All of the examples are for a purchase order in the amount of 1,000 USD with a 7% VAT and 3% sales tax rate. The system was set up to create the journal entries in detail.

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### Note

If you use tax-on-tax calculations, which you specify in the tax rate area by activating the Compound Tax field, the system uses the following formula to calculate the tax amount:

(Taxable + VAT) x sales tax rate = tax

(1,000 + 70) x .03 = 32.10

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## Purchasing for Stock Items – Three-Way Voucher Match

When you enter the purchase order receipt, the system records the sales tax in two general ledger accounts: Purchase Tax Accrual and Received Not Vouchered Tax. When the system creates the voucher, it offsets the Received Not Vouchered Tax account. You use the Purchase Tax Accrual account to track the sales tax portion of the item. You do not remit sales tax to a tax authority because the seller (supplier) pays it. The gross amount of the voucher includes both the sales and VAT taxes; the G/L distribution includes the goods + sales tax only. When you post the voucher, the system records the VAT in the VAT Recoverable Tax account. Rather than pay a tax authority, you pay the seller (supplier) for the amount of the goods plus VAT and recover the VAT amount from the tax authority later.

Example: Purchasing for Stock Items – Three-Way Voucher Match					
Program	AAI*	Table	Accounts & Fields Updated	F0911	
				DR	CR
Enter Receipts by PO (P4312)  Creates a journal entry	DM – 4310 DM – 4350 DM – 4320 DM – 4355	F0911	Inventory Asset Purchase Tax Accrual (asset) Received Not Vouchered Received Not Vouchered Tax	1,000  30	  1,000 30
Voucher Match (P4314)  Creates a voucher	  DM – 4320 DM – 4350 DM – 4355 DM – 4350	F0411  F0911	Taxable (1,000) Tax (100) Gross (1,100)  Received Not Vouchered Purchase Tax Accrual (asset) Received Not Vouchered Tax Purchase Tax Accrual (asset)	    1,000 30 30	     30
Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PTxxxx FIN – PC	F0911	VAT Recoverable Tax A/P Trade	70	1,100

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## Purchasing for Nonstock Items – Three-Way Voucher Match

When you purchase for a nonstock item, you can use either two-way or three-way voucher matching. When you use three-way voucher matching and enter the purchase order receipt, the system records the sales tax in the Received Not Vouchered Tax account, which is offset when the system creates the voucher. When the system creates the voucher, it includes both the sales and VAT tax amounts in the gross amount, but only the sales tax in the expense distribution. When you post the voucher, the system records the VAT in the VAT Recoverable Tax account. Rather than pay a tax authority, you pay the supplier for the amount of the goods plus VAT and recover the VAT amount from the tax authority later.

<b>Example: Purchasing for Nonstock Items – Three-Way Voucher Match</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Enter Receipts by PO (P4312)  Creates a journal entry	DM – 4320 DM – 4355	F0911	Expense Account from PO line Received Not Vouchered Received Not Vouchered Tax	1,030	1,000 30
Voucher Match (P4314)  Creates a voucher	DM – 4320  DM – 4355	F0411  F0911	Taxable (1,000) Tax (100) Gross (1,100)  Received Not Vouchered Expense Account Received Not Vouchered Tax Expense Account	   1,000 30 30	   30
Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PTxxxx FIN – PC	F0911	VAT Recoverable Tax A/P Trade	70	1,100

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## Purchasing for Nonstock Items – Two-Way Voucher Match

When you use two-way voucher matching, the system does not use the Received Not Vouchered accounts because you do not enter purchase order receipts; you enter the purchase order and create the voucher. When the system creates the voucher, it includes both the sales and VAT tax amounts in the gross amount of the voucher, but only the sales tax in the expense distribution. When you post the voucher, the system records the VAT in the VAT Recoverable Tax account. Rather than pay a tax authority, you pay the supplier for the amount of the goods plus VAT and recover the VAT amount from the tax authority later.

<b>Example: Purchasing for Nonstock Items – Two-Way Voucher Match</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Voucher Match (P4314)  Creates a voucher	DM – 4315* DM – 4315*	F0411  F0911	Taxable (1,000) Tax (100) Gross (1,100)  Expense Account Expense Account	   1,000 30	
Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PTxxxx FIN – PC	F0911	VAT Recoverable Tax A/P Trade	70	1,100



\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## VAT + Sales Tax (C) – Sales Order to Invoice

When you enter a sales order using tax explanation code C for VAT + sales tax and then run Update Customer Sales (R42800), the system uses distribution AAIs to record the Store Sales, Tax Liability, Cost of Goods (COG) Sold, and Inventory accounts. Although the VAT amount appears on the sales update report, the system does not record it in the VAT Payables account until you post the invoice. You offset the VAT Payables account when you pay the tax authority.

The following example shows the AAI that the system uses and the tables and accounts that the system updates when you run the specified program. The example is for a sales order in the amount of 1,000 USD with a 7% VAT and 3% sales tax rate.

<b>Example: Sales Order to Invoice</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Update Customer Sales (R42800)  Creates an invoice	DM – 4230 DM – 4250 DM – 4220 DM – 4240	F03B11	Taxable (1,000) Tax (100) Gross (1,100)		
		F0911	Store Sales Tax Liability COG Sold Inventory	900	1,000 30  900
Post General Ledger (R09801)  Posts the invoice to the general ledger	FIN – RTxxxx FIN – RC	F0911	VAT Payables A/R Trade	1,100	70

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

### Note

If you use tax-on-tax calculations, which you specify in the tax rate area by activating the Compound Tax field, the system multiplies the sales tax rate by the VAT tax rate and adds the amount to the sales tax. In the example above, the sales tax would be 30.21  $\{30 + [(.03 \times .07) \times 100] = 30.21\}$  if the tax rate area was set up for tax-on-tax.

## VAT + Sales Tax (C) – Voucher and Invoice Entry

When you enter a voucher or invoice using tax explanation code C for VAT + sales tax, the system calculates the sales tax amount but does not create a separate entry to the general ledger. For vouchers, the sales tax is part of the expense, so you do not need to enter the tax in a specific account. For invoices, however, you might want to track the sales tax in a separate account because you must pay it. In this instance, you would need to subtract the sales tax amount from the revenue and enter it separately. The system records the VAT amount when you post the transaction. In Accounts Payable, you offset the VAT Recoverable Tax account when you receive payment from the tax authority. In Accounts Receivable, you offset the VAT Payables account when you pay the tax.

The following example shows the AAI that the system uses and the tables and accounts that the system updates when you enter and post a voucher or invoice. The examples are for a taxable amount of 1,000 USD with a 7% VAT and 3% sales tax rate.

<b>Example: Voucher Entry</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Standard Voucher Entry (P0411) Creates a voucher		F0411	Taxable (1,000) Tax (100) Gross (1,100)		
		F0911	Expense	1,030	
Post General Ledger (R09801) Posts the voucher to the general ledger	FIN – PTxxxx FIN – PC	F0911	VAT Recoverable Tax A/P Trade	70	1,100

<b>Example: Invoice Entry</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Standard Invoice Entry (P03B11) Creates an invoice		F03B11	Taxable (1,000) Tax (100) Gross (1,100)		
		F0911	Revenue Sales Tax		1,000 30
Post General Ledger (R09801) Posts the invoice to the general ledger	FIN – RTxxxx FIN – RC	F0911	VAT Payables A/R Trade	1,100	70

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

#### Note

If you use tax-on-tax calculations, which you specify in the tax rate area by activating the Compound Tax field, the system uses the following formula to calculate the tax amount:

$$(\text{Taxable} + \text{VAT}) \times \text{sales tax rate} = \text{Tax}$$

$$(1,000 + 70) \times .03 = 32.10$$

## VAT + Use Tax (B) – Purchase Order to Voucher

When you enter a purchase order using tax explanation code B for VAT + use tax, the system calculates the tax amount and makes two entries to the general ledger when you post the transaction: one for the use portion of the tax and one for the VAT portion of the tax.

The examples that follow show the AAIs that the system uses and the tables and accounts that the system updates when you run the program specified. All of the examples are for a purchase order in the amount of 1,000 USD with a 7% VAT and 3% use tax rate. The system was set up to create the journal entries in detail.

#### Note

If you use tax-on-tax calculations, which you specify in the tax rate area by activating the Compound Tax field, the system uses the following formula to calculate the tax amount:

$$(\text{Taxable} + \text{VAT}) \times \text{use tax rate} = \text{Tax}$$

$$(1,000 + 70) \times .03 = 32.10$$

### Purchasing for Stock Items – Three-Way Voucher Match

When you purchase for stock, you must use three-way voucher matching. When you enter the purchase order receipt, the system records the tax in two general ledger accounts: Purchase Tax Accrual and Received Not Vouchered Tax. When the system creates the voucher, it offsets the Received Not Vouchered Tax account and records the tax in the Purchase Tax Accrual asset account only for tracking purposes. When you post the voucher, the system records the tax in the VAT Recoverable Tax and Use Tax Payable accounts. When you pay the tax authority, you enter a voucher that offsets the Use Tax Payable account.

<b>Example: Purchasing for Stock Items – Three-Way Voucher Match</b>					
<b>Program</b>	<b>AAI*</b>	<b>Table</b>	<b>Accounts &amp; Fields Updated</b>	<b>F0911</b>	
				<b>DR</b>	<b>CR</b>
Enter Receipts by PO (P4312)  Creates a journal entry	DM – 4310 DM – 4350 DM – 4320 DM – 4355	F0911	Inventory Asset Purchase Tax Accrual (asset) Received Not Vouchered Received Not Vouchered Tax	1,000 30	1,000 30
Voucher Match (P4314)  Creates a voucher	DM – 4320 DM – 4355 DM – 4350 DM – 4350	F0411  F0911	Taxable (1,000) Tax (100) Gross (1,070)  Received Not Vouchered Received Not Vouchered Tax Purchase Tax Accrual (asset) Purchase Tax Accrual (asset)	   1,000 30 30	   30
Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PTxxxx FIN – PT FIN – PC	F0911	VAT Recoverable Tax Use Tax Payable A/P Trade	70	30 1,070

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## Purchasing for Nonstock Items – Three-Way Voucher Match

When you purchase for a nonstock item, you can use either two-way or three-way voucher matching. When you use three-way voucher matching and enter the purchase order receipt, the system records the tax in the Received Not Vouchered Tax account, which is offset when the system creates the voucher. The system includes the VAT tax only in the gross amount of the voucher (not the use tax), but includes only the use tax in the expense distribution. The system records the tax in a separate account that is offset when you remit the tax to the tax authority.

<b>Example: Purchasing for Nonstock Items – Three-Way Voucher Match</b>					
Program	AAI*	Table	Accounts & Fields Updated	F0911	
				DR	CR
Enter Receipts by PO (P4312)  Creates a journal entry	DM – 4320 DM – 4355	F0911	Expense Account from PO line Received Not Vouchered Received Not Vouchered Tax	1,030	1,000 30
Voucher Match (P4314)  Creates a voucher	DM – 4320 DM – 4355 DM – 4350 DM – 4350	F0411  F0911	Taxable (1,000) Tax (100) Gross (1,070)  Received Not Vouchered Received Not Vouchered Tax Purchase Tax Accrual (asset) Purchase Tax Accrual (asset)	   1,000 30 30	   30
Post General Ledger (R09801)  Posts the voucher to the general ledger	FIN – PTxxxx FIN – PT FIN – PC	F0911	VAT Recoverable Tax Use Tax Payable A/P Trade	70	30 1,070

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## Purchasing for Nonstock Items – Two-Way Voucher Match

When you use two-way voucher matching, the system does not use the Received Not Vouchered accounts because you do not enter purchase order receipts; you enter the purchase order and create the voucher. The system includes the VAT tax only in the gross amount of the voucher (not the use tax), but includes only the use tax in the expense distribution. The system records the tax in a separate account that is offset when you remit the tax to the tax authority.

<b>Example: Purchasing for Nonstock Items – Two-Way Voucher Match</b>					
Program	AAI*	Table	Accounts & Fields Updated	F0911	
				DR	CR
Voucher Match (P4314)  Creates a voucher		F0411  F0911	Taxable (1,000) Tax (100) Gross (1,070)  Expense Account from PO line	   1,030	

Post General Ledger (R09801)	FIN – PTxxx FIN – PT FIN – PC	F0911	VAT Recoverable Tax Use Tax Payable A/P Trade	70	30 1,070
Posts the voucher to the general ledger					

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

## VAT + Use Tax (B) – Voucher Entry

When you enter a voucher using tax explanation code B for VAT + use tax, the system calculates the use tax amount and includes it in the expense distribution. When you post the voucher, the system creates entries to the:

- Use Tax Payable account, which you offset when you pay the tax authority
- VAT Recoverable Tax account, which you offset when you receive payment from the tax authority

The following example shows the AAI that the system uses and the tables and accounts that the system updates when you enter and post a voucher. The example is for a taxable amount of 1,000 USD with a 7% VAT and 3% use tax rate.

Example: Voucher Entry					
Program	AAI*	Table	Accounts & Fields Updated	F0911	
				DR	CR
Standard Voucher Entry (P0411) Creates a voucher		F0411	Taxable (1,000) Tax (100) Gross (1,070)		
		F0911	Expense	1,030	
Post General Ledger (R09801) Posts the voucher to the general ledger	FIN – PT FIN – PTxxx FIN – PC	F0911	Use Tax Payable VAT Recoverable Tax A/P Trade	70	30 1,070

\* DM – AAI = Distribution/Manufacturing AAI (F4950); FIN – AAI = Financial AAI (F0012)

### Note

If you use tax-on-tax calculations, which you specify in the tax rate area by activating the Compound Tax field, the system uses the following formula to calculate the tax amount:

$$(\text{Taxable} + \text{VAT}) \times \text{use tax rate} = \text{Tax}$$

$$(1,000 + 70) \times .03 = 32.10$$

## Tax Exempt (E)

If you want to make a purchase or sales order line item or a voucher or invoice pay item, tax exempt, you use tax explanation code E. When you use tax explanation code E, the system maintains the tax explanation code and tax rate area values, but removes the taxable and tax amounts from the voucher or invoice.

You must have the AAI for PT set up to enter tax-exempt purchase orders or vouchers. You must have the AAI for RT set up to enter tax-exempt sales orders or invoices.

If you set the processing option in the General Ledger Post Report program (R09801) to update the Taxes table (F0018) for all tax explanation codes, tax-exempt transactions are excluded.

---

## Setting Up Default Values for Taxes

When you enter transactions with taxes, you can enter the tax information on the transaction or set up default values that the system uses during the entry process. Default tax values include the tax rate area and tax explanation code, and can be set up in the customer or supplier record or in the business unit record (tax rate area only). Regardless of whether you establish default values, you can override the tax information when you enter the transaction.

The following table shows where the system retrieves the default tax rate area and tax explanation code from for each type of transaction that you enter:

Transaction Entered	Tax Rate Area Used	Tax Explanation Code Used
Purchase order	Supplier record	Supplier record
Sales order	Customer record (Ship-to address)	Customer record (Sold-to address)
Voucher	Business unit; then supplier record	Supplier record
Invoice	Business unit; then customer record	Customer record
Journal entry	None	None

## Purchase Order Entry

The system uses tax defaults that you set up in the supplier record when you enter purchase orders. When you enter purchase orders, you use processing options to specify whether to retrieve the tax rate area from the ship-to or supplier address book number. The system always uses the tax explanation code from the supplier record.

## Sales Order Entry

The system uses tax defaults that you set up in the customer record when you enter a sales order. When you enter direct ship, transfer orders, or sales orders with different sold-to or ship-to addresses, the system retrieves the tax rate area from the ship-to address and the tax explanation code from the sold-to address.

## Voucher and Invoice Entry

When you enter a voucher or invoice, the system uses the tax rate area associated with the business unit, if one exists. If a tax rate area is not set up for the business unit, the system uses the tax rate area from the supplier or customer record. The system uses the tax explanation code from the supplier or customer record regardless of whether it uses the tax rate area from the business unit.

## Journal Entries

The system does not use default tax information when you enter a journal entry with VAT.

### ► To set up tax defaults for the supplier

---

*Use one of the following navigations:*

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

*From the Supplier Management menu (G43A16), choose Purchasing Instructions.*

*From the Non-Stock Purchasing System Setup menu (G43B41), choose Purchasing Instructions.*

1. On Work With Supplier Master, locate the supplier record and click Select.
2. On Supplier Master Revision, click the Tax Information tab and complete the following fields:
  - Tax Expl Code
  - Tax Rate / Area
3. Click OK.

### ► To set up tax defaults for the customer

---

*Use one of the following navigations:*

*From the Customer Invoice Entry menu (G03B11), choose Customer Master Information.*

*From the Sales Order Management Setup menu (G4241), choose Customer Billing Instructions.*

1. On Work With Customer Master, locate and choose the customer record and click Select.
2. On Customer Master Revision, click the Select Tab and choose Tax Information.
3. Complete the following fields:
  - Tax Expl Code

- Tax Rate/Area
4. Click OK.

---

► **To set up tax defaults for the business unit**

---

*From the Organization & Account Setup menu (G09411), choose Revise Single Business Unit.*

1. On Work With Business Units, locate and choose the business unit, and then click Select.
2. On Revise Business Unit, click the More Detail tab.
3. Complete the following field and click OK:

- Tax Rate/Area

---

## Assigning Tax Information to General Ledger Accounts

If you track taxes by general ledger account, you must specify that the account is taxable by turning on the Taxable Account option on the account. When you specify that an account is taxable, the system allows you to specify a default tax rate area to use. The system uses the tax rate area for the account on journal entries that are generated automatically or when the corresponding field is left blank on the distribution form of the voucher or invoice and you have specified to track taxes.

### See Also

- *Tracking Taxes by G/L Account in the Tax Reference Guide*

---

► **To assign tax information to general ledger accounts**

---

*From the Organization & Account Setup menu (G09411), choose Review and Revise Accounts.*

1. On Work With Accounts, locate and choose the account, and then click Select.
2. On Revise Single Account, click the More tab.



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Review and Revise Accounts - Revise Single Account

Work With Accounts **Revise Single Account**

OK Cancel Form Previous Next Tools

Account Number 3.5010 Store Sales

Revise Single Account **More** Category Codes 1-10 Category Codes 11-20 Category Codes 21-23

Unit of Measure

Free Form (3rd Acct. No.)

Alternate Object/Sub

Billable ☐ No, it should not be billed.

☒ Taxable Account

Default Tax Rate/Area MWST

3. Turn on the following option to track taxes by account:
  - Taxable Account
4. Complete the following optional field to use as a system default:
  - Default Tax Rate/Area
5. Click OK.

## Setting Up the General Ledger Post Report Program to Update the Taxes

*Use one of the following navigations:*

*From the Journal Entry, Reports, & Inquiries menu (G0911), choose Post General Journal.*

*From the Supplier & Voucher Entry menu (G0411), choose Post Vouchers to G/L.*

*From the Customer Invoice Entry menu (G03B11), choose Post Invoices to G/L.*

To report on tax amounts that you owe or collect, you must update the Taxes table (F0018). The system automatically updates the F0018 table when you post invoices, vouchers, and journal entries

that have taxes if you set the appropriate processing options for the versions of the General Ledger Post Report program (R09801) that you use to post these transactions.

---

**Note**

If you bypass creating invoices when you run the Update Customer Sales program (R42800), the system does not update the Taxes table.

---

You must update the Taxes table for the system to update the Tax Reconciliation Repository table (F0018R), which is used for reporting tax information by general ledger account.

The default versions of the General Ledger Post Report program that the system uses are:

- ZJDE0001 (General Ledger Post)  
If you enter journal entries with VAT tax, you must set the processing options for this version in order to update the F0018 table.
- ZJDE0002 (Voucher Post)  
If you enter invoices with taxes, you must set the processing options for this version in order to update the F0018 table.
- ZJDE0006 (Invoice Post)  
If you enter invoices with taxes, you must set the processing options for this version in order to update the F0018 table.

If you use different versions of the General Ledger Post Report program to post transactions with taxes, you must set the processing option for those versions in order to update the F0018 table.

You can update the table for all tax explanation codes, all tax amounts, or tax explanation codes relating to Use and VAT tax only.

---

**Note**

If you post transactions with taxes and do not have the processing options set to update the F0018 table, you must manually enter tax information into the F0018 table. You cannot post transactions again to update the table. See *Updating the Taxes Table* in the *Tax Reference Guide*.

---

# Processing Options for General Ledger Post (R09801)

## Print Tab

These processing options specify which account format prints on the report and whether the report includes error messages.

---

### 1. Account Format

Blank = Default Account Format

1 = Structured Account

2 = Short Account ID

3 = Unstructured Account

Use this processing option to specify the account format that you want to print on the General Ledger Post report.

### 2. Print Error Messages

Use this processing option to specify whether to print error messages on the General Ledger Post report. If you leave this processing option blank, an error message still prints in the work center when an error message is detected. Valid values are:

Blank

Do not print error messages.

1

Print error messages.

---

## Versions Tab

These processing options specify versions of the corresponding programs to run. If a version is not specified, the system does not run the program. If a version is specified, the system runs the program after the post program finishes.

---

### **1. Detail Currency Restatement Version**

Use this processing option to specify the version of the Detailed Currency Restatement program (R11411) that you want to run to create entries. If you leave this field blank, the program does not run and does not create detailed currency restatement entries.

### **2. Fixed Asset Post Version**

Use this processing option to specify the version of the Fixed Asset Post program (R12800) that you want the system to run to create fixed asset entries. If you leave this field blank, the Fixed Asset Post program (R12800) does not run and does not create fixed asset entries.

### **3. 52 Period Post Version**

Use this processing option to specify the version of the 52 Period Accounting Post program (R098011) to use to update the Account Balances table (F0902) and the Account Balances - 52 Period Accounting table (F0902B). If you leave this processing option blank, the 52 Period Accounting Post program does not run and does not update the tables.

---

## **Edits Tab**

This processing option specifies whether the system updates the specific fields on the transaction.

---

### **1. Update Transaction**

Use this processing option to update Account ID, Company, Fiscal Year, Period Number, Century, and Fiscal Quarter on unposted records in the Account Ledger table (F0911). You might need to update these fields if you have records in the Account Ledger table that were created by a custom program and may not contain the correct values in these fields.

The system uses the value in the G/L Account Number field of the unposted record in the Account Ledger table to update the Account ID and Company fields.

The system calculates the correct values for the Fiscal Year, Period Number, and Century fields using the value in the G/L date field of the unposted record in the Account Ledger table.

The system will update the Fiscal Quarter field on the unposted record in the Account Ledger table to blank.

---

## **Taxes Tab**

These processing options specify how the system updates tax information.

---

## 1. Update Tax File

Use this processing option to specify whether and how to update the Taxes table (F0018) when you post transactions with tax information to the general ledger. Valid values are:

Blank

The system does not update the Taxes table.

1

The system updates the Taxes table for the following tax explanation codes only: V, VT, V+, U, and UT.

2

The system updates the Taxes table for all tax amounts. The system does not update the Taxes table for transactions with tax explanation code E (exempt).

3

The system updates the Taxes table for all tax explanation codes including E (exempt).

## 2. Update VAT Discounts

Use this processing option to specify whether to adjust the tax amount fields, and which fields to adjust, when discounts are taken. The system adjusts the tax amount fields only for transactions with tax explanation code V.

Note: The following options in the tax rules must be turned on to use this processing option:

- o Tax on Gross Including Discount
- o Discount on Gross Including Tax

Valid values are:

Blank

The system does not adjust tax amounts for discounts taken.

1

The system updates only the tax amount field (STAM).

2

The system updates the tax (STAM), taxable (ATXA), and extended price (AEXP) amount fields.

The system uses the following algorithms to calculate the adjustment amounts to the tax, taxable, and gross (extended price) amount fields for discounts taken:

- o Adjustment to the gross amount (extended price) = discount taken
- o Adjustment to the taxable amount = (taxable amount / gross amount) x discount taken

- 
- o Adjustment to the tax amount = (tax amount / gross amount) x discount taken

For example:

Tax Rate = 25%

Discount Taken = 12.50 USD

Gross Amount (Extended Price) = 1,250.00 USD

Taxable Amount = 1,000.00 USD

Tax Amount = 250.00 USD

Based on the example, using the adjustment algorithms, the system calculates the following adjustment amounts:

- o Adjustment to the Gross Amount = 12.50
- o Adjustment to the Taxable Amount = 10.00
- o Adjustment to the Tax Amount = 2.50

To calculate the adjustments, the system subtracts the adjusted amount from the original amount:

- o Adjusted Gross Amount:  $1,250.00 - 12.50 = 1,237.50$
- o Adjusted Taxable Amount:  $1,000.00 - 10.00 = 990.00$
- o Adjusted Tax Amount:  $250.00 - 2.50 = 247.50$

### **3. Update VAT Receipts and W/O**

Use this processing option to specify whether to adjust the tax fields, and which fields to adjust, when the receipt has a write-off. The system adjusts the tax amount fields only for transactions with tax explanation code V. Valid values are:

Blank

The system does not adjust tax amounts for write-offs.

1

The system updates only the tax amount field (STAM).

2

The system updates the tax (STAM), taxable (ATXA), and extended price (AEXP) amount fields.

The system uses the following algorithms to calculate the adjustment amounts to the tax, taxable, and gross (extended price) amount fields for write-off amounts:

- o Adjustment to the gross amount (extended price) = write-off amount
  - o Adjustment to the taxable amount = (taxable amount / gross amount) x write-off amount
-

- 
- o Adjustment to the tax amount = (tax amount / gross amount) x write-off amount

For example:

Tax Rate = 25%

Write-off Amount = 12.50 USD

Gross Amount (Extended Price) = 1,250.00 USD

Taxable Amount = 1,000.00 USD

Tax Amount = 250.00 USD

Based on the example, using the adjustment algorithms, the system calculates the following adjustment amounts:

- o Adjustment to the Gross Amount = 12.50
- o Adjustment to the Taxable Amount = 10.00
- o Adjustment to the Tax Amount = 2.50

To calculate the adjustments, the system subtracts the adjusted amount from the original amount:

- o Adjusted Gross Amount:  $1,250.00 - 12.50 = 1,237.50$
- o Adjusted Taxable Amount:  $1,000.00 - 10.00 = 990.00$
- o Adjusted Tax Amount:  $250.00 - 2.50 = 247.50$

---

## Process Tab

This processing option specifies whether the system explodes the parent item.

---

### **1. Explode parent item time**

Use this processing option to specify whether the system explodes the time entries for a parent asset down to the children of the parent asset. If you enter a 1 for this processing option, the General Ledger Post Report program (R09801) creates time entries for the parent asset's children. The system uses the unit of time from the parent asset entries and the rates from the child asset to calculate the appropriate entries. This processing option applies only to batch type T entries. Valid Values are:

Blank

Do not explode the time entries for a parent asset down to the children of the parent asset.

1

Explode the time entries for a parent asset down to the children of the parent asset.

---

## **Cash Basis Tab**

These processing options specify the units ledger type to assign to cash basis entries, and the version of the Create Cash Basis Entries program (R11C850) to run. If a version is not specified, the system does not run the program. If a version is specified, the system runs the program after the post program finishes.

---

### **1. Units Ledger Type**

Use this processing option to specify the units ledger type for the system to use for cash basis entries. You must enter a valid ledger type from the Ledger Type Master Setup program (P0025). If you leave this processing option blank, the system uses a default ledger type of ZU.

### **2. Create Cash Basis Entries Version**

Use this processing option to specify which version of the Create Cash Basis Entries program (R11C850) to run. If you leave this processing option, the system does not create cash basis entries.

---



# Entering Tax Information on Purchase and Sales Orders

In most business environments, you are required to pay taxes on the items that you purchase or sell. When you enter a purchase or sales order that has taxes, you must enter a tax rate area and tax explanation code on the order or use default tax information that you set up for the supplier or customer.

During order entry, the system retrieves the tax explanation code and tax rate areas from the customer or supplier record. For direct ship, transfer orders, or sales orders with alternate sold-to and ship-to addresses, the system retrieves the tax explanation code from the sold-to address and the tax rate area from the ship-to address.

If you enter purchase or sales orders using a *header* form, which is specified by a processing option, the tax information that you enter applies to all the items that you enter on the *detail* form. You can override this tax information on the individual order to accommodate each item or service.

Taxes are applicable for the item or service only if you specify the detail line as taxable. You specify items as taxable for sales or purchasing in the Item Branch/Plant program (P41026), but you can override the Tax (Y/N) field on the detail line.

The system does not store tax amounts on orders; the system stores tax amounts on the voucher or invoice record that the system creates from the order.

## See Also

- ❑ *Entering Order Detail Information* in the *Procurement Guide* for the steps to enter detail information on a purchase order
- ❑ *Creating Vouchers* in the *Procurement Guide* for the steps to match the receipt or order detail line to the voucher
- ❑ *Working with Detail Information* in the *Sales Order Management Guide* for the steps to enter a sales order

## ► To enter tax information on the purchase order

---

*From the Purchase Order Processing menu (G43A11), choose Enter Purchase Orders.*

---

## Note

The processing option for Header Display, on the Processing tab, must contain the value 1 for the header form to appear.

---

1. On Work With Order Headers, click Add to enter a new purchase order.
2. On Order Header, complete the following required fields:
  - Branch/Plant
  - Supplier

- Order Date

The system automatically completes this field with the current date.

- Tax Expl Code

If you leave this field blank, the system updates it with the value from the supplier record when you click OK. A processing option specifies whether the system uses values from the supplier or the ship-to record.

- Tax Rate/Area

If you leave this field blank, the system updates it with the value from the supplier record when you click OK. A processing option specifies whether the system uses values from the supplier or the ship-to record.

3. Click OK.

4. On Order Detail, follow the steps to enter detail information on the purchase order.

5. Verify or override the information in the following fields:

- Tax Y/N

If you order an item, the system uses the value in the Purchasing Taxable (Y/N) field (IBTX) in the Item Branch File table (F4102). You can override the value for each detail line. The value must be Y for the system to calculate taxes on the voucher.

- Expl Code

- Tax Rate/Area

6. Click OK.

#### ► **To enter tax information during voucher match**

---

*From the Receipts Matching and Posting menu (G43A15), choose Match Voucher to Open Receipt.*

1. On Supplier Ledger Inquiry, click Add.

2. On Voucher Match, follow the steps to match the receipt or order detail line to the voucher.

3. In the detail area, complete the following fields to enter tax information:

- Tax Y/N
- Tax Expl
- Tax Area

4. Click OK.

---

**Note**

The system creates different journal entries when you enter the tax during the voucher match process than it does when you enter the tax information during purchase order entry. See *Tax Explanation Codes* in the *Tax Reference Guide* for specific examples.

---

► **To enter tax information on the sales order**

---

*From the Sales Order Processing menu (G4211), choose Enter Orders Header.*

---

**Note**

The processing option for Header Display, on the Process tab, must contain the value 1 for the header form to appear.

---

1. On Work With Sales Order Headers, click Add to enter a new sales order.

PeopleSoft®

Enter Orders Header - Sales Order Header

OK Cancel Form Tools

Order Number 2401 SO 00200

Sales Order Header Additional Header Information

Branch/Plant M30

Currency USD Exchange Rate Base USD Foreign

Messages

Address Numbers

Sold To 4242 Capital System

Ship To 4242 Capital System

Customer PO

Print Message

Hold Code Blank - Hold Codes 42/HC

Tax Area/Code

Tax Certificate No.

Order Date 06/10/05

Cancel Date

Requested Date 06/11/05

Requested Time 0

Price Pickslip

Invoice Copies

Ordered By

Taken By DEMADATA

2. On Sales Order Header, complete the following fields:

- Branch/Plant
- Sold To

- Ship To
- Tax Area/Code

You enter the tax explanation code in the unlabeled field to the right of the Tax Area/Code field. If you leave this field blank, the system uses the default value specified in the customer master record for the Sold-To address entered on the order.

If you do not specify a tax rate area, the system uses the default value specified in the customer master record for the Ship-To address entered on the order.

- Order Date
- Requested Date

3. Click OK.

4. On Sales Order Detail Revisions, follow the steps to enter the order.

5. To verify or override tax information, choose the order detail line, and then choose SOE Additional from the Row menu.

6. On SOE – Additional Information, click the Additional Info2 tab and verify or override the information in the following fields:

- Sales Taxable

The value must be Y for the system to calculate taxes on the invoice.

- Tax Expl Code
- Tax Rate/Area

7. Click OK.

# Releasing Retainage on Purchase Orders That Have Taxes

When you match purchase orders and create vouchers, you might choose to withhold a portion of the payment to the supplier until the completion of the contract or service, or until you receive all of the items on the order. The amount that you withhold is called a retainage. If the purchase order does *not* have VAT taxes applied (tax explanation code V or C), the system automatically calculates and applies the tax amount based on the entire amount of the voucher at the time that the voucher is matched. For example, if the amount of the purchase order is 1,000, but 10% is retained, the system calculates taxes for the entire amount (1,000).

However, if the purchase order *has* VAT taxes applied (tax explanation code is V or C), you can specify whether to apply taxes to the entire amount of the voucher or for the amount of the voucher less the amount retained. The Taxes processing option, on the Retainage tab, for the Voucher Match program (P4314) specifies how the system applies taxes. If you enter 1 in the processing option (apply to retained amount), the system defers taxes on the retained amount until the retainage is released. For example, if you enter a purchase order for 1,000 and retain 10% (100), then when you match the voucher, the system calculates tax based on 900 (1,000 – 100), instead of 1,000. Later, when you release the retainage, the system calculates taxes on the remaining amount (100).

## See Also

See the following topics in the *Procurement Guide*:

- ❑ *Entering a Voucher with Retainage* for information about entering a voucher with retainage
- ❑ *Entering a Voucher to Release Retainage* for information about releasing retainage

# Taxable and Nontaxable Invoice Pay Items

In the Sales Order Management system, you can consolidate line items by invoice pay item by setting the appropriate option in the customer's billing instructions. For example, if you enter an order that has 50 line items, the system can consolidate the line items by:

- Tax Explanation Code
- Tax Rate Area

All line items with the same tax information can be summarized into one invoice pay item. Line items must not necessarily be specified as taxable to consolidate orders.

For example, instead of adding tax information to each line item, you can let the system use the information that is set up for the customer, and simply specify that a line is not taxable. When you run the Update Customer Sales (R42800) program, the system writes the tax explanation code and tax rate area on the line item and consolidates it with other line items containing the same information, but writes the amount to the Nontaxable Amount field (ATXN) of the invoice pay item. Thus, an invoice pay item could have both taxable and nontaxable amounts. In this scenario, taxable + tax does not equal gross; taxable + nontaxable + tax equals gross.

You cannot specify a nontaxable amount on invoices that you enter manually, but the system updates the Nontaxable field automatically with the difference between the gross amount entered and the sum of the taxable and tax amounts for the pay item.

# Tax Calculations on Foreign Amounts

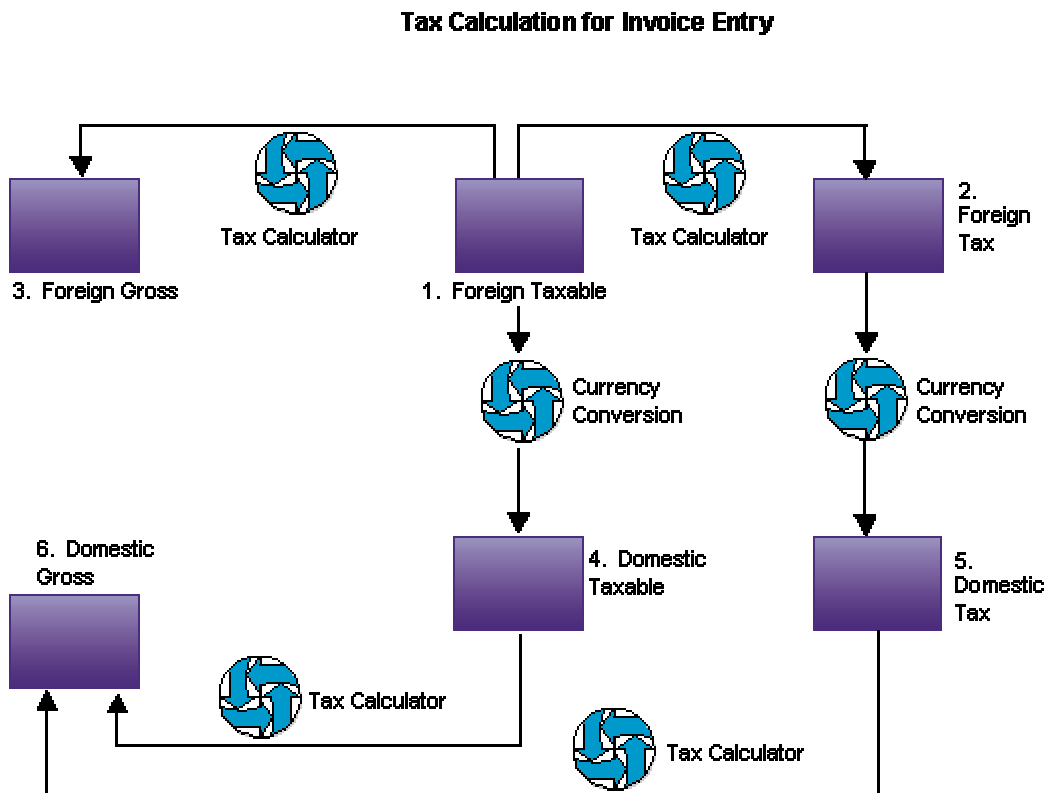
The algorithm that the system uses to calculate domestic amounts when you generate invoices and vouchers from another system is different from the one it uses when you enter invoices and vouchers manually. While the difference between the calculations is minimal, it is important to understand how the system derives domestic amounts and the issues that might arise when you revise a foreign transaction with taxes generated from another system.

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## Foreign Invoice, Voucher, and Purchase Orders with Taxes

When you enter a foreign invoice or voucher with taxes or process a foreign purchase order with taxes, the system uses the tax rate area to calculate the foreign tax amount, and then adds the foreign taxable amount to the foreign tax amount to derive the foreign gross amount. (If you enter the foreign gross amount, instead of the foreign taxable, the system calculates the foreign tax amount and subtracts it from the foreign gross amount to derive the foreign taxable amount.) Then, the system uses the exchange rate to calculate the domestic taxable and tax amounts, and adds the two amounts together to derive the domestic gross amount.

The following graphic illustrates how the system calculates domestic amounts from foreign amounts entered on invoices, vouchers, and purchase orders.



## Example of Tax Calculation on Foreign Invoice

### Setup

- Base Currency: USD
- Transaction Currency: CAD
- Exchange Rate: 0.6633
- Tax Explanation Code: S
- Tax Rate/Area: ONT (17%)
- Foreign Taxable Amount: 1,200.38

### Calculations

Foreign Taxable Amount (1,200.38) x Tax Rate (.17) = Foreign Tax Amount (204.06)

Foreign Taxable Amount (1,200.38) + Foreign Tax Amount (204.06) = Foreign Gross Amount (1,404.44)

Foreign Taxable Amount (1,200.38) x Exchange Rate (.6633) = Domestic Taxable Amount (796.21)

Foreign Tax Amount (204.06) x Exchange Rate (.6633) = Domestic Tax Amount (135.35)

Domestic Taxable Amount (796.21) + Domestic Tax Amount (135.35) = Domestic Gross (931.56)

---

### Note

If the invoice or voucher has multiple pay items, the system uses soft rounding to ensure that amounts balance. See *Rounding versus Soft Rounding* in the *Tax Reference Guide* for more information.

If the purchase order has multiple lines, the system does not perform soft rounding; it rounds each line separately and passes the calculations to the voucher.

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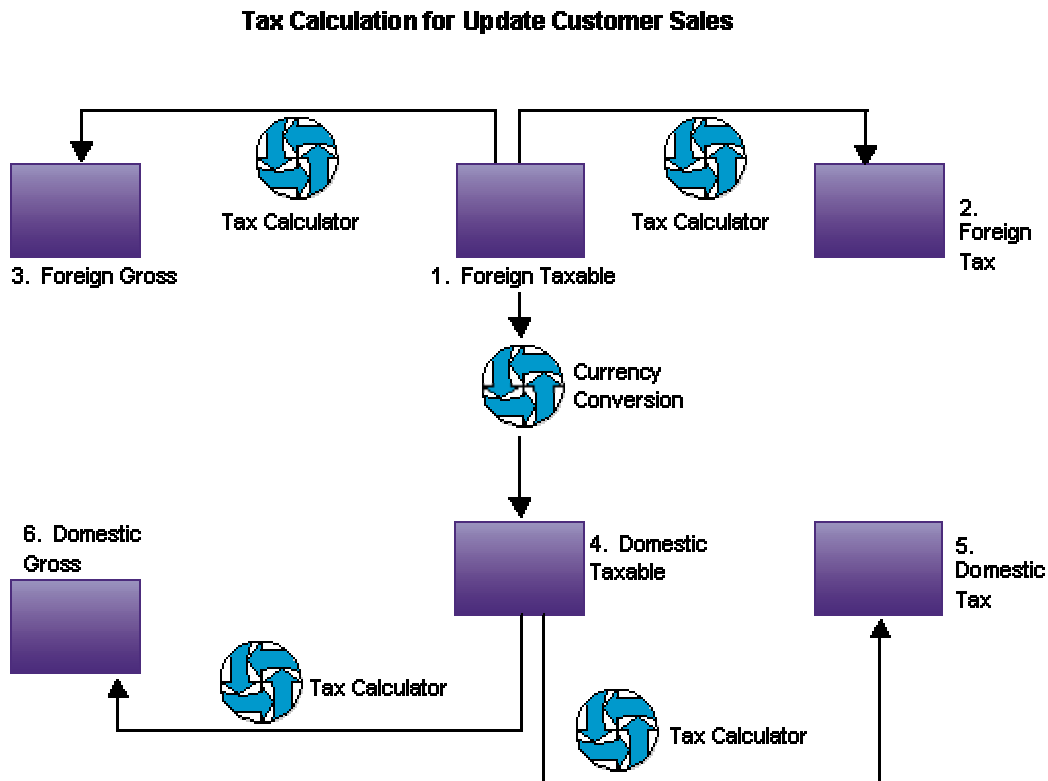
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## Foreign Sales Orders with Taxes

When you enter a foreign sales order with taxes, and then run end-of-day processing (Update Customer Sales) to create the invoice, the system calculates the foreign tax and foreign gross amounts based on the tax rate area entered. But it uses the exchange rate to calculate the domestic taxable amount only, and then uses the tax rate area a second time to calculate the domestic tax and gross amounts.



The following graphic illustrates how the system calculates domestic amounts from foreign amounts that entered on sales orders:



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#### Note

If the sales order has multiple lines, the system does not perform soft rounding; it rounds each line separately and passes the calculations to the invoice.

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## Example of Tax Calculation on Foreign Sales Order

### Setup

- Base Currency: USD
- Transaction Currency: CAD
- Exchange Rate: 0.6633
- Tax Explanation Code: S
- Tax Rate/Area: ONT (17%)
- Foreign Taxable Amount: 1,200.38

**Calculations**

Foreign Taxable Amount (1,200.38) x Tax Rate (.17) = Foreign Tax Amount (204.06)

Foreign Taxable Amount (1,200.38) + Foreign Tax Amount (204.06) = Foreign Gross Amount (1,404.44)

Foreign Taxable Amount (1,200.38) x Exchange Rate (.6633) = Domestic Taxable Amount (796.21)

Domestic Taxable Amount (796.21) x Tax Rate (.17) = Domestic Tax Amount (135.36 after rounding)

Domestic Taxable Amount (796.21) + Domestic Tax Amount (135.36) = Domestic Gross (931.57)

# Tracking Taxes by G/L Account

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.

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## Note

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

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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

# Entering Invoices and Vouchers with Taxes

When you enter invoices and vouchers with taxes, the system calculates amounts according to the information that you enter:

- If you enter the gross amount, the system calculates the taxable and tax amounts.
- If you enter the taxable amount, the system calculates the gross and tax amounts.
- If you enter both taxable and gross amounts, the system calculates the tax amount based on the taxable amount. If the taxable and tax amounts do not sum to the gross amount that you entered, the system updates the difference in the Nontaxable Amount (ATXN) field.

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## Note

Only the system updates the nontaxable amount field. You cannot enter a value into the field using the transaction entry programs.

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The amount to distribute in the general ledger depends on the tax explanation code that you use. When you have multiple pay items with different tax rate areas and tax explanation codes, determining the amount to distribute can be challenging. In addition to providing you with the total amount to distribute, the system provides a Tax Amounts to Distribute window that you can access from a Form menu, which displays the tax amount to distribute based on the tax explanation code and tax rate area. Amounts are based on the mode of the transaction, therefore, if you enter the transaction in a foreign currency, the tax amounts to distribute will appear in the foreign currency.

If you want, you can track taxes by G/L account when you enter the invoice or voucher. The account must be set up as taxable to use this feature. Accounts are not updated with tax information until transactions are posted to the Taxes table (F0018) and then updated to the Tax Reconciliation Repository table (F0018R).

## See Also

- ❑ *Standard Invoice Entry* in the *Accounts Receivable Guide* for more information about entering invoices
- ❑ *Creating Vouchers Using Standard Voucher Entry* in the *Accounts Payable Guide* for more information about entering vouchers

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

- ❑ *Setting Up Tax Rules* for information about tolerance limits and the rules for calculating discounts on transactions with taxes
- ❑ *Tax Explanation Codes* for specific examples of how the amount to distribute differs depending on the tax explanation code used

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## Rounding versus Soft Rounding

If you process a significant number of invoices and vouchers that have discounts, or taxes, or both, rounding differences can add up quickly. Rounding occurs on any component of a transaction that

involves a calculation. The system uses rounding on transactions with a single pay item and soft rounding on transactions with multiple pay items.

## **Rounding**

Rounding automatically occurs when the system performs a calculation and the result does not exactly equal the lowest currency unit, such as the penny for the U.S. dollar. In this situation, the following occurs:

- If the least significant digit is 5 or greater, the system rounds up.
- If the least significant digit is less than 5, the system rounds down.

For example, if the result of a calculation is 0.55672 and the currency is Canadian dollars (CAD), which has two decimal places, the system uses the third number to the right of the decimal to determine the rounding. In this example, it rounds the amount up to 0.56. Conversely, if the amount were 0.55472, the system would use 4 and round the amount down to 0.55. The system ignores all numbers after the third decimal for a two-decimal currency.

## **Soft Rounding**

When the total of two or more amounts must equal a specific amount, the system uses soft rounding to force the total. For example, if you split a voucher for 100 CAD into three payments, the system calculates the first pay item at 33, the second at 34, and the third at 33 so that the total of the three pay items equals 100. If the system did not use soft rounding, you would have to enter an amount that could be divided equally among pay items or submit pay items that did not equal the total amount due, which would not be acceptable.

To minimize the negative effects of rounding, the system uses soft rounding on transactions with multiple pay items. The system stores the amount that it adds or subtracts to a calculated amount (as a result of rounding) in a cache (memory), and then adds or subtracts that amount from the next pay item as follows:

- If the system rounds up the amount for a pay item, it subtracts that amount from the next pay item before rounding that pay item.
- If the system rounds down the amount for a pay item, it adds that amount to the next pay item before rounding that pay item.

If the system did not perform soft rounding, you might overpay or underpay a supplier as well as overcharge or undercharge a customer. While soft rounding does not control overpayments or underpayments and overcharges or undercharges between transactions, it does minimize the impact of rounding within a single transaction. The system does not carry soft rounding amounts from one transaction to another.

## **Soft Rounding Example: Multiple Pay Items and One Tax Rate Area**

This example illustrates how the system performs soft rounding for a transaction with multiple pay items and one tax rate area.

In this example, the gross amount is 1100 JPY (Japanese yen), pay items are rounded to the nearest yen, and decimals are equal to 0. The total rounded amount of all pay items must equal 1100 JPY.

A	B		C	D	E	F	G
Beginning Cache Amount	Taxable Amount	Tax Area	Tax Rate	Unrounded Tax Amount	Temporary Tax Amount	Rounded Tax Amount	Difference +/- (Ending Cache Amount)
0	500	JGN	7.5	37.5	37.5	38	+ 0.5
+ 0.5	250	JGN	7.5	18.75	18.25	18	- 0.25
- 0.25	100	JGN	7.5	7.5	7.75	8	+ 0.25
+ 0.25	250	JGN	7.5	18.75	18.5	19	+ 0.5

The system uses the following formula to calculate amounts:

A – Beginning Cache Amount = 0 (zero) for the first pay item. Each successive pay item = Ending Cash Amount from the previous pay item.

D – Unrounded Tax Amount = B x C.

E – Temporary Tax Amount = D – A.

F – Rounded Tax Amount = Round E.

G – Difference (Ending Cache Amount) = F – E.

Using this formula, the system calculates the pay item amounts as follows:

**Pay item 001:**

Beginning Cache Amount = 0

Unrounded Tax Amount = 500 x 7.5% = 37.5

Temporary Tax Amount = 37.5 – 0 = 37.5

Rounded Tax Amount = 38

Difference (Ending Cache Amount) = 38 – 37.5 = + 0.5

The ending cache amount (+ 0.5) becomes the beginning cache amount (+ 0.5) for the next pay item.

**Pay item 002:**

Beginning Cache Amount = + 0.5

Unrounded Tax Amount = 250 x 7.5% = 18.75

Temporary Tax Amount = 18.75 – 0.5 = 18.25

Rounded Tax Amount = 18

Difference (Ending Cache Amount) = 18 – 18.25 = - 0.25

The ending cache amount (- 0.25) becomes the beginning cache amount (- 0.25) for the next pay item.

**Pay item 003:**

Beginning Cache Amount = - 0.25

Unrounded Tax Amount =  $100 \times 7.5\% = 7.5$

Temporary Tax Amount =  $7.5 - (-0.25) = 7.75$

Rounded Tax Amount = 8

Difference (Ending Cache Amount) =  $8 - 7.75 = +0.25$

The ending cache amount (+ 0.25) becomes the beginning cache amount (+ 0.25) for the next pay item.

**Pay item 004:**

Beginning Cache Amount = + 0.25

Unrounded Tax Amount =  $250 \times 7.5\% = 18.75$

Temporary Tax Amount =  $18.75 - 0.25 = 18.5$

Rounded Tax Amount = 19

Difference (Ending Cache Amount) =  $19 - 18.5 = +0.5$

There are no more pay items for this transaction, so the system does not store the ending cache amount (+ 0.5).

With soft rounding, the rounded tax amounts equal 83 ( $38 + 18 + 8 + 19$ ). Without soft rounding, each unrounded tax amount would be rounded up to the nearest yen and the total would be 84 ( $38 + 19 + 8 + 19$ ). Although the difference between the amounts is only .01, the differences become noticeable when you enter a significant number of invoices and vouchers.

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**Note**

If you were to manually calculate the tax amounts based on the total taxable amount, the total would be 82.5 ( $1100 \times .075$ ), which rounds up to 83.

---

## **Soft Rounding Example: Multiple Pay Items and Tax Rate Areas**

This example illustrates how the system performs soft rounding for a transaction with multiple pay items and tax rate areas.

In this example, the gross amount is 3375 JPY (Japanese yen), pay items are rounded to the nearest yen, and decimals are equal to 0. Two tax rate areas (JGN and JLN) and two pay items per tax rate area are available. For illustration purposes, the pay items for each tax rate area are shown separately (first and second example), and then combined (third example).

Soft rounding is performed by tax rate area and cache amounts are stored by tax rate area so that each tax authority receives the most accurate amount.



**Tax Rate Area JGN (7.5%)**

<b>A</b> <b>Beginning</b> <b>Cache</b> <b>Amount</b>	<b>B</b> <b>Taxable</b> <b>Amount</b>	<b>Tax</b> <b>Area</b>	<b>C</b> <b>Tax</b> <b>Rate</b>	<b>D</b> <b>Unrounded</b> <b>Tax Amount</b>	<b>E</b> <b>Temporary</b> <b>Tax</b> <b>Amount</b>	<b>F</b> <b>Rounded</b> <b>Tax</b> <b>Amount</b>	<b>G</b> <b>Difference +/-</b> <b>(Ending Cache</b> <b>Amount)</b>
0	900	JGN	7.5	67.5	67.5	68	+ 0.5
+ 0.5	825	JGN	7.5	61.875	61.375	61	- 0.375

The system uses the following formula to calculate amounts:

A – Beginning Cache Amount = 0 (zero) for first pay item. Each successive pay item = Ending Cash Amount from previous pay item.

D – Unrounded Tax Amount = B x C.

E – Temporary Tax Amount = D – A.

F – Rounded Tax Amount = Round E.

G – Difference (Ending Cache Amount) = F – E.

Using this formula, the system calculates the pay item amounts as follows:

**Pay item 001:**

Beginning Cache Amount = 0

Unrounded Tax Amount =  $900 \times 7.5\% = 67.5$

Temporary Tax Amount = 67.5

Rounded Tax Amount = 68

Difference (Ending Cache Amount) =  $68 - 67.5 = + 0.5$

The ending cache amount (+ 0.5) becomes the beginning cache amount (+ 0.5) for the next pay item.

**Pay item 002:**

Beginning Cache Amount = + 0.5

Unrounded Tax Amount =  $825 \times 7.5\% = 61.875$

Temporary Tax Amount =  $61.875 - 0.5 = 61.375$

Rounded Tax Amount = 61

Difference (Ending Cache Amount) =  $61 - 61.375 = - 0.375$

No more pay items for this tax rate area remain, so the system does not store the ending cache amount difference (- 0.375).

With soft rounding, the rounded tax amounts for tax rate area JGN equals 129 (68 + 61). Without soft rounding, each unrounded tax amount would be rounded up to the nearest yen and the total for tax rate area JGN would be 130 (68 + 62). Although the difference between the amounts is only .01, the differences become noticeable when you enter a significant number of invoices and vouchers.

**Tax Rate Area JLN (11%)**

<b>A Beginning Cache Amount</b>	<b>B Taxable Amount</b>	<b>Tax Area</b>	<b>C Tax Rate</b>	<b>D Unrounded Tax Amount</b>	<b>E Temporary Tax Amount</b>	<b>F Rounded Tax Amount</b>	<b>G Difference +/- (Ending Cache Amount)</b>
0	875	JLN	11	96.25	96.25	96	- 0.25
- 0.25	775	JLN	11	85.25	85.5	86	+ 0.5

**Pay item 001:**

Beginning Cache Amount = 0

Unrounded Tax Amount =  $875 \times 11\% = 96.25$

Temporary Tax Amount =  $96.25 - 0 = 96.25$

Rounded Tax Amount = 96

Difference (Ending Cache Amount) =  $96.25 - 96 = - 0.25$

The ending cache amount (- 0.25) becomes the beginning cache amount (- 0.25) for the next pay item.

**Pay item 002:**

Beginning Cache Amount = - 0.25

Unrounded Tax Amount =  $775 \times 11\% = 85.25$

Temporary Tax Amount =  $85.25 - (-0.25) = 85.5$

Rounded Tax Amount = 86

Difference (Ending Cache Amount) =  $86 - 85.5 = + 0.5$

No more pay items for this tax rate area remain, so the system does not store the ending cache amount difference (+ 0.5).

With soft rounding, the rounded tax amounts for tax area JLN equals 182 (96 + 86). Without soft rounding, each unrounded tax amount would be rounded up to the nearest yen and the total for tax rate area JLN would be 181 (96 + 85). Although the difference between the amounts is only .01, the differences become noticeable when you enter a significant number of invoices and vouchers.

**Alternating Tax Rate Areas JGN and GLN (7.5% and 11%)**

This example consolidates the pay items and tax rate areas from the two previous examples into one example. In this example, the tax rate areas alternate between pay items. That is, the first and third pay items are for one tax rate area, and the second and fourth pay items are for another.

<b>A</b> <b>Beginning</b> <b>Cache</b> <b>Amount</b>	<b>B</b> <b>Taxable</b> <b>Amount</b>	<b>Tax</b> <b>Area</b>	<b>C</b> <b>Tax</b> <b>Rate</b>	<b>D</b> <b>Unrounded</b> <b>Tax Amount</b>	<b>E</b> <b>Temporary</b> <b>Tax</b> <b>Amount</b>	<b>F</b> <b>Rounded</b> <b>Tax</b> <b>Amount</b>	<b>G</b> <b>Difference +/-</b> <b>(Ending Cache</b> <b>Amount)</b>
0	900	JGN	7.5	67.5	67.5	68	+ 0.5
0	875	JLN	11	96.25	96.25	96	- 0.25
+ 0.5	825	JGN	7.5	61.875	61.375	61	- 0.375
- 0.25	775	JLN	11	85.25	85.5	86	+ 0.5

### Prerequisite

- ❑ Verify that the processing option for the Invoice Entry MBF Processing Options program (P03B0011) is set appropriately for the service/tax date (on the Defaults tab) and for entering invoices with VAT (on the Taxes tab).
- ❑ Verify that the processing option for the Voucher Entry MBF Processing Options program (P0400047) is set appropriately for the service/tax date (on the Defaults tab) and for entering vouchers with VAT (on the Currency tab).
- ❑ Set up the appropriate tax AAls.
- ❑ Set up the appropriate tax rate areas.
- ❑ Set up the tax rules.
- ❑ If you track taxes by general ledger account, turn on the Taxable option for the appropriate accounts. See *Assigning Tax Information to General Ledger Accounts* in the *Tax Reference Guide*.

### ► To enter an invoice that has taxes

*From the Customer Invoice Entry menu (G03B11), choose Standard Invoice Entry.*

1. On Work with Customer Ledger Inquiry, click Add.
2. On Standard Invoice Entry, complete the following required fields in the header area of the form:
  - Customer
  - Company
  - Invoice Date
  - G/L Date
3. Complete any other optional fields in the header area of the form as necessary.
4. In the detail area, complete one of the following fields:
  - Gross Amount
  - Taxable Amount

If you are using the Vertex Sales Tax Q Series system, you must complete the Taxable Amount field.

5. Complete the following fields:

- Tax Area
- Tax Expl

To see the system-calculated information, click the next detail line.

6. Click OK.

7. On G/L Distribution, to see the amounts to distribute by tax rate area and tax explanation code, click the Form menu and choose AmtToDist.

8. Click OK.

You can toggle back to the Tax Amounts to Distribute form at any time while entering G/L account distribution information.

9. On G/L Distribution, complete the following fields:

- Account Number
- Amount

10. Specify whether to track taxes for the G/L account by completing the following field:

- Track Taxes

The system automatically changes the field to 1 (to track taxes) for you if the account is set up as taxable and at least one pay item on the invoice has taxes. If you do not want to track taxes for the account, change the value to 0. If the account is not set up as taxable and you enter a 1 in the field, the system changes the value to 0 automatically.

11. If you entered 1 in the Track Taxes field, complete the following tax fields and click OK; otherwise, just click OK.

- Tx Ex
- Tax Rate Area

Enter one of the tax rates that was entered on the invoice. If you leave this field blank, the system uses the tax rate area that is assigned to the G/L account. If the tax rate area assigned does not match one of the tax rate areas on the invoice, the system will not update the Tax Reconciliation Repository table (F0018R).

---

**Note**

When you enter a taxes-only invoice using tax explanation codes ST, VT, and CT, you can enter the transaction one of two ways:

- You can complete the Tax field for the total amount of the transaction
- You can complete the Taxable field and let the system calculate the tax amount.

Unless you are using tax explanation code ST, no G/L distribution exists to complete. If you are entering a tax-only transaction for sales tax (ST), the amount to distribute is the tax amount only.

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► **To enter a voucher that has taxes**

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

1. On Supplier Ledger Inquiry, click Add.
2. On Enter Voucher - Payment Information, complete the following required fields in the header area of the form:
  - Company
  - Supplier Number
  - Invoice Number
  - Invoice Date
  - G/L Date
3. Complete any other optional fields in the header area of the form as necessary.
4. In the detail area, complete one of the following fields:
  - Gross Amount
  - Taxable Amount
5. Complete the following fields:
  - Tax Ex
  - Tax Rate/Area

To see the system-calculated information, click the next detail line.
6. Click OK.
7. On G/L Distribution, to see the amounts to distribute by tax rate area and tax explanation code, click the Form menu and choose AmtToDist.
8. Click OK.

You can toggle back to the Tax Amounts to Distribute form at any time while entering G/L account distribution information.
9. On G/L Distribution, complete the following fields:
  - Account Number
  - Amount
10. Specify whether to track taxes for the G/L account by completing the following field:
  - Track Taxes

The system automatically changes the field to 1 (to track taxes) for you if the account is set up as taxable and at least one pay item on the invoice has taxes. If you do not want to track taxes for the account, change the value to 0.

11. If you entered 1 in the Track Taxes field, complete the following tax fields and click OK; otherwise, just click OK.

- Tax ExpCode
- TaxRate Area

Enter one of the tax rates that was entered on the voucher. If you leave this field blank, the system uses the tax rate area that is assigned to the G/L account. If the tax rate area assigned does not match one of the tax rate areas on the voucher, the system will not update the Tax Reconciliation Repository table (F0018R).

---

**Note**

When you enter a voucher for taxes only using tax explanation codes ST, UT, VT, BT, and CT, you can enter the transaction one of two ways:

- You can complete the Tax field for the total amount of the transaction.
- You can complete the Taxable field and let the system calculate the tax amount.

Unless you are using tax explanation code ST, no G/L distribution exists to complete. If you are entering a tax-only transaction for sales tax (ST), the amount to distribute is the tax amount only.

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# Revising Invoices and Vouchers That Have Taxes

To change the amount of a posted invoice or voucher that has taxes, you enter a new gross amount and remove the tax amount and taxable amount information. The system recalculates the tax information. When a transaction has multiple tax rates, you must change tax information for each pay item that differs from the default information.

You can also change tax amounts that the system calculates. For sales and use tax, the system returns a warning message. For VAT taxes (tax explanation code V, B, and C), tax amounts that you enter manually on the transaction are validated against tolerance ranges that you set up for each company. If you exceed the tolerance range, the system returns an error or warning.

Although you can revise tax information on a posted invoice or voucher, you cannot add tax information to a posted transaction. However, you can enter tax information as an additional pay item using the tax-only explanation codes (ST, UT, VT, BT, or CT), or enter a new tax-only transaction.

To add tax-only information, complete the Taxable Amount field instead of the Gross Amount field.

When you post revised transactions, the system updates the Taxes table (F0018) with the revision.

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## Caution

When you revise an invoice or voucher that has taxes, the system attempts to recalculate tax amounts, even if you do not attempt to revise an amount field. For example, if you revise the invoice remark on an invoice that has taxes, the system will attempt to recalculate the tax and gross amount on the invoice. If the gross amount does not equal the taxable plus tax amounts, within the tolerance ranges established in the Tax Rules, the system returns a warning or error message and your change will not be accepted.

If you do not need to change an amount, use the Speed Status Change programs (P03B114 and P0411S) to revise transaction information, such as due dates and remarks.

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## See Also

- ❑ *Revising Posted Invoices* in the *Accounts Receivable Guide* for additional information that is not related to taxes
- ❑ *Revising Posted Vouchers* in the *Accounts Payable Guide* for additional information that is not related to taxes
- ❑ *Updating the Taxes Table* in the *Tax Reference Guide* for detailed information on how the system updates the table for revised transactions

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## ► To revise an invoice that has taxes

*Use one of the following navigations:*

*From the Customer Invoice Entry menu (G03B11), choose Standard Invoice Entry.*

*From the Customer Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.*

1. On Work with Customer Ledger Inquiry, locate the invoice.

2. Choose the invoice and click Select.
3. On Standard Invoice Entry, choose the pay item and revise one of the following fields:
  - Gross Amount
  - Taxable Amount
4. Clear the information from the field you did not revise in step 3.
5. Clear the information from the following field:
  - Tax
6. If the invoice is not posted, you can also revise the following fields:
  - Tax Area
  - Tax Expl
7. Click OK.
8. On G/L Distribution, revise the following field and click OK:
  - Amount

If the invoice is posted, you cannot revise this field; you must enter a balancing amount on a new journal entry line.

#### ► **To enter a tax-only invoice**

---

*Use one of the following navigations:*

*From the Customer Invoice Entry menu (G03B11), choose Standard Invoice Entry.*

*From the Customer Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.*

1. On Work with Customer Ledger Inquiry, click Add.
2. On Standard Invoice Entry, follow the steps to enter basic invoice information.
3. In the detail area, complete the following fields:
  - Taxable Amount
  - Tax Area
  - Tax Expl

Use one of the following codes: ST, CT, or VT.
4. To see the system-calculated information for the Gross Amount and Tax fields, click the next detail line. Otherwise, click OK.
5. On G/L Distribution, complete the necessary G/L distribution information.
 

If you use tax explanation code VT (for VAT, tax only), the system does not display the G/L Distribution form because no amount is available to distribute.
6. Click OK.



► **To revise a voucher that has taxes**

---

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

1. On Supplier Ledger Inquiry, follow the steps to locate the voucher that you want to revise.
2. Choose the voucher and click Select.
3. On Enter Voucher - Payment Information, choose the pay item and revise one of the following fields:
  - Gross Amount
  - Taxable Amount
4. Clear the information from the one of the field that you didn't revise in step 3.
5. Clear the information from the following field:
  - Tax Amount
6. If the voucher is not posted, you can also revise the following fields:
  - Tax Ex
  - Tax Rate/Area
7. Click OK.
8. On G/L Distribution, revise the following field and click OK:
  - Amount

If the voucher is posted, you cannot revise this field; you must enter a balancing amount on a new journal entry line.

► **To enter a tax-only voucher**

---

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

1. On Supplier Ledger Inquiry, click Add.
2. On Enter Voucher - Payment Information, follow the steps to enter a standard voucher.
3. In the detail area, complete the following fields:
  - Taxable Amount
  - Tax Area
  - Tax Expl

Use one of the following codes: ST, VT, UT, BT, or CT.
4. To see the system-calculated information for the Gross Amount and Tax fields, click the next detail line. Otherwise, click OK.

If you use tax explanation code UT (for use tax, tax only), the system does not calculate a gross amount.
5. On G/L Distribution, complete the necessary G/L distribution information.

If you use tax explanation code VT (for VAT, tax only) the amount to distribute will be zero.

6. Click OK.

---

## Related Tasks for Revising Invoices and Vouchers That Have Taxes

<b>Splitting Vouchers for Payment</b>	If you use the Speed Status Change program (P0411S) to split a voucher that has taxes, based on a processing option setting, you can specify that the tax amount be split proportionately based on the amount of each pay item. This eliminates the need to clear tax fields and specify tax information for each pay item.
---------------------------------------	---

# Invoice and Voucher Batch Processing That Have Taxes

When you use batch processing to create invoices and vouchers from transactions entered in a legacy system, you might want to include tax information on the transactions. Aside from specifying additional tax information, you process batch invoices and vouchers that have taxes exactly as you would if taxes were not present.

---

## Tax Rate Area/Tax Explanation Code Defaults

If you do not enter the tax rate area or tax explanation code in the batch tables, but have default values in the Business Unit Master table (F0006), the Customer Master by Line of Business table (F03012), or the Supplier Master table (F0401), the system uses the appropriate values to calculate taxes.

---

### Note

The Business Unit Master table contains only the Tax Rate Area field. For the value in the Tax Rate Area field to be supplied as the default for this record, you must provide a value in the Tax Explanation Code field.

---

To bypass using tax defaults that are set up, set the appropriate processing option on the Defaults tab of the Batch Invoice Processor program (R03B11Z1A) or the Batch Voucher Processing program (R04110Z).

---

## Fields Required for Processing Tax Information on Batch Invoices and Vouchers

In addition to the fields required for processing invoices and vouchers that do not have taxes, you must complete the following additional tax fields in the Batch Invoices table (F03B11Z1) to process invoices that have taxes and in the Voucher Transactions - Batch Upload table (F0411Z1) to process vouchers that have taxes.

Field Name	Alias	Type	Length	Values to Enter/Definition
Taxable Amount	ATXA	Number	15	Enter the amount of the transaction that is taxable. If the total gross amount of the transaction is not taxable, you must enter the nontaxable portion of the transaction in the Non-Taxable field (ATXN). The sum of the Taxable (ATXA), Non-Taxable (ATXN), and Tax Amounts (STAM) fields must equal the gross amount of the transaction.  If you leave the Gross Amount field (AG) blank, the system calculates the gross amount based on the taxable (ATXA) and nontaxable (ATXN) amounts.

Non-Taxable Amount	ATXN	Number	15	Enter the amount of the transaction that is not taxable. The sum of the taxable, nontaxable, and tax amounts must equal the gross amount of the transaction.
Tax Amount	STAM	Number	15	This field identifies the amount of tax that is calculated for the transaction.  If you leave this field blank, the system calculates the tax amount based on values in the Taxable Amount (ATXA), Tax Explanation Code (EXR1), and Tax Rate/Area (TXA1) fields.
Tax Rate/Area	TXA1	Alpha	10	The tax rate area specifies at what percent the tax is calculated and defines the taxing authority.  The value that you enter in this field must exist in the Tax Areas table (F4008).
Tax Expl Code 1	EXR1	Alpha	1	The value that you enter in this field must exist in UDC 00/EX (Tax Explanation Codes). All values are hard coded to perform tax calculations specific to the setup of the tax rate area and in conjunction with the tax rules by company.
Service/Tax Date	DSVJ	Date	6	This date corresponds to the effective date used in the Tax Rate Area field (TXA1). Enter the date in the format that your database accepts.  If you leave this field blank, the system uses the value from the G/L date.  Alternatively, you can leave this field blank and complete the fields DSVM (mm), DSVD (dd), DSVY (yy), and DSV# (cc) in the month/day/year/century format. Enter the prefix of the year in the Century field (DSV#). For example, enter 19 for 1999, or enter 20 for 2005.

---

## Tax Considerations for Entering Distribution Information in the Journal Entry Transactions - Batch File Table

When you process batch invoices or batch vouchers, in addition to entering information in the F03B11Z1 or F0411Z1 tables, you must enter corresponding account distribution information in the Journal Entry Transactions – Batch File table (F0911Z1) for the batch invoice or voucher that you are processing. The amount that you distribute varies depending on the tax explanation code that you use on the invoice or voucher.

Additionally, if you want to reconcile taxes by G/L account, you must provide the system with the following tax information:

- Tax Rate Area

If you do not complete this field, but you enter 1 in the Track Taxes field, the system uses the default tax rate area that is set up for the account.

- Tax Explanation Code
- Track Taxes

Enter 1 to track taxes. The account must be designated as Taxable in the Account Master table (F0901) or the system ignores this field.

---

## Processing Foreign Amounts and Taxes

The system calculates taxes for foreign amounts in the same manner that it calculates taxes for domestic amounts. If you provide the foreign taxable amount, it calculates the foreign tax and gross amounts. Conversely, if you provide the foreign gross amount, it calculates the foreign tax and taxable amounts. If you specify foreign amounts in the F03B11Z1 or F0411Z1 table, the distribution amounts that you specify in the F0911Z1 table must also be foreign.

### See Also

- ❑ *Tax Explanation Codes* in the *Tax Reference Guide* for information about how the system calculates the G/L distribution amount for each tax explanation code
- ❑ *Batch Invoice Processing* in the *Accounts Receivable Guide* for detailed mapping information for processing batch invoices
- ❑ *Batch Voucher Processing* in the *Accounts Payable Guide* for detailed mapping information for processing batch vouchers
- ❑ *Processing Multicurrency Batch Invoices* in the *Multicurrency Guide* for detailed information about processing foreign invoices
- ❑ *Processing Multicurrency Batch Vouchers* in the *Multicurrency Guide* for detailed information about processing foreign vouchers

# 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 AAI 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® Sign Out

**Journal Entries with VAT** 1 ? [icon]

OK Delete Cancel Form Row Tools

Batch Number 6120 Address Number 0

Doc Type/No/Co JE 3805 00070 G/L Date 06/30/05

Explanation Daily Bank Charges Ledger Type AA EUR

Currency Code EUR Exchange Rate Base Currency EUR ☐ Foreign

Records 1 - 4								Customize Grid
Account Number	Taxable Amount	Tax	Tx Ex	Tax Area	Gross Amount	Track Taxes	Description	
7001.9250	100,000.00				100,000.00	0	Miscellaneous Expense	
70.1240	15,000.00				15,000.00	0	VAT Recoverable	
70.1110.BBL	115,000.00-				115,000.00-	0	Banque Bruxelles La	

Remaining Amount

Because the offsetting entry (70.1110.BBL) did not have taxes, the gross amount must equal the sum of the taxable and tax amounts entered for account 70.8630; 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® Sign Out

**Journal Entry** 1 ? ?

OK Delete Cancel Form Row Tools

Batch Number 28224 ☐ 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

Records 1 - 5 <span style="float: right;">Customize Grid</span>							
	Account Number	Amount	Account Description	Subledger Type	Subledger	Subledger Description	Remark
<input 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				
<input type="checkbox"/>							

Remaining Amount

## Prerequisite

- ☐ Set up the tax AAIs 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**

---

*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

---

# Store and Forward and Batch Journal Entries with VAT

If you use either the Store and Forward or the Batch Journal Entry programs, you might want to process journal entries with VAT taxes. When you process store and forward or batch journal entries, you must create records in the Journal Entry Transactions - Batch File table (F0911Z1), and then process them using the R0911Z1 program (depending on the menu, this program is referenced as either Journal Entries Batch Processor or Store & Forward Journal Entry Upload). When you run the R0911Z1 program, provided there are no errors, the system updates transactions in the Account Ledger table (F0911).

You can specify to post successfully processed batches automatically by setting a processing option or you can manually post them at a later date. Regardless of whether you choose to post transactions automatically, when the system successfully processes the journal entry in the F0911Z1 table and creates it in the F0911 table, it also writes the appropriate records to the Taxes table (F0018).

The system processes journal entries with VAT exactly as if you had used the Journal Entry with VAT program (P09106). In addition to the fields required for processing journal entries without taxes, the fields in the following table must be completed to process journal entries with taxes:

Fields Required for Processing Batch Journal Entries with VAT				
Field Name	Alias	Type	Length	Values to Enter/Definition
Taxable Amount	AA	Number	15	If you enter the taxable amount, the system calculates the tax and gross amounts based on the tax explanation code and tax rate area.
Gross Amount	AG	Number	15	If you enter the gross amount, the system calculates the taxable and tax amounts based on the tax explanation code and tax rate area.
Tax Amount	STAM	Number	15	<b>Note</b> If you enter any other combination of fields, the system validates the information based on the tax rate area, tax explanation code, and tax rules that are set up. Tax amounts that you enter must be within the tolerance limits established for the tax rule. If you do not want the system to validate tax amounts that you specify, specify a tolerance of 100% or do not set up tax rules.
Tax Expl Code 1	EXR1	Alpha	1	Enter a VAT tax explanation code (V, V+ or VT) only. No other values are valid.
Tax Rate/Area	TXA1	Alpha	10	The tax rate area specifies at what percent the tax is calculated and defines the taxing authority.  The value that you enter in this field must

				exist in the Tax Areas table (F4008).
Track Taxes	TKTX	Alpha	1	Enter 1 to update tax information to the Tax Reconciliation Repository table (F0018R). The account specified must be set up as taxable in the Account Master table (F0901) or the system changes the track taxes field to 0 when the journal entry is processed, and does not update the F0018R table.

### Processing Foreign Amounts with Taxes

The system calculates taxes for foreign amounts in the same manner that it calculates taxes for domestic amounts. If you provide the foreign taxable amount, it calculates the foreign tax and gross amounts. Conversely, if you provide the foreign gross amount, it calculates the foreign tax and taxable amounts. If you want to process domestic and foreign amounts simultaneously, enter 3 in the Currency Mode field (CRCM). The system processes the amounts specified and bypasses currency exchange rate calculations.

### See Also

- ❑ *Batch Journal Entry Processing* in the *General Accounting Guide* for detailed information about the store and forward process, as well as other non-tax related information for processing batch journal entries
- ❑ *Multicurrency Batch Journal Entry Processing* in the *Multicurrency Guide* for detailed information about processing foreign amounts and mode 3 processing

# Updating the Taxes Table

After you generate vouchers and invoices, you must post them to the general ledger to create offsetting entries and to update the Account Balances table (F0902). Additionally, if your transactions have taxes that you want to reconcile or report on, you must update the Taxes table (F0018). How the system updates the Taxes table depends on the kind of transaction:

- For invoices and vouchers with taxes, the system updates the Taxes table when you set the appropriate processing option for the General Ledger Post Report program (R09801) for the version that you use.

The system creates one record in the Taxes table for each invoice or voucher pay item that has taxes. When you revise a posted pay item and post the revision, the system generates an additional record in the Taxes table for that pay item and increases the Line Number field incrementally.

- For journal entries entered with VAT, the system updates the Taxes table when the transaction is entered, regardless of whether it is posted.

The system creates one record in the Taxes table for each journal entry line that has taxes. If you revise a journal entry with VAT, the system writes a record for the revision if the journal entry was posted when it was revised. Otherwise, the system changes the information on the existing F0018 record.

Each record in the Taxes table contains fields for each tax authority, tax rate, and tax amount so that when you run reports, the system can provide you with a total tax amount by tax authority.

---

## Revising Transactions in the Taxes Table

You use the Tax File Revisions program (P0018) to review, add, delete, and modify records in the Taxes table. For example, if you did not set the appropriate processing option in the version of the General Ledger Post Report program (R09801) to update the Taxes table, you might need to enter the tax information manually using the Tax File Revisions program. Similarly, you might want to delete a transaction from the table.

The system does not allow revisions to documents that begin with the letter P or R (which are normally used for voucher and invoice transactions). Because you cannot revise invoice or voucher records in the Taxes table, you must do one of the following:

- Make revisions using the standard entry program, and then post those changes to update the Taxes table.
- Add a new transaction to the Taxes table to adjust the tax amount appropriately.

If you revise the taxable or nontaxable amounts of a journal entry and you clear the Tax field, the system recalculates the tax amount.

---

**Note**

The system does not update the original transaction with revisions that you make to the transaction in the Taxes table.

---

---

**► To add transactions to the Taxes table**

---

*From the Tax Processing and Reporting menu (G0021), choose Tax File Revisions.*

1. On Work With Tax File, click Add.
2. On Tax File Revisions, complete the following fields in the header area:
  - DocumentType/Number/Company  
If you need to add a document for tax explanation code V, the document type, document number, and document company that you specify must exist in the Account Ledger table (F0911).
  - Order Suffix
3. In the detail area, complete the following required fields:
  - Co
  - Address Number
  - Tx Ex
  - Tax Rate/ Area
  - Tax Point Date
  - G/L Date
  - Taxable Amount
  - Extended Cost  
Enter the sum of the taxable and tax amounts.
4. In the detail area, complete the following optional fields:
  - Line Number
  - Account Number
  - Non-Taxable Amount
  - Tax  
Although you can enter the tax amount, the system might return an error if the amount that you enter differs from the system-calculated amount. For error-free processing, leave this field blank and let the system assign the amount.
5. Click OK.

# Purging the Taxes Table

*From the Tax Processing and Reporting menu (G0021), choose Tax File Purge.*

Periodically, you might want to purge the Taxes table (F0018) to remove records that you no longer require. When you run the Tax File Purge program (R0018PURGE), the system removes all records from the Taxes table based on the data selection that you enter.

No processing options exist for this program.

# Updating the Tax Reconciliation Repository

*From the Global Tax Reconciliation menu (G00217), choose Update Tax Reconciliation Repository.*

After you post vouchers and invoices and update the Taxes table (F0018), you run the Update Tax Reconciliation Repository program (R0018R). The system allocates tax amounts to the taxable general ledger accounts that were used to distribute voucher and invoice transactions, as well as any journal entries entered with VAT. The system stores these amounts in the Tax Reconciliation Repository table (F0018R) for reporting purposes.

---

## Caution

Do not use data selection to update records to the F0018R table. Instead, use the processing options for the R0018R program.

---

## Reconciling Tax Amounts by G/L Account

The Update Tax Reconciliation Repository program uses the following process to reconcile tax amounts by G/L account and update the F0018R table:

1. Locates an unprocessed record from the F0018 table (an unprocessed record is one in which the Tax Processed Flag field (PROCFL) is not Y)
2. Uses the following key fields in the order specified to locate the corresponding taxable records in the Account Ledger table (F0911):
  1. Document number
  2. Document type
  3. Document company
  4. G/L date
  5. Tax rate area
  6. Tax explanation code
  7. Tax item number
3. Totals the F0911 records
4. Determines a relative percent for each F0911 record by dividing the amount of each account by the total amount
5. Multiplies the relative percent by the tax amount in the F0018 table to determine the tax amount per account
6. Performs an allocation for each tax rate area and tax-explanation code combination
7. Creates records in the F0018R table



---

**Note**

Although the system writes tax amounts to both the AA and CA ledgers in the F0911 table, it updates only AA amounts to table F0018R.

---

8. Updates the F0018 record to processed (PROCFL field is Y)

**Revising Reconciled Transactions**

If you revise transaction amounts or general ledger accounts, you must first post them to the F0018 table, and then rerun the Update Tax Reconciliation Repository program to update the F0018R table. When you post the revised transaction, the system creates a new record in the F0018 table for that pay item and increases the Line Number field by an increment of one. When you rerun the Update Tax Reconciliation Repository program, the system does the following:

1. Locates unprocessed records from the F0018 table
2. Locates processed records in the F0018 table that have the same key fields and removes the 1 from the PROCFL field so that all records can be considered for new tax calculations
3. Deletes all records that have the same key fields from the F0018R table so that new relative percentages can be calculated
4. Reruns the reconciliation process as described in steps 1–8 above

---

**Example: Updating the Tax Reconciliation Repository**

The following example shows how the system updates the Tax Reconciliation Repository table (F0018R).

**Setup**

Tax Rate Area Setup		
Tax Rate Area	G10	G20
Tax Authority	4555	25551
G/L Offset	A1	A2
Tax Rate	10%	20%

AAI Setup	
AAI Item	Account
RTA1	1.4333
RTA2	1.4444
RC	1.1210

## Invoice Entry

Enter an invoice with three pay items for the following taxable amounts using tax explanation code V and two tax rate areas:

Invoice: 11223 RI 00001						
Pay Item	Gross Amount*	Taxable Amount	Tax Amount*	Tax Rate Area	Tax Expl. Code	Item #
001	1,100	1,000	100	G10	V	0
002	2,400	2,000	400	G20	V	0
003	3,300	3,000	300	G10	V	0

\* The system calculates these amounts as follows:

- Gross Amount = Taxable Amount + Tax Amount
- Tax Amount = Taxable Amount x Tax Rate

---

### Note

Because the invoice was entered manually and not created by the Update Customer Sales program (R42800), the system does not use or update the Item Number field.

---

Distribute the invoice to the following general ledger accounts and tax rate areas:

G/L Distribution: 11223 RI 00001						
JE Line Number	Account Number	Track Taxes	Amount	Tax Rate Area	Tax Expl. Code	Item #
1	3.5010	Y	1,600	G10	V	0
2	3.5020	Y	1,400	G10	V	0
3	3.5030	Y	1,500	G20	V	0
4	3.5010	Y	500	G20	V	0
5	3.5040	Y	1,000	G10	V	0

The type of tax is VAT; therefore, the amounts to distribute do not equal the gross amount of the invoice. The amounts equal the taxable amount of the invoice.

## Post Invoice

When you post the invoice, the system updates the accounts for the amounts shown below:

Post Report				
Account	Description	Doc Type	Amount	
3.5010	Store Sales 1	RI		– 2,100
3.5020	Store Sales 2	RI		– 1,400
3.5030	Store Sales 3	RI		– 1,500
3.5040	Store Sales 4	RI		– 1,000
1.1210	A/R Trade	AE	6,800	
1.4333	VAT Payable G10	AE		– 400
1.4444	VAT Payable G20	AE		– 400

The system also updates the Taxes table (F0018) accordingly:

Taxes Table (F0018)							
Doc Number	Doc Type	Pay Item	Taxable Amount	Tax Amount	Tax Rate Area	Tax Expl. Code	Processed Flag
11223	RI	001	1,000	100	G10	V	
11223	RI	002	2,000	400	G20	V	
11223	RI	003	3,000	300	G10	V	

## Update Tax Reconciliation Repository

When you run the Update Tax Reconciliation Repository program (R0018R), the system performs the following for each pay item:

1. Locates the first record in table F0018 that is not processed (PROCFL field is not 1):
  - Invoice 11223, RI, 001, G10, V
2. Locates the corresponding F0911 records based on the key fields (document number, document type, document company, G/L date, tax rate area, tax explanation code, and tax item number).
  - 3.5010 (1,600)
  - 3.5020 (1,400)
  - 3.5040 (1,000)
3. Sums the amount of the records, and then calculates each percent of the total amount per account for the tax rate area.

<b>G10</b>
1,600 + 1,400 + 1,000 = 4,000
(1,600 / 4,000) x 100 = 40%
(1,400 / 4,000) x 100 = 35%
(1,000 / 4,000) x 100 = 25%

---

#### Note

The system performs soft rounding for these calculations. See *Rounding Versus Soft Rounding* in the *Tax Reference Guide*.

---

4. Multiplies the percent by the tax amount to determine the tax amount per account.

<b>Pay Item 001 - G10</b>
.40 x 100 = 40
.35 x 100 = 35
.25 x 100 = 25

---

#### Note

The system performs soft rounding for these calculations. See *Rounding Versus Soft Rounding* in the *Tax Reference Guide*.

---

5. Updates table F0018R.

<b>Tax Reconciliation Repository table (F0018R)</b>								
<b>Doc Number</b>	<b>Doc Type</b>	<b>Pay Item</b>	<b>Account</b>	<b>Journal Entry Line</b>	<b>Amount</b>	<b>Tax Amount</b>	<b>Tax Rate Area</b>	<b>Tax Expl. Code</b>
11223	RI	001	3.5010	1.0	1,600	40	G10	V
11223	RI	001	3.5020	2.0	1,400	35	G10	V
11223	RI	001	3.5040	3.0	1,000	25	G10	V

6. Updates the Processed Flag field (PROCFL) to P on the F0018 record.

<b>Taxes Table (F0018)</b>							
<b>Doc Number</b>	<b>Doc Type</b>	<b>Pay Item</b>	<b>Taxable Amount</b>	<b>Tax Amount</b>	<b>Tax Rate Area</b>	<b>Tax Expl. Code</b>	<b>Processed Flag</b>
11223	RI	001	1,000	100	G10	V	P
11223	RI	002	2,000	400	G20	V	
11223	RI	003	3,000	300	G10	V	

7. Locates the second record in table F0018 that is not processed:

- Invoice 11223, RI, 002, G20, V

8. Locates the corresponding F0911 records:

- 3.5030 (1,500)
- 3.5010 (500)

9. Sums the amount of the records, and then calculates each percent of the total amount per account for the tax rate area.

<b>G20</b>
1,500 + 500 = 1,500
$(1,500 / 2,000) \times 100 = 75\%$
$(500 / 2,000) \times 100 = 25\%$

10. Multiplies the percent by the tax amount to determine the tax amount per account.

<b>Pay Item 002 – G20</b>
.75 x 400 = 300
.25 x 400 = 100

11. Updates table F0018R.

<b>Tax Reconciliation Repository table (F0018R)</b>								
<b>Doc Number</b>	<b>Doc Type</b>	<b>Pay Item</b>	<b>Account</b>	<b>Journal Entry Line</b>	<b>Amount</b>	<b>Tax Amount</b>	<b>Tax Rate Area</b>	<b>Tax Expl. Code</b>
11223	RI	001	3.5010	1.0	1,600	40	G10	V
11223	RI	001	3.5020	2.0	1,400	35	G10	V
11223	RI	001	3.5040	3.0	1,000	25	G10	V
11223	RI	002	3.5030	1.0	1,600	300	G20	V
11223	RI	002	3.5010	2.0	500	100	G20	V

12. Updates the Processed Flag field (PROCFL) to P on the F0018 record.

<b>Taxes Table (F0018)</b>							
<b>Doc Number</b>	<b>Doc Type</b>	<b>Pay Item</b>	<b>Taxable Amount</b>	<b>Tax Amount</b>	<b>Tax Rate Area</b>	<b>Tax Expl. Code</b>	<b>Processed Flag</b>
11223	RI	001	1,000	100	G10	V	P
11223	RI	002	2,000	400	G20	V	P
11223	RI	003	3,000	300	G10	V	

13. Locates the third record in table F0018 that is not processed:

- Invoice 11223, RI, 003, G10, V

14. Locates the corresponding F0911 records:

- 3.5010 (1,600)
- 3.5020 (1,400)
- 3.5040 (1,000)

15. Because the first and third pay items have the same tax rate area and tax explanation code, the relative percentages will be the same. For performance purposes the system does not recalculate them.

<b>G10</b>
1,600 + 1,400 + 1,000 = 4,000
(1,600 / 4,000) x 100 = 40%
(1,400 / 4,000) x 100 = 35%
(1,000 / 4,000) x 100 = 25%

16. Multiplies the percent by the tax amount to determine the tax amount per account.

<b>Pay Item 003 - G10</b>
.40 x 300 = 120
.35 x 300 = 105
.25 x 300 = 75

17. Updates table F0018R.

<b>Tax Reconciliation Repository table (F0018R)</b>								
<b>Doc Number</b>	<b>Doc Type</b>	<b>Pay Item</b>	<b>Account</b>	<b>Journal Entry Line</b>	<b>Amount</b>	<b>Tax Amount</b>	<b>Tax Rate Area</b>	<b>Tax Expl. Code</b>
11223	RI	001	3.5010	1.0	1,600	40	G10	V
11223	RI	001	3.5020	2.0	1,400	35	G10	V
11223	RI	001	3.5040	3.0	1,000	25	G10	V
11223	RI	002	3.5030	4.0	1,500	300	G20	V
11223	RI	002	3.5010	5.0	500	100	G20	V
11223	RI	003	3.5010	6.0	1,600	120	G10	V
11223	RI	003	3.5020	7.0	1,400	105	G10	V
11223	RI	003	3.5040	8.0	1,000	75	G10	V

18. Updates the Processed Flag field (PROCFL) to P on the F0018 record.

Taxes Table (F0018)							
Doc Number	Doc Type	Pay Item	Taxable Amount	Tax Amount	Tax Rate Area	Tax Expl. Code	Processed Flag
11223	RI	001	1,000	100	G10	V	P
11223	RI	002	2,000	400	G20	V	P
11223	RI	003	3,000	300	G10	V	P

---

## Processing Options for Update Tax Reconciliation Repository (R0018R)

### Select Tab

These processing options specify the records to select from the Taxes table (F0018) that the system uses to locate corresponding records from the Account Ledger table (F0911).

---

#### Document Type

Use this processing option to specify the document type that the system uses to select records from the Taxes table (F0018).

#### Tax Rate/Area

Use this processing option to specify the tax rate area that you want the system to use to retrieve records from the Taxes table (F0018).

#### Tax Explanation Code

Use this processing option to specify the tax explanation code that the system uses to select records from the Taxes table (F0018).

#### G/L Date

Use this processing option to specify the G/L date that the system uses to select records from the Taxes table (F0018). The system selects records with a G/L date that is equal to or greater than the date that you enter.

---

# Reviewing the Tax Reconciliation Repository

*From the Global Tax Reconciliation menu (G00217), choose Review Tax Reconciliation Repository.*

You can review records in the Tax Reconciliation Repository table (F0018R),

The system automatically displays all records in the F0018R table, but you can use the QBE row to specify records for a customer, tax rate area, or tax explanation code.

You cannot add, delete, or revise records in the F0018R table; changes must be made to the transaction tables, and then updated to the F0018R table.



# Tax Reports

The reason for updating and tracking tax information in the Taxes table (F0018) and the Tax Reconciliation Repository table (F0018R) is to run reports on taxes.

The system provides the following reports for data in the F0018 table:

- Tax Detail/Summary (R0018P)  
This report also provides intracommunity information.
- Sales Tax (R0018P2)
- VAT Exception Report by Tax Area (R0018P7)
- GST/PST Tax (R0018P8)
- VAT Journals (R00320)
- Tax Summary Report/Use VAT (R0018P1)  
This report also provides intracommunity information.

The system provides the following reports for data in the F0018R table:

- Report on Reconciled Taxes by Account ID
- Report on Reconciled Taxes by Tax Rate Area

You can use data selection to select any records from the Taxes table (F0018) or the Tax Reconciliation Repository table (F0018R) for reporting purposes. Many of the reports have been updated to report on any tax explanation code to increase flexibility, and some of the reports have multiple versions with data selection preset for this purpose.

---

## Tax/Detail Summary Report

*From the Tax Processing and Reporting menu (G0021), choose Tax Detail/Summary.*

The Tax Detail/Summary report (R0018P) lists transaction details from the Taxes table (F0018) and provides totals for each tax rate area for each document type by company. The report provides columns to print the following information:

- Tax area
- Item number
- Tax rate
- Tax area description
- Gross amount
- Taxable amount
- Tax
- Nontaxable amount

- Tax override (column TO)

The system displays a \* to indicate that the value of the tax amount entered differs from the system-calculated tax amount.

- Document type
- Document number
- Document company
- Pay item
- Service date
- G/L date
- Address number
- Name

This is the name associated with the address number.

You can print this report for all tax explanation codes and tax rate areas, or you can use data selection to limit the report by specific tax explanation codes or tax rate areas.

---

#### Note

Four versions of the report are available that provide different data selection and data sequencing. Although you can change the data selection for any of the versions, you should not change the data sequence. Totals on the report depend on the data sequence that is set up. If you change the data sequence, your results will be unpredictable.

---

## Intracommunity Reporting

In addition to the columns listed, the Tax Detail/Summary report also includes the following column for intracommunity reporting and provides a separate total for intracommunity taxes:

- Intra-community flag (column IC)

The system displays a Y in this column to indicate that the transaction has intracommunity taxes.

#### See Also

- The country-specific Global Solutions Guide for country-specific tax reports

---

## Tax Summary Report/Use VAT

*From the Tax Processing and Reporting menu (G0021), choose Tax Summary Report/Use VAT.*

If you do not want detailed transaction information, you can print the Tax Summary Report/Use VAT report (R0018P1). This report displays totals only for each tax area and tax rate for each company. The report provides columns to display the following information:

- Tax area
- Tax rate
- Tax area description
- Gross amount
- Taxable amount
- Tax
- Nontaxable amount
- Tax explanation code
- Tax variance amount

This column identifies the difference between the user-entered tax amount and the system-calculated tax amount.

## Intracommunity Reporting

In addition to the columns listed, the Tax Summary Report/Use VAT report also includes the following columns for intracommunity reporting:

- Intra-community taxable amount
- Intra-community tax

## Processing Options for Tax Detail/Summary (R0018P) and Tax Summary Report/Use VAT (R0018P1)

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### Tax Report

1. Enter a '1' to flag the detail records as having been read:

### As-If Currency

1. Enter the currency code for as-if currency reporting. This option allows for amounts to print in a currency other than the currency they are stored in. Amounts will be translated and print in this as-if currency. If left blank, amounts will print in their database currency.

2. Enter the "As-Of" date for processing the current exchange rate for the as-if currency. If left blank, the system date will be used.

### Dates

1. From Date
  2. Thru Date
-

---

# Sales Tax Report

*From the Tax Processing and Reporting menu (G0021), choose Sales Tax.*

The Sales Tax report (R0018P2) displays transaction details from the Taxes table (F0018) and provides totals for each tax rate area for each document type by company. The report provides columns to display the following information:

- Type (column Ty)  
The system identifies the type of transaction (invoice, voucher, or journal entry) in the row that displays the total.
- Tax area
- Tax rate
- Tax explanation code
- Tax area description
- Taxable amount
- Tax
- Nontaxable amount
- Tax Exempt amount
- Document type
- Document number
- Pay item
- Document company
- G/L date
- Service date
- Transaction date
- Address number

When you choose to print the Sales Tax report, the system additionally processes and prints the following:

- The Tax Summary Report by Tax Authority (R0018P3)  
This report prints totals only for each tax authority by tax rate for each company.
- The Tax Detail Report by Tax Authority (R0018P5)  
This report prints each transaction for each tax authority and rate and provides totals by tax authority for each company.

The Tax Summary Report by Tax Authority and Tax Detail Report by Tax Authority reports do not have processing options. If you want to change the data selection for these reports, you must create a

new version of the Sales Tax report (R0018P2). In the new version, set up the data selection that you need, check the version in, and run the version locally.

The Sales Tax report provides processing options for you to specify the versions of the R0018P3 and R0018P5 reports that you want to run.

## Processing Options for Sales Tax (R0018P2)

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### Versions

#### VERSIONS FOR ADDITIONAL TAX REPORTS

1. To override the standard call for Tax Summary Report by Tax Authority (R0018P3), enter an override version number. If left blank, ZJDE0001 will default.
  2. To override the standard call for Tax Detail Report by Tax Authority (R0018P5), enter an override version number. If left blank, ZJDE0001 will default.
- 

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## VAT Exception Report by Tax Area

*From the Tax Processing and Reporting menu (G0021), choose VAT Exception Report by Tax Ar.*

You run the VAT Exception Report by Tax Area report (R0018P7) when you want to identify the transactions on which the tax amount entered by the user differs from the system-calculated tax amount. The report displays each amount, the amount variance, and the variance percent.

The data selection for this report is set up for tax explanation code V (VAT) only; however, you can change this data selection to run the report for any or all tax explanation codes. The totals that appear on the report depend on the data sequence that is set up. Therefore, do not change the data sequence for this report.

## Processing Options for VAT Exception Report by Tax Area (R0018P7)

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### As-If Currency

1. Enter the currency code for as-if currency reporting. This option allows for amounts to print in a currency other than the currency they are stored in. Amounts will be translated and print in this as-if currency. If left blank, amounts will print as normal.
  2. Enter the "As Of" date for processing the current exchange rate for the as-if currency. If left blank, the system date will be used.
-

---

# GST/PST Tax Report

*From the Tax Processing and Reporting menu (G0021), choose GST/PST Tax.*

The GST/ PST Tax report is specifically designed to meet Canadian reporting needs. For each address book number, the report lists GST and PST and subdivides PST into seller-assessed PST and self-assessed PST.

This report lists information by company and tax explanation code. Within each tax explanation code, the report separates taxes into categories such as taxable, nontaxable, GST, seller-assessed PST, and self-assessed PST.

Amounts for the following fields are positive for vouchers and negative for invoices:

- Taxable Amount
- Non-Taxable
- Tax

This is the sum of GST, self-assessed PST, and seller-assessed PST.

- GST
- Self-Assessment Tax

This is the total payable to provincial governments for self-assessed PST. A processing option allows you to display the amount with the sign reversed.

- Sales Tax

This is the total payable to provincial governments for seller-assessed PST.

## Processing Options for GST/PST Tax (R0018P8)

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### Update Options

1. Enter a '1' to flag the detail records as having been printed.

### Display

FIELD DISPLAY CONTROL:

1. Enter the form of tax identification displayed on the report.

Blank = No ID displayed  
1 = European Company ID  
2 = European Individual ID  
3 = Tax ID

2. Enter a '1' to reverse the sign on the Self Assessment (Use) Taxes. If left blank, the tax amount will print with the sign in the tax file.
-

---

# VAT Journals

*From the Tax Processing and Reporting menu (G0021), choose VAT Journals.*

The VAT Journals report (R00320) is a detailed transaction report for which you can specify up to five custom columns to represent one or more tax rate areas. You set up codes in the UDC for VAT Journals (00/VJ) to represent the tax rate areas that you want to print on the report (up to 5) and specify the column number (1 through 5) in the Special Handling field. Processing options allow you to specify the column heading text and to control whether the system prints tax or taxable amounts in the column.

For example, you might want taxable amounts for the New York tax rate area in the first column, for the Ontario tax rate area in the second column, for the Quebec tax rate area in the third column, and so on.

## See Also

- ❑ *User Defined Codes* in the *Foundation Guide* for detailed information about adding, revising, and deleting user defined codes

## Processing Options for VAT Journals (R00320)

### Select Tab

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#### 1. Beginning G/L Date

Use this processing option to select records from the Taxes table (F0018) to print. The system selects all records with a G/L date that is greater than or equal to the date specified.

#### 2. Ending G/L Date

Use this processing option to select records from the Taxes table (F0018) to print. The system selects all records with a G/L date that is less than or equal to the date specified.

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## Print Tab

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### 1. Amount to Distribute

Use this processing option to specify whether the system prints the Taxable or Tax amount into the Tax Rate Area columns that appear on the report. Valid values are:

Blank

Print the tax amount

1

Print the taxable amount

### 2. Company for Heading and VAT Registration

Use this processing option to specify the company number for the system to use for the heading information and VAT registration number that prints on the report. The system does not use this information for selection criteria.

### 3. Summary or Detail

Use this processing option to specify whether to print pay items or line items in summary or detail. Valid values are:

Blank

Detail. Print each transaction pay item or line item.

1

Summary. Summarize and print the information by document number.

---

## Columns Tab

---

### 1. Column 1 Upper Heading

Use this processing option to specify the title for the upper portion of the first column heading. Each column has an upper and lower heading that you can define.

The system retrieves the amount based on the tax rate area specified in UDC 00/VJ that has a value in the Special Handling field which corresponds to the column number. For example, if the UDC value ONT has 1 in the Special Handling field, the system prints the amount for ONT in column 1 of the report.

### 2. Column 1 Lower Heading

Use this processing option to specify the title for the lower portion of the first column heading. Each column has an upper and lower heading that you can define.

The system retrieves the amount based on the tax rate area specified in UDC 00/VJ that has a value in the Special Handling field which corresponds to the column number. For example, if the UDC value ONT has 1 in the Special Handling field, the system prints the amount for ONT in column 1 of the report.

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### **3. Column 2 Upper Heading**

Use this processing option to specify the title for the upper portion of the second column heading. Each column has an upper and lower heading that you can define.

The system retrieves the amount based on the tax rate area specified in UDC 00/VJ that has a value in the Special Handling field which corresponds to the column number. For example, if the UDC value QUE has 2 in the Special Handling field, the system prints the amount for QUE in column 2 of the report.

### **4. Column 2 Lower Heading**

Use this processing option to specify the title for the lower portion of the second column heading. Each column has an upper and lower heading that you can define.

The system retrieves the amount based on the tax rate area specified in UDC 00/VJ that has a value in the Special Handling field which corresponds to the column number. For example, if the UDC value QUE has 2 in the Special Handling field, the system prints the amount for QUE in column 2 of the report.

### **5. Column 3 Upper Heading**

Use this processing option to specify the title for the upper portion of the third column heading. Each column has an upper and lower heading that you can define.

The system retrieves the amount based on the tax rate area specified in UDC 00/VJ that has a value in the Special Handling field which corresponds to the column number. For example, if the UDC value GMY has 3 in the Special Handling field, the system prints the amount for GMY in column 3 of the report.

### **6. Column 3 Lower Heading**

Use this processing option to specify the title for the lower portion of the third column heading. Each column has an upper and lower heading that you can define.

The system retrieves the amount based on the tax rate area specified in UDC 00/VJ that has a value in the Special Handling field which corresponds to the column number. For example, if the UDC value GMY has 3 in the Special Handling field, the system prints the amount for GMY in column 3 of the report.

### **7. Column 4 Upper Heading**

Use this processing option to specify the title for the upper portion of the fourth column heading. Each column has an upper and lower heading that you can define.

The system retrieves the amount based on the tax rate area specified in UDC 00/VJ that has a value in the Special Handling field which corresponds to the column number. For example, if the UDC value ITL has 4 in the Special Handling field, the system prints the amount for ITL in column 4 of the report.

### **8. Column 4 Lower Heading**

Use this processing option to specify the title for the lower portion of the fourth column heading. Each column has an upper and lower heading that you can define.

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The system retrieves the amount based on the tax rate area specified in UDC 00/VJ that has a value in the Special Handling field which corresponds to the column number. For example, if the UDC value ITL has 4 in the Special Handling field, the system prints the amount for ITL in column 4 of the report.

### **9. Column 5 Upper Heading**

Use this processing option to specify the title for the upper portion of the fifth column heading. Each column has an upper and lower heading that you can define.

The system retrieves the amount based on the tax rate area specified in UDC 00/VJ that has a value in the Special Handling field which corresponds to the column number. For example, if the UDC value SPN has 5 in the Special Handling field, the system prints the amount for SPN in column 5 of the report.

### **10. Column 5 Lower Heading**

Use this processing option to specify the title for the lower portion of the fifth column heading. Each column has an upper and lower heading that you can define.

The system retrieves the amount based on the tax rate area specified in UDC 00/VJ that has a value in the Special Handling field which corresponds to the column number. For example, if the UDC value SPN has 5 in the Special Handling field, the system prints the amount for SPN in column 5 of the report.

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## **Process Tab**

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### **1. Calculate Gross Amount**

Use this processing option to specify how the system calculates the gross amount that appears on the report, using the definition  $\text{Gross} = \text{Goods} + \text{VAT}$ . The system calculates the gross amount differently based on the tax explanation code that you entered for the transaction. For example, if the tax explanation code is VT (for tax only), the gross amount is equal to the tax amount. If the tax explanation code is V, the gross amount might be (taxable + nontaxable + tax), (taxable + tax), or nontaxable only, depending on the values entered. Valid values are:

Blank

The system calculates the gross amount as either (taxable + tax), or as nontaxable, whichever is applicable.

1

The system calculates the gross amount as (taxable + nontaxable + tax), if applicable.

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## Report on Reconciled Taxes by Account ID

*From the Global Tax Reconciliation menu (G00217), choose Report on Reconciled Taxes by Account ID.*

When you run the Report on Reconciled Taxes by Account ID (R0018R01), the system prints a report of every transaction (totaled by document number) by account ID from the Tax Reconciliation Repository table (F0018R). The report lists the following information for each G/L account:

- Tax rate area
- Tax explanation code
- Item number
- G/L date
- Taxable amount
- Tax amount
- Nonrecoverable tax amount

You can use data selection to limit the accounts that print on the report or to select specific tax rate areas or tax explanation codes.

The system does not provide totals on the report.

The report does not have associated processing options.

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## Report on Reconciled Taxes by Tax Rate Area

*From the Global Tax Reconciliation menu (G00217), choose Report on Reconciled Taxes by Tax Rate Area.*

When you run the Report on Reconciled Taxes by Tax Rate Area (R0018R02), the system prints a report of every transaction (totaled by document number) by tax rate area from the Tax Reconciliation Repository table (F0018R). The report lists the following information for each tax rate area and tax explanation code combination:

- Account ID
- Account number
- Description
- Base currency
- G/L date
- Taxable amount
- Tax amount
- Nonrecoverable tax amount

You can use data selection to limit the accounts that print on the report or to select specific tax rate areas or tax explanation codes.

The system does not provide totals on the report.

The report does not have associated processing options.

# EnterpriseOne PeopleBooks Glossary

<b>“as of” processing</b>	A process that is run at a specific point in time to summarize item transactions.
<b>52 period accounting</b>	A method of accounting that uses each week as a separate accounting period.
<b>account site</b>	In the invoice process, the address to which invoices are mailed. Invoices can go to a different location or account site from the statement.
<b>active window</b>	The window that contains the document or display that will be affected by current cursor movements, commands, and data entry in environments that are capable of displaying multiple on-screen windows.
<b>ActiveX</b>	A technology and set of programming tools developed by Microsoft Corporation that enable software components written in different languages to interact with each another in a network environment or on a web page. The technology, based on object linking and embedding, enables Java applet-style functionality for Web browsers as well as other applications (Java is limited to Web browsers at this time). The ActiveX equivalent of a Java applet is an ActiveX control. These controls bring computational, communications, and data manipulation power to programs that can “contain” them—for example, certain Web browsers, Microsoft Office programs, and anything developed with Visual Basic or Visual C++.
<b>activity</b>	In Advanced Cost Accounting, an aggregation of actions performed within an organization that is used in activity-based costing.
<b>activity driver</b>	A measure of the frequency and intensity of the demands that are placed on activities by cost objects. An activity driver is used to assign costs to cost objects. It represents a line item on the bill of activities for a product or customer. An example is the number of part numbers, which is used to measure the consumption of material-related activities by each product, material type, or component. The number of customer orders measures the consumption of order-entry activities by each customer. Sometimes an activity driver is used as an indicator of the output of an activity, such as the number of purchase orders that are prepared by the purchasing activity. See also cost object.
<b>activity rule</b>	The criteria by which an object progresses from a given point to the next in a flow.
<b>actual cost</b>	Actual costing uses predetermined cost components, but the costs are accumulated at the time that they occur throughout the production process.
<b>adapter</b>	A component that connects two devices or systems, physically or electronically, and enables them to work together.
<b>add mode</b>	The condition of a form where a user can enter data into it.
<b>advanced interactive executive</b>	An open IBM operating system that is based on UNIX.
<b>agent</b>	A program that searches through archives or other repositories of information on a topic that is specified by the user.
<b>aging</b>	A classification of accounts by the time elapsed since the billing date or due date. Aging is divided into schedules or accounting periods, such as 0-30 days, 31-60

	days, and so on.
<b>aging schedule</b>	A schedule that is used to determine whether a payment is delinquent and the number of days which the payment is delinquent.
<b>allegato IVA clienti</b>	In Italy, the term for the A/R Annual VAT report.
<b>allegato IVA fornitori</b>	In Italy, the term for the A/P Annual VAT report.
<b>application layer</b>	The seventh layer of the Open Systems Interconnection Reference Model, which defines standards for interaction at the user or application program level.
<b>application programming interface (API)</b>	A set of routines that is used by an application program to direct the performance of procedures by the computer's operating system.
<b>AS/400 Common</b>	A data source that resides on an AS/400 and holds data that is common to the co-existent library, allowing PeopleSoft EnterpriseOne to share information with PeopleSoft World.
<b>assembly inclusion rule</b>	A logic statement that specifies the conditions for using a part, adjusting the price or cost, performing a calculation, or using a routing operation for configured items.
<b>audit trail</b>	The detailed, verifiable history of a processed transaction. The history consists of the original documents, transaction entries, and posting of records and usually concludes with a report.
<b>automatic return</b>	A feature that allows a user to move to the next entry line in a detail area or to the first cell in the next row in several applications.
<b>availability</b>	The expression of the inventory amount that can be used for sales orders or manufacturing orders.
<b>available inventory</b>	The quantity of product that can be promised for sale or transfer at a particular time, considering current on-hand quantities, replenishments in process, and anticipated demand.
<b>back office</b>	The set of enterprise software applications that supports the internal business functions of a company.
<b>backhaul</b>	The return trip of a vehicle after delivering a load to a specified destination. The vehicle can be empty or the backhaul can produce less revenue than the original trip. For example, the state of Florida is considered a backhaul for many other states—that is, many trucking companies ship products into the state of Florida, but most of them cannot fill a load coming out of Florida or they charge less. Hence, trucks coming out of Florida are either empty or produce less revenue than the original trip.
<b>balance forward</b>	The cumulative total of inventory transactions that is used in the Running Balance program. The system does not store this total. You must run this program each time that you want to review the cumulative inventory transactions total.
<b>balance forward receipt application method</b>	A receipt application method in which the receipt is applied to the oldest or newest invoices in chronological order according to the net due date.
<b>bank tape (lock box) processing</b>	The receipt of payments directly from a customer's bank via customer tapes for automatic receipt application.

<b>base location</b>	[In package management] The topmost location that is displayed when a user launches the Machine Identification application.
<b>basket discount</b>	A reduction in price that applies to a group or “basket” of products within a sales order.
<b>basket repricing</b>	A rule that specifies how to calculate and display discounts for a group of products on a sales order. The system can calculate and display the discount as a separate sales order detail line, or it can discount the price of each item on a line-by-line basis within the sales order.
<b>batch job</b>	A job submitted to a system and processed as a single unit with no user interaction.
<b>batch override</b>	An instruction that causes a batch process to produce output other than what it normally would produce for the current execution only.
<b>batch process</b>	A type of process that runs to completion without user intervention after it has been started.
<b>batch program</b>	A program that executes without interacting with the user.
<b>batch version</b>	A version of a report or application that includes a set of user-defined specifications, which control how a batch process runs.
<b>batch/lot tracking</b>	The act of identifying where a component from a specific lot is used in the production of goods.
<b>batch/mix</b>	A manufacturing process that primarily schedules short production runs of products.
<b>batch-of-one processing</b>	A transaction method that allows a client application to perform work on a client workstation, and then submit the work all at once to a server application for further processing. As a batch process is running on the server, the client application can continue performing other tasks. See also direct connect, store-and-forward.
<b>binary large object (BLOB)</b>	A collection of binary data stored as a single entity in a [file].
<b>binder clip</b>	See paper clip.
<b>black products</b>	Products that are derived from the low or heavy end of the distillation process—for example, diesel oils and fuel oils. See also white products.
<b>blend note</b>	Document that authorizes a blending activity, and describes both the ingredients for the blend and the blending steps that occur.
<b>blend off</b>	Reworking off-specification material by introducing a small percentage back into another run of the same product.
<b>blind execution</b>	The mode of execution of a program that does not require the user to review or change the processing options set for the program, and does not require user intervention after the program has been launched.
<b>boleto</b>	In Brazil, the document requesting payment by a supplier or a bank on behalf of a supplier.
<b>bolla doganale</b>	VAT-Only Vouchers for Customs. In Italy, a document issued by the customs

	authority to charge VAT and duties on extra-EU purchasing.
<b>bookmark</b>	A shortcut to a location in a document or a specific place in an application or application suite.
<b>bordero &amp; cheque</b>	In Brazil, bank payment reports.
<b>broker</b>	A program that acts as an intermediary between clients and servers to coordinate and manage requests.
<b>BTL91</b>	In the Netherlands, the ABN/AMRO electronic banking file format that enables batches with foreign automatic payment instructions to be delivered.
<b>budgeted volume</b>	A statement of planned volumes (capacity utilization) upon which budgets for the period have been set.
<b>bunkering</b>	A rate per ton or a sum of money that is charged for placing fuel on board; can also mean the operation itself.
<b>business function</b>	An encapsulated set of business rules and logic that can normally be re-used by multiple applications. Business functions can execute a transaction or a subset of a transaction (check inventory, issue work orders, and so on). Business functions also contain the APIs that allow them to be called from a form, a database trigger, or a non-EnterpriseOne application. Business functions can be combined with other business functions, forms, event rules, and other components to make up an application. Business functions can be created through event rules or third-generation languages, such as C. Examples of business functions include Credit Check and Item Availability.
<b>business function event rule</b>	Encapsulated, reusable business logic that is created by using through event rules rather than C programming. Contrast with embedded event rule. See also event rule.
<b>business object library</b>	[In interoperability] The repository that stores EnterpriseOne business objects, which consist of Java or CORBA objects.
<b>business unit</b>	A financial entity that is used to track the costs, revenue, or both, of an organization. A business unit can also be defined as a branch/plant in which distribution and manufacturing activities occur. Additionally, in manufacturing setup, work centers and production lines must be defined as business units; but these business unit types do not have profit/loss capability.
<b>business view</b>	Used by EnterpriseOne applications to access data from database tables. A business view is a means for selecting specific columns from one or more tables with data that will be used in an application or report. It does not select specific rows and does not contain any physical data. It is strictly a view through which data can be handled.
<b>business view design aid (BDA)</b>	An EnterpriseOne GUI tool for creating, modifying, copying, and printing business views. The tool uses a graphical user interface.
<b>buy-back crude</b>	In foreign producing oil countries, that portion of the host government's share of "participation crude" which it permits the company holding a concession to "buy back."
<b>CAB</b>	In Italy, the bank branch code or branch ID. A five-digit number that identifies any agency of a specific bank company in Italy.



<b>cadastro de pessoas físicas</b>	Cadastro de pessoas físicas. In Brazil, the federal tax ID for a person.
<b>category code</b>	A code that identifies a collection of objects sharing at least one common attribute.
<b>central object</b>	A software component that resides on a central server.
<b>central objects merge</b>	A process that blends a customer's modifications with the objects in a current release with objects in a new release.
<b>central server</b>	A computer that has been designated to contain the originally installed version of the software (central objects) for deployment to client computers.
<b>certificate input</b>	See direct input.
<b>certificate of analysis (COA)</b>	A document that is a record of all of the testing which has been performed against an item, lot, or both, plus the test results for that item and lot.
<b>change management</b>	[In software development] A process that aids in controlling and tracking the evolution of software components.
<b>change order</b>	In PeopleSoft, an addendum to the original purchase order that reflects changes in quantities, dates, or specifications in subcontract-based purchasing. A change order is typically accompanied by a formal notification.
<b>chargeback</b>	A receipt application method that generates an invoice for a disputed amount or for the difference of an unpaid receipt.
<b>chart</b>	EnterpriseOne term for tables of information that appear on forms in the software. See forms.
<b>check-in location</b>	The directory structure location for the package and its set of replicated objects. This location is usually \\deploymentserver\release\path_code\package\packagename. The subdirectories under this path are where the central C components (source, include, object, library, and DLL file) for business functions are stored.
<b>checksum value</b>	A computed value that depends on the contents of a block of data, and that is transmitted or stored with the data to detect whether errors have occurred in the transmission or storage.
<b>class</b>	[In object-oriented programming] A category of objects that share the same characteristics.
<b>clean cargo</b>	Term that refers to cargoes of gasoline and other refined products. See also dirty cargo.
<b>client access</b>	The ability to access data on a server from a client machine.
<b>client machine</b>	Any machine that is connected to a network and that exchanges data with a server.
<b>client workstation</b>	A network computer that runs user application software and is able to request data from a server.
<b>ClieOp03</b>	In the Netherlands, the euro-compliant uniform electronic banking file format that enables batches with domestic automatic direct debit instructions and batches with domestic payment instructions to be delivered.

<b>ClieOp2</b>	In the Netherlands, the uniform electronic banking file format that enables batches with domestic automatic direct debit instructions and batches with domestic payment instructions to be delivered.
<b>cluster</b>	Two or more computers that are grouped together in such a way that they behave like a single computer.
<b>co-existence</b>	A condition where two or more applications or application suites access one or more of the same database tables within the same enterprise.
<b>cold test</b>	The temperature at which oil becomes solid. Generally considered to be 5 degrees F lower than the pour point.
<b>commitment</b>	The number of items that are reserved to fill demand.
<b>common object request broker architecture</b>	An object request broker standard that is endorsed by the Object Management Group.
<b>compa-ratio</b>	An employee's salary divided by the midpoint amount for the employee's pay grade.
<b>component changeout</b>	See component swap.
<b>component object model (COM)</b>	A specification developed by Microsoft for building software components that can be assembled into programs or add functionality to existing programs running on Microsoft Windows platforms. COM components can be written in a variety of languages, although most are written in C++, and can be unplugged from a program at runtime without having to recompile the program.
<b>component swap</b>	In Equipment/Plant Management, the substitution of an operable component for one that requires maintenance. Typically, you swap components to minimize equipment downtime while servicing one of the components. A component swap can also mean the substitution of one parent or component item for another in its associated bill of material.
<b>conference room pilot environment</b>	An EnterpriseOne environment that is used as a staging environment for production data, which includes constants and masters tables such as company constants, fiscal date patterns, and item master. Use this environment along with the test environment to verify that your configuration works before you release changes to end-users.
<b>configurable network computing (CNC)</b>	An application architecture that allows interactive and batch applications that are composed of a single code base to run across a TCP/IP network of multiple server platforms and SQL databases. The applications consist of re-usable business functions and associated data that can be configured across the network dynamically. The overall objective for businesses is to provide a future-proof environment that enables them to change organizational structures, business processes, and technologies independently of each other.
<b>configurable processing engine</b>	Handles all "batch" processes, including reporting, Electronic Data Exchange (EDIt) transactions, and data duplication and transformation (for data warehousing). This ability does not mean that it exists only on the server; it can be configured to run on desktop machines (Windows 95 and NT Workstation) as well.
<b>configuration management</b>	A rules-based method of ordering assemble-to-order or make-to-order products in which characteristics of the product are defined as part of the Sales Order Entry

	process. Characteristics are edited by using Boolean logic, and then translated into the components and routing steps that are required to produce the product. The resulting configuration is also priced and costed, based on the defined characteristics.
<b>configured item segment</b>	A characteristic of a configured item that is defined during sales order entry. For example, a customer might specify a type of computer hard drive by stating the number of megabytes of the hard drive, rather than a part number.
<b>consuming location</b>	The point in the manufacturing routing where a component or subassembly is used in the production process. In kanban processing, the location where the kanban container materials are used in the manufacturing process and the kanban is checked out for replenishment.
<b>contra/clearing account</b>	A G/L account used by the system to offset (balance) journal entries. For example, you can use a contra/clearing account to balance the entries created by allocations.
<b>contribution to profit</b>	Selling price of an item minus its variable costs.
<b>control table</b>	A table that controls the program flow or plays a major part in program control.
<b>control table workbench</b>	During the Installation Workbench process, Control Table Workbench runs the batch applications for the planned merges that update the data dictionary, user defined codes, menus, and user overrides tables.
<b>control tables merge</b>	A process that blends a customer's modifications to the control tables with the data that accompanies a new release.
<b>corrective work order</b>	A work order that is used to formally request unscheduled maintenance and communicate all of the details pertaining to the requested maintenance task.
<b>corrective work order</b>	A work order that is used to formally request unscheduled maintenance and communicate all of the details pertaining to the requested maintenance task.
<b>cost assignment</b>	Allocating resources to activities or cost objects.
<b>cost component</b>	An element of an item's cost—for example, material, labor, or overhead.
<b>cost object</b>	Any customer, product, service, contract, project, or other work unit for which you need a separate cost measurement.
<b>cost rollup</b>	A simulated scenario in which work center rates, material costs, and labor costs are used to determine the total cost of an item.
<b>costing elements</b>	The individual classes of added value or conversion costs. These elements are typically materials, such as raw and packaging; labor and machine costs; and overhead, such as fixed and variable. Each corporation defines the necessary detail of product costs by defining and tracking cost categories and subcategories.
<b>credit memo</b>	A negative amount that is used to correct a customer's statement when he or she is overcharged.
<b>credit notice</b>	The physical document that is used to communicate the circumstances and value of a credit order.
<b>credit order</b>	A credit order is used to reflect products or equipment that is received or returned so that it can be viewed as a sales order with negative amounts. Credit orders

	usually add the product back into inventory. This process is linked with delivery confirmation.
<b>cross segment edit</b>	A logic statement that establishes the relationship between configured item segments. Cross segment edits are used to prevent ordering of configurations that cannot be produced.
<b>crude oil assay</b>	A procedure for determining the distillation curve and quality characteristics of a crude oil.
<b>cumulative update</b>	A version of software that includes fixes and enhancements that have been made since the last release or update.
<b>currency relationships</b>	When converting amounts from one currency to another, the currency relationship defines the from currency and the to currency in PeopleSoft software. For example, to convert amounts from German marks to the euro, you first define a currency relationship between those two currencies.
<b>currency restatement</b>	The process of converting amounts from one currency into another currency, generally for reporting purposes. It can be used, for example, when many currencies must be restated into a single currency for consolidated reporting.
<b>current cost</b>	The cost that is associated with an item at the time a parts list and routing are attached to a work order or rate schedule. Current cost is based on the latest bill of material and routing for the item.
<b>customer pricing rules</b>	In Procurement, the inventory pricing rules that are assigned to a supplier. In Sales, inventory pricing rules that are assigned to a customer.
<b>D.A.S. 2 Reporting (DAS 2 or DADS 1)</b>	In France, the name of the official form on which a business must declare fees and other forms of remuneration that were paid during the fiscal year.
<b>data dictionary</b>	A dynamic repository that is used for storing and managing a specific set of data item definitions and specifications.
<b>data source workbench</b>	During the Installation Workbench process, Data Source Workbench copies all of the data sources that are defined in the installation plan from the Data Source Master and Table and Data Source Sizing tables in the Planner data source to the System - release number data source. It also updates the Data Source Plan detail record to reflect completion.
<b>data structure</b>	A description of the format of records in a database such as the number of fields, valid data types, and so on.
<b>data types</b>	Supplemental information that is attached to a company or business unit. Narrative type contains free-form text. Code type contains dates, amounts, and so on.
<b>datagram</b>	A self-contained packet of information that is forwarded by routers, based on their address and the routing table information.
<b>date pattern</b>	A period of time that is set for each period in standard and 52-period accounting and forecasting.
<b>DCE</b>	See distributed computing environment.
<b>DEB</b>	See déclaration d'échange de biens.

<b>debit memo</b>	In Accounts Payable, a voucher that is entered with a negative amount. Enter this type of voucher when a supplier sends you a credit so that you can apply the amount to open vouchers when you issue payment to the supplier.
<b>debit memo</b>	A form that is issued by a customer, requesting an adjustment of the amount, which is owed to the supplier.
<b>debit statement</b>	A list of debit balances.
<b>de-blend</b>	When blend off does not result in a product that is acceptable to customers. The further processing of product to adjust specific physical and chemical properties to within specification ranges. See also blend off.
<b>déclaration d'échange de biens (DEB)</b>	The French term that is used for the Intrastat report.
<b>delayed billing</b>	The invoicing process is delayed until the end of a designated period.
<b>delta load</b>	A batch process that is used to compare and update records between specified environments.
<b>denominated-in currency</b>	The company currency in which financial reports are based.
<b>deployment server</b>	A server that is used to install, maintain, and distribute software to one or more enterprise servers and client workstations.
<b>detail</b>	The specific information that makes up a record or transaction. Contrast with summary.
<b>detail information</b>	Information that primarily relates to individual lines in a sales or purchase order.
<b>direct connect</b>	A transaction method in which a client application communicates interactively and directly with a server application. See also batch-of-one immediate, store-and-forward.
<b>direct input</b>	The system calculates the net units when you enter gross volume, temperature, and gravity or density. This data is generally entered during product receiving from the certificate that is prepared by an independent inspector.
<b>direct ship orders</b>	A purchase order that is issued to a third-party supplier who designates the destination as the customer. A direct ship sales order is also created for the customer. Direct ship orders occur when a product is not available from a company-owned or company-operated source, so the system creates an order to ship the product from a third-party source directly to the customer. Sometimes referred to as a drop ship or third-party supply.
<b>direct usage</b>	Consumption of resources that are attributable to specific production runs because the resources were directly issued to the schedule/order.
<b>director</b>	An EnterpriseOne user interface that guides a user interactively through an EnterpriseOne process.
<b>dirty cargo</b>	Term that refers to crude oil cargoes or other non-refined petroleum cargoes. See also clean cargo.
<b>dispatch planning</b>	Efficient planning and scheduling of product deliveries. Considerations include: Dispatch groups

	<p>Scheduled delivery date</p> <p>Scheduled delivery time</p> <p>Preferred delivery date</p> <p>Preferred delivery time</p> <p>Average delivery time for that geographical location</p> <p>Available resources</p> <p>Special equipment requirements at the product's source or destination.</p>
<b>displacement days</b>	The number of days that are calculated from today's date by which you group vouchers for payment. For example, if today's date is March 10 and you specify three displacement days, the system includes vouchers with a due date through March 13 in the payment group. Contrast with pay-through date.
<b>display sequence</b>	A number that the system uses to re-order a group of records on the form.
<b>distributed computing environment (DCE)</b>	A set of integrated software services that allows software which is running on multiple computers to perform seamless and transparently to the end-users. DCE provides security, directory, time, remote procedure calls, and files across computers running on a network.
<b>distributed data processing</b>	Processing in which some of the functions are performed across two or more linked facilities or systems.
<b>distributed database management system (DDBMS)</b>	A system for distributing a database and its control system across many geographically dispersed machines.
<b>do not translate (DNT)</b>	A type of data source that must exist on the AS/400 because of BLOB restrictions.
<b>double-byte character set (DBCS)</b>	A method of representing some characters by using one byte and other characters by using two bytes. Double-byte character sets are necessary to represent some characters in the Japanese, Korean, and Chinese languages.
<b>downgrade profile</b>	A statement of the hierarchy of allowable downgrades. Includes substitutions of items, and meeting tighter specifications for those products with wider or overlapping specification ranges.
<b>DTA</b>	Datenträgeraustausch. A Swiss payment format that is required by Telekurs (Payserv).
<b>dual pricing</b>	To provide prices for goods and services in two currencies. During the euro transition period, dual pricing between the euro and Economic and Monetary Union (EMU) member currencies is encouraged.
<b>dynamic link library (DLL)</b>	A set of program modules that are designed to be invoked from executable files when the executable files are run, without having to be linked to the executable files. They typically contain commonly used functions.
<b>dynamic partitioning</b>	The ability to dynamically distribute logic or data to multiple tiers in a client/server architecture.
<b>economy of scale</b>	A phenomenon whereby larger volumes of production reduce unit cost by distributing fixed costs over a larger quantity. Variable costs are constant; but fixed costs per unit are reduced, thereby reducing total unit cost.

<b>edit mode</b>	A processing mode or condition where the user can alter the information in a form.
<b>edit rule</b>	A method that is used for formatting user entries, validating user entries, or both, against a predefined rule or set of rules.
<b>embedded event rule</b>	An event rule that is specific to a particular table or application. Examples include form-to-form calls, hiding a field that is based on a processing option value, or calling a business function. Contrast with business function event rule. See also event rule.
<b>employee work center</b>	A central location for sending and receiving all EnterpriseOne messages (system and user-generated), regardless of the originating application or user. Each user has a mailbox that contains workflow and other messages, including Active Messages. With respect to workflow, the Message Center is MAPI compliant and supports drag-and-drop work reassignment, escalation, forward and reply, and workflow monitoring. All messages from the message center can be viewed through EnterpriseOne messages or Microsoft Exchange.
<b>Emulator</b>	An item of software or firmware that allows one device to imitate the functioning of another.
<b>encapsulation</b>	The ability to confine access to and manipulation of data within an object to the procedures that contribute to the definition of that object.
<b>engineering change order (ECO)</b>	A work order document that is used to implement and track changes to items and resulting assemblies. The document can include changes in design, quantity of items required, and the assembly or production process.
<b>enhanced analysis database</b>	A database containing a subset of operational data. The data on the enhanced analysis database performs calculations and provides summary data to speed generation of reports and query response times. This solution is appropriate when external data must be added to source data, or when historical data is necessary for trend analysis or regulatory reporting. See also duplicated database, enterprise data warehouse.
<b>enterprise server</b>	A computer containing programs that collectively serve the needs of an enterprise rather than a single user, department, or specialized application.
<b>EnterpriseOne object</b>	A re-usable piece of code that is used to build applications. Object types include tables, forms, business functions, data dictionary items, batch processes, business views, event rules, versions, data structures, and media objects. See also object.
<b>EnterpriseOne process</b>	Allows EnterpriseOne clients and servers to handle processing requests and execute transactions. A client runs one process, and servers can have multiple instances of a process. EnterpriseOne processes can also be dedicated to specific tasks (for example, workflow messages and data replication) to ensure that critical processes do not have to wait if the server is particularly busy.
<b>EnterpriseOne web development computer</b>	A standard EnterpriseOne Windows developer computer with the additional components installed:  Sun's JDK 1.1.  JFC (0.5.1).  Generator Package with Generator.Java and JDECOM.dll.

	R2 with interpretive and application controls/form.
<b>environment workbench</b>	During the Installation Workbench process, Environment Workbench copies the environment information and Object Configuration Manager tables for each environment from the Planner data source to the System release number data source. It also updates the Environment Plan detail record to reflect completion.
<b>equivalent fuel</b>	A barrel of equivalent fuel supplies six million BTUs of heat. Fuel gas quantities are usually calculated as equivalent fuel barrels in economic calculations for refinery operations.
<b>escalation monitor</b>	A batch process that monitors pending requests or activities, and restarts or forwards them to the next step or user after they have been inactive for a specified amount of time.
<b>ESR</b>	Einzahlungsschein mit Referenznummer. A pay slip with a reference number.
<b>event rule</b>	[In EnterpriseOne] A logic statement that instructs the system to perform one or more operations that are based on an activity that can occur in a specific application, such as entering a form or exiting a field.
<b>exit bar</b>	[In EnterpriseOne] The tall pane with icons in the left portion of many EnterpriseOne program windows.
<b>facility</b>	An entity within a business for which you want to track costs. For example, a facility might be a warehouse location, job, project, work center, or branch/plant. Sometimes referred to as a business unit.
<b>fast path</b>	[In EnterpriseOne] A command prompt that allows the user to move quickly among menus and applications by using specific commands.
<b>file handle</b>	A temporary reference (typically a number) that is assigned to a file which has been opened by the operating system and is used throughout the session to access the file.
<b>file server</b>	A computer that stores files to be accessed by other computers on the network.
<b>find/browse</b>	A type of form used to:  Search, view, and select multiple records in a detail area.  Delete records.  Exit to another form.  Serve as an entry point for most applications.
<b>firm planned order (FPO)</b>	A work order that has reached a user defined status. When this status is entered in the processing options for the various manufacturing programs, messages for those orders are not exploded to the components.
<b>fiscal date pattern</b>	A representation of the beginning date for the fiscal year and the ending date for each period in that year.
<b>fix/inspect</b>	A type of form used to view, add, or modify existing records. A fix/inspect form has no detail area.
<b>fixed quantity</b>	A term that indicates the bill of material relationship between a parent item and its components or ingredients. When a bill of material component has a fixed quantity relationship to its parent, the amount of the component does not change



	when the software calculates parts list requirements for different work order quantities. Contrast with variable quantity.
<b>flexible account numbers</b>	The format of account numbers for journal entries. The format that you set up must be the three segments:  Business unit.  Object.  Subsidiary.
<b>form design aid (FDA)</b>	The EnterpriseOne GUI development tool for building interactive applications and forms.
<b>form exit</b>	[In EnterpriseOne] An option that is available as a button on the Form Exit bar or as a selection in the Form menu. It allows users to open an interconnected form.
<b>form interconnection</b>	Allows one form to access and pass data to another form. Form interconnections can be attached to any event; however, they are normally used when a button is clicked.
<b>form type</b>	The following form types are available in EnterpriseOne:  Find/browse.  Fix/inspect.  Header detail.  Headerless detail.  Message.  Parent/child.  Search/select.
<b>form-to-form call</b>	A request by a form for data or functionality from one of the connected forms.
<b>framework</b>	[In object-oriented systems] A set of object classes that provide a collection of related functions for a user or piece of software.
<b>frozen cost</b>	The cost of an item, operation, or process after the frozen update program is run; used by the Manufacturing Accounting system.
<b>frozen update program</b>	A program that freezes the current simulated costs, thereby finalizing them for use by the Manufacturing Accounting system.
<b>globally unique identifier (GUI)</b>	A 16-byte code in the Component Object Model that identifies an interface to an object across all computers and networks.
<b>handle</b>	[In programming] A pointer that contains the address of another pointer, which, in turn, contains the address of the desired object.
<b>hard commitment</b>	The number of items that are reserved for a sales order, work order, or both, from a specific location, lot, or both.
<b>hard error</b>	An error that cannot be corrected by a given error detection and correction system.
<b>header</b>	Information at the beginning of a table or form. Header information is used to

	identify or provide control information for the group of records that follows.
<b>header information</b>	Information that pertains to the entire order.
<b>hover help</b>	A help function that provides contextual information or instructions when a cursor moves over a particular part of the interface element for a predefined amount of time.
<b>ICMS</b>	Imposto sobre circulação de mercadoria e serviços. In Brazil, a state tax that is applied to the movement of merchandise and some services.
<b>ICMS Substituto</b>	Imposto sobre circulação de mercadoria e serviços substituto. In Brazil, the ICMS tax that is charged on interstate transactions, or on special products and clients.
<b>ICMS Substituto-Markup</b>	See imposto sobre circulação de mercadoria e serviços substituto-markup.
<b>imposto de renda (IR)</b>	Brazilian income tax.
<b>imposto sobre produtos industrializados</b>	In Brazil, a federal tax that applies to manufactured goods (domestic and imported).
<b>imposto sobre serviços (ISS)</b>	In Brazil, tax on services.
<b>inbound document</b>	A document that is received from a trading partner using Electronic Data Interface (EDI). This document is also referred to as an inbound transaction.
<b>indented tracing</b>	Tracking all lot numbers of intermediates and ingredients that are consumed in the manufacture of a given lot of product, down through all levels of the bill of material, recipe, or formula.
<b>indexed allocations</b>	A procedure that allocates or distributes expenses, budgets, adjustments, and so on, among business units, based on a fixed percentage.
<b>indirect measurement</b>	Determining the quantity on-hand by:  Measuring the storage vessels and calculating the content's balance quantity.  or  Theoretically calculating consumption of ingredients and deducting them from the on-hand balance.
<b>indirect usage</b>	Determining what should have been used by multiplying receipt quantity of the parent times the quantity per statement in the formula, recipe, or bill of material. This transaction typically affects both consumption on schedule as well as issue from on-hand balances.
<b>in-process rework</b>	Recycling a semi processed product that does not meet acceptable standards. Further processing takes the product out of a given operation and sends it back to the beginning of that operation or a previous operation (for example, unreacted materials).  Rework that is detected prior to receipt of finished goods and corrected during the same schedule run.
<b>INPS withholding tax</b>	Istituto Nazionale di Previdenza Sociale withholding tax. In Italy, a 12% social security withholding tax that is imposed on payments to certain types of contractors. This tax is paid directly to the Italian social security office.

<b>inscrição estadual</b>	ICMS tax ID. In Brazil, the state tax ID.
<b>inscrição municipal</b>	ISS tax ID. In Brazil, the municipal tax ID.
<b>integrated toolset</b>	Unique to EnterpriseOne is an industrial-strength toolset that is embedded in the already comprehensive business applications. This toolset is the same toolset that is used by PeopleSoft to build EnterpriseOne interactive and batch applications. Much more than a development environment, however, the EnterpriseOne integrated toolset handles reporting and other batch processes, change management, and basic data warehousing facilities.
<b>integrity test</b>	A process that is used to supplement a company's internal balancing procedures by locating and reporting balancing problems and data inconsistencies.
<b>interbranch sales order</b>	A sales order that is used for transactions between branch/plants other than the selling branch/plant.
<b>Interoperability</b>	The ability of different computer systems, networks, operating systems, and applications to work together and share information.
<b>inventory pricing rule</b>	A discount method that is used for purchases from suppliers and sales to customers. The method is based on effectivity dates, up-to quantities, and a factor by which you can mark up or discount the price or cost.
<b>inventory turn</b>	The number of times that the inventory cycles, or turns over, during the year. A frequently used method to compute inventory turnover is to divide the annual costs of sales by the average inventory level.
<b>invoice</b>	An itemized list of goods that are shipped or services that are rendered, stating quantities, prices, fees, shipping charges, and so on. Companies often have their invoices mailed to a different address than where they ship products. In such cases, the bill-to address differs from the ship-to address.
<b>IP</b>	See imposto sobre produtos industrializados.
<b>IR</b>	See imposto de renda.
<b>IServer Service</b>	Developed by PeopleSoft, this Internet server service resides on the Web server and is used to speed up delivery of the Java class files from the database to the client.
<b>ISS</b>	See imposto sobre servicos.
<b>jargon</b>	An alternate data dictionary item description that EnterpriseOne or PeopleSoft World displays, based on the product code of the current object.
<b>java application server</b>	A component-based server that resides in the middle-tier of a server-centric architecture and provides middleware services for security and state maintenance, along with data access and persistence.
<b>JDBNET</b>	A database driver that allows heterogeneous servers to access each other's data.
<b>jde.ini</b>	A PeopleSoft file (or member for AS/400) that provides the runtime settings that are required for EnterpriseOne initialization. Specific versions of the file or member must reside on every machine that is running EnterpriseOne, including workstations and servers.
<b>JDE.LOG</b>	The main diagnostic log file of EnterpriseOne. Always located in the root

	directory on the primary drive. Contains status and error messages from the startup and operation of EnterpriseOne.
<b>JDEBASE Database Middleware</b>	<p>PeopleSoft proprietary database middleware package that provides two primary benefits:</p> <ol style="list-style-type: none"> <li>1. Platform-independent APIs for multidatabase access. These APIs are used in two ways: <ol style="list-style-type: none"> <li>a. By the interactive and batch engines to dynamically generate platform-specific SQL, depending on the data source request.</li> <li>b. As open APIs for advanced C business function writing. These APIs are then used by the engines to dynamically generate platform-specific SQL.</li> </ol> </li> <li>2. Client-to-server and server-to-server database access. To accomplish this access, EnterpriseOne is integrated with a variety of third-party database drivers, such as Client Access 400 and open database connectivity (ODBC).</li> </ol>
<b>JDECallObject</b>	An application programming interface that is used by business functions to invoke other business functions.
<b>JDEIPC</b>	Communications programming tools that are used by server code to regulate access to the same data in multiprocess environments, communicate and coordinate between processes, and create new processes.
<b>JDENET</b>	PeopleSoft proprietary middleware software. JDENET is a messaging software package.
<b>JDENET communications middleware</b>	PeopleSoft proprietary communications middleware package for EnterpriseOne. It is a peer-to-peer, message-based, socket-based, multiprocess communications middleware solution. It handles client-to-server and server-to-server communications for all EnterpriseOne supported platforms.
<b>just in time installation (JITI)</b>	EnterpriseOne's method of dynamically replicating objects from the central object location to a workstation.
<b>just in time replication (JITR)</b>	EnterpriseOne's method of replicating data to individual workstations. EnterpriseOne replicates new records (inserts) only at the time that the user needs the data. Changes, deletes, and updates must be replicated using Pull Replication.
<b>Kagami</b>	In Japan, summarized invoices that are created monthly (in most cases) to reduce the number of payment transactions.
<b>latitude</b>	The X coordinate of the location of an item in the warehouse. The system can use latitude, longitude, and height when suggesting locations for putaway, replenishment, and picking.
<b>laytime (or layhours)</b>	<p>The amount of time that is allotted to a tanker at berth to complete loading or discharging cargo. This time is usually expressed in running hours, and is fixed by prior agreement between the vessel owner and the company that is chartering the vessel. Laytime is stipulated in the charter, which states exactly the total of number of hours that are granted at both loading and unloading ports, and indicates whether such time is reversible. A statement of "Seventy-Two Hours, Reversible" means that a total of 72 hours is granted overall at both ports, and any time saved at one port can be applied as a credit at the other port.</p> <p>For example, if the vessel uses only 32 hours instead of 36 hours to load cargo, it can apply an additional four hours to the 36 hours allotted at the discharge port.</p>

	Such considerations are important for purposes of computing demurrage.
<b>leading zeros</b>	A series of zeros that certain facilities in PeopleSoft systems place in front of a value that is entered. This situation normally occurs when you enter a value that is smaller than the specified length of the field. For example, if you enter 4567 in a field that accommodates eight numbers, the facility places four zeros in front of the four numbers that you enter. The result appears as 00004567.
<b>ledger type</b>	A code that designates a ledger which is used by the system for a particular purpose. For example, all transactions are recorded in the AA (actual amounts) ledger type in their domestic currency. The same transactions can also be stored in the CA (foreign currency) ledger type.
<b>level break</b>	The position in a report or text where a group of similar types of information ends and another one begins.
<b>libro IVA</b>	Monthly VAT report. In Italy, the term for the report that contains the detail of invoices and vouchers that were registered during each month.
<b>line of business</b>	A description of the nature of a company's work; also a tool to control the relationship with that customer, including product pricing.
<b>linked service type</b>	A service type that is associated with a primary service type. Linked service types can be cancelled, and the maintenance tasks are performed when the primary service type to which they are linked comes due. You can specify whether the system generates work orders for linked service types, as well as the status that the system assigns to work orders that have already been generated. Sometimes referred to as associated service types. See also primary service type and service type.
<b>livro razao</b>	In Brazil, a general ledger report.
<b>load balancing</b>	The act of distributing the number of processes proportionally to all servers in a group to maximize overall performance.
<b>location workbench</b>	During the Installation Workbench process, Location Workbench copies all locations that are defined in the installation plan from the Location Master table in the Planner data source to the System data source.
<b>log files</b>	Files that track operations for a process or application. Reviewing log files is helpful for troubleshooting problems. The file extension for log files is .LOG.
<b>logic data source</b>	Any code that provides data during runtime.
<b>logical compartment</b>	One of two ways that is identified in the transportation constants to display compartments on vehicles. Logical display numbers the compartments sequentially.  For example, if two vehicles are on a trip and each vehicle has three compartments, the logical display is 1,2,3,4,5,6.
<b>logical file</b>	A set of keys or indices that is used for direct access or ordered access to the records in a physical file. Several logical files can have different accesses to a physical.
<b>logical shelf</b>	A logical, not physical, location for inventory that is used to track inventory transactions in loan/borrow, or exchange agreements with other companies. See also logical warehouse.

<b>logical warehouse</b>	Not a physical warehouse containing actual inventory, but a means for storing and tracking information for inventory transactions in loan/borrow, or exchange agreements with other companies.
<b>longitude</b>	The Y coordinate of the location of an item in the warehouse. The system can use latitude, longitude, and height when suggesting locations for putaway, replenishment, and picking.
<b>LSV</b>	Lastschriftverfahren. A Swiss auto debit format that is required by Telekurs (Payserv).
<b>mail merge</b>	A mass-mail facility that takes names, addresses, and (sometimes) pertinent facts about recipients and merges the information into a form letter or a similarly basic document.
<b>mailmerge workbench</b>	[In EnterpriseOne] An application that merges Microsoft Word 6.0 (or higher) word-processing documents with EnterpriseOne records to automatically print business documents.
<b>main fuels</b>	Usually refers to bulk fuel products, but sometimes includes packaged products.
<b>maintenance loop</b>	See maintenance route.
<b>maintenance route</b>	A method of performing PMs for multiple pieces of equipment from a single preventive maintenance work order. A maintenance route includes pieces of equipment that share one or more identical maintenance tasks which can be performed at the same time for each piece of equipment. Sometimes referred to as maintenance loop.
<b>maintenance work order</b>	In PeopleSoft EnterpriseOne systems, a term that is used to distinguish work orders created for the performance of equipment and plant maintenance from other work orders, such as manufacturing work orders, utility work orders, and engineering change orders.
<b>manufacturing and distribution planning</b>	Planning that includes resource and capacity planning, and material planning operations. Resource and capacity planning allows you to prepare a feasible production schedule that reflects your demand forecasts and production capability. Material Planning Operations provides a short-range plan to cover material requirements that are needed to make a product.
<b>mapping</b>	A set of instructions that describes how one data structure passes data to another.
<b>master business function</b>	An interactive master file that serves as a central location for adding, changing, and updating information in a database.
<b>master business function</b>	A central system location for standard business rules about entering documents, such as vouchers, invoices, and journal entries. Master business functions ensure uniform processing according to guidelines that you establish.
<b>master table</b>	A database table that is used to store data and information that is permanent and necessary to the system's operation. Master tables might contain data such as paid tax amounts, supplier names, addresses, employee information, and job information.
<b>matching document</b>	A document that is associated with an original document to complete or change a transaction. For example, a receipt is the matching document of an invoice.

<b>media object</b>	An electronic or digital representation of an object.
<b>media storage objects</b>	Files that use one of the following naming conventions that are not organized into table format: Gxxx, xxxGT, or GTxxx.
<b>memory violation</b>	An error that occurs as the result of a memory leak.
<b>menu selection</b>	An option on a menu that initiates a software function directly.
<b>message center</b>	A central location for sending and receiving all EnterpriseOne messages (system- and user-generated), regardless of the originating application or user.
<b>messaging application programming interface (MAPI)</b>	An architecture that defines the components of a messaging system and how they behave. It also defines the interface between the messaging system and the components.
<b>metal content</b>	A series of properties of a blended product that help to determine its suitability for a prescribed purpose.
<b>metals management</b>	The process of maintaining information about the location and status of durable product containers such as liquid petroleum gas (LPG) cylinders.
<b>mobile inventory</b>	Inventory that is transferred from a depot to a barge or truck for milk-run deliveries.
<b>modal</b>	A restrictive or limiting interaction that is created by a given condition of operation. Modal often describes a secondary window that restricts a user's interaction with other windows. A secondary window can be modal with respect to its primary window or to the entire system. A modal dialog box must be closed by the user before the application continues.
<b>model work order</b>	For scheduled preventive maintenance or for a condition-based alert, a model work order functions as a template for the creation of other work orders. You can assign model work orders to service types and condition-based alerts. When the service type comes due or the alert is generated, the system automatically generates a work order that is based on information from the model work order.
<b>modeless</b>	Not restricting or limiting interaction. Modeless often describes a secondary window that does not restrict a user's interaction with other windows. A modeless dialog box stays on the screen and is available for use at any time, but also permits other user activities.
<b>multiple stocking locations</b>	Authorized storage locations for the same item number at locations, in addition to the primary stocking location.
<b>multitier architecture</b>	A client/server architecture that allows multiple levels of processing. A tier defines the number of computers that can be used to complete some defined task.
<b>named event rules (NER)</b>	Also called business function event rules. Encapsulated, re-usable business logic that is created by using event rules, rather than C programming.
<b>national language support (NLS)</b>	Mechanisms that are provided to facilitate internationalization of both system and application user interfaces.
<b>natureza da operação</b>	Transaction nature. In Brazil, a code that classifies the type of commercial transaction to conform to the fiscal legislation.
<b>negative pay item</b>	An entry in an account that indicates a prepayment. For example, you might

	prepay a supplier before goods are sent or prepay an employee's forecasted expenses for a business trip. The system stores these pending entries, assigning them a minus quantity as debit amounts in a designated expense account. After the prepaid goods are received or the employee submits an expense report, entering the actual voucher clears all of the negative pay items by processing them as regular pay items. Note that a negative pay item can also result from entering a debit memo (A/P) or a credit memo (A/R).
<b>net added cost</b>	The cost to manufacture an item at the current level in the bill of material. Thus, for manufactured parts, the net added cost includes labor, outside operations, and cost extras applicable to this level in the bill of material, but not materials (lower-level items). For purchased parts, the net added cost also includes the cost of materials.
<b>next status</b>	The next step in the payment process for payment control groups. The next status can be either WRT (write) or UPD (update).
<b>node</b>	A termination point for two or more communications links. A node can serve as the control location for forwarding data among the elements of a network or multiple networks, as well as performing other networking and, in some cases, local processing.
<b>non-inventory items</b>	See non-stock items.
<b>non-list price</b>	A price for bulk products that is determined by its own algorithms, such as a rolling average or commodity price plus.
<b>non-prime product</b>	A manufactured product with revenue potential that is less than the product planned for, or scheduled to be produced.
<b>non-stock items</b>	Items that the system does not account for as part of the inventory. For example, office supplies, or packaging materials can be non-stock items.
<b>nota fiscal</b>	In Brazil, a legal document that must accompany all commercial transactions.
<b>nota fiscal fatura</b>	In Brazil, a nota fiscal and invoice information.
<b>notula</b>	In Italy, the process whereby a business does not recognize value added tax until the payment of a voucher.
<b>object configuration manager (OCM)</b>	EnterpriseOne's object request broker and the control center for the runtime environment. It keeps track of the runtime locations for business functions, data, and batch applications. When one of these objects is called, the Object Configuration Manager directs access to it by using defaults and overrides for a given environment and user.
<b>object embedding</b>	When an object is embedded in another document, an association is maintained between the object and the application that created it; however, any changes made to the object are also only kept in the compound document. See also object linking.
<b>object librarian</b>	A repository of all versions, applications, and business functions that are re-usable in building applications.
<b>object linking</b>	When an object is linked to another document, a reference is created with the file in which the object is stored, as well as with the application that created it. When the object is modified, either from the compound document or directly through the file in which it is saved, the change is reflected in that application as well as



	anywhere it has been linked. See also object embedding.
<b>object linking and embedding (OLE)</b>	A technology for transferring and sharing information among applications by allowing the integration of objects from diverse applications, such as graphics, charts, spreadsheets, text, or an audio clip from a sound program. OLE is a compound document standard that was developed by Microsoft Corporation. It enables you to create objects with one application, and then link or embed them in a second application. Embedded objects retain their original format and links to the application that created them. See also object embedding, object linking.
<b>object management workbench (OMW)</b>	The change management system that is used for EnterpriseOne development.
<b>object-based technology (OBT)</b>	A technology that supports some of the main principles of object-oriented technology: Classes. Polymorphism.I Inheritance. Encapsulation.
<b>object-oriented technology (OOT)</b>	Brings software development past procedural programming into a world of re-usable programming that simplifies development of applications. Object orientation is based on the following principles: Classes. Polymorphism.I Inheritance. Encapsulation.
<b>offsetting account</b>	An account that reduces the amount of another account to provide a net balance. For example, a credit of 200 to a cash account might have an offsetting entry of 200 to an A/P Trade (liability) account.
<b>open database connectivity (ODBC)</b>	Defines a standard interface for different technologies to process data between applications and different data sources. The ODBC interface comprises set of function calls, methods of connectivity, and representation of data types that define access to data sources.
<b>open systems interconnection (OSI)</b>	The OSI model was developed by the International Standards Organization (ISO) in the early 1980s. It defines protocols and standards for the interconnection of computers and network equipment.
<b>order detail line</b>	A part of an order that contains transaction information about a service or item being purchased or sold, such as quantity, cost, price, and so on.
<b>order hold</b>	A flag that stops the processing of an order because it has exceeded the credit or budget limit, or has another problem.
<b>order-based pricing</b>	Pricing strategy that grants reductions in price to a customer. It is based upon the contents and relative size (volume or value) of the order as a whole.
<b>outbound document</b>	A document that is sent to a trading partner using EDI. This term is also referred to as an outbound transaction.
<b>outturn</b>	The quantity of oil that is actually received into a buyer's storage tanks when a

	<p>vessel is unloaded. For various reasons (vaporization, clingage to vessel tank walls, and so on), the amount of a product pumped into shore tankage at unloading is often less than the quantity originally loaded onto the vessel, as certified by the Bill of Lading. Under a delivered or CIF outturn transaction, the buyer pays only for the barrels actually “turned out” by the vessel into storage.</p> <p>When a buyer is paying CIF Bill of Lading figures, a loss of 0.5% of total cargo volume is considered normal. Losses in excess of 0.5%, however, are either chargeable to the seller or are covered by specialized insurance that covers partial, as well as total, loss of the cargo.</p>
<b>overhead</b>	In the distillation process, that portion of the charge that leaves the top of the distillation column as vapor. This definition is strictly as it relates to ECS.
<b>override conversion method</b>	A method of calculating exchange rates that is set up between two specific currencies. For those specific currencies, this method overrides the conversion method in General Accounting Constants and does not allow inverse rates to be used when calculating currency amounts.
<b>package / package build</b>	A collection of software that is grouped into a single entity for modular installation. EnterpriseOne objects are installed to workstations in packages from the deployment server. A package can be compared to a bill of material or kit that indicates the necessary objects for that workstation and where the installation program can find them on the deployment server. It is a point-in-time “snapshot” of the central objects on the deployment server.
<b>package location</b>	The directory structure location for the package and its set of replicated objects. This location is usually \\deployment server\release\path_code\package\ package name. The replicated objects for the package are placed in the subdirectories under this path. This location is also where the package is built or stored.
<b>package workbench</b>	During the Installation Workbench process, Package Workbench transfers the package information tables from the Planner data source to the System - release number data source. It also updates the Package Plan detail record to reflect completion.
<b>packaged products</b>	Products that, by their nature, must be delivered to the customer in containers which are suitable for discrete consumption or resale.
<b>pane/panel</b>	A resizable subarea of a window that contains options, components, or other related information.
<b>paper clip</b>	An icon that is used to indicate that a media object is attached to a form or record.
<b>parent/child form</b>	<p>A type of form that presents parent/child relationships in an application on one form:</p> <p>The left portion of the form presents a tree view that displays a visual representation of a parent/child relationship.</p> <p>The right portion of the form displays a detail area in browse mode. The detail area displays the records for the child item in the tree.</p> <p>The parent/child form supports drag and drop functionality.</p>
<b>parent/child relationship</b>	See parent/component relationship.
<b>parent/component relationship</b>	1. In Capital Asset Management, the hierarchical relationship of a parent piece of equipment to its components. For example, a manufacturing line could be a parent

	<p>and the machinery on the line could be components of the line. In addition, each piece of machinery could be a parent of still more components.</p> <p>2. In Product Data Management, a hierarchical relationship of the components and subassemblies of a parent item to that parent item. For example, an automobile is a parent item; its components and subassemblies include: engine, frame, seats, and windows.</p> <p>Sometimes referred to as parent/child relationship.</p>
<b>partita IVA</b>	In Italy, a company fiscal identification number.
<b>pass-through</b>	A process where data is accepted from a source and forwarded directly to a target without the system or application performing any data conversion, validation, and so on.
<b>pay on consumption</b>	The method of postponing financial liability for component materials until you issue that material to its consuming work order or rate schedule.
<b>payment group</b>	A system-generated group of payments with similar information, such as a bank account. The system processes all of the payments in a payment group at the same time.
<b>PeopleSoft database</b>	See JDEBASE Database Middleware.
<b>performance tuning</b>	The adjustments that are made for a more efficient, reliable, and fast program.
<b>persistent object</b>	An object that continues to exist and retains its data beyond the duration of the process that creates it.
<b>pervasive device</b>	A type of intelligent and portable device that provides a user with the ability to receive and gather information anytime, from anywhere.
<b>planning family</b>	A means of grouping end items that have similarity of design or manufacture.
<b>plug-in</b>	A small program that plugs into a larger application to provide added functionality or enhance the main application.
<b>polymorphism</b>	A principle of object-oriented technology in which a single mnemonic name can be used to perform similar operations on software objects of different types.
<b>portal</b>	A Web site or service that is a starting point and frequent gateway to a broad array of on-line resources and services.
<b>Postfinance</b>	A subsidiary of the Swiss postal service. Postfinance provides some banking services.
<b>potency</b>	Identifies the percent of an item in a given solution. For example, you can use an 80% potent solution in a work order that calls for 100% potent solution, but you would use 25% more, in terms of quantity, to meet the requirement ( $100 / 80 = 1.25$ ).
<b>preference profile</b>	The ability to define default values for specified fields for a user defined hierarchy of items, item groups, customers, and customer groups. In Quality Management setup, this method links test and specification testing criteria to specific items, item groups, customers, or customer groups.
<b>preflush</b>	A work order inventory technique in which you deduct (relieve) materials from inventory when the parts list is attached to the work order or rate schedule.

<b>preventive maintenance cycle</b>	The sequence of events that make up a preventive maintenance task, from its definition to its completion. Because most preventive maintenance tasks are commonly performed at scheduled intervals, parts of the preventive maintenance cycle repeat, based on those intervals.
<b>preventive maintenance schedule</b>	The combination of service types that apply to a specific piece of equipment, as well as the intervals at which each service type is scheduled to be performed.
<b>primary service type</b>	A service type to which you can link related service types. For example, for a particular piece of equipment, you might set up a primary service type for a 1000-hour inspection and a linked service type for a 500-hour inspection. The 1000-hour inspection includes all of the tasks performed at 500 hours. When a primary service type is scheduled to be performed, the system schedules the linked service type. See also linked service type.
<b>pristine environment</b>	An EnterpriseOne environment that is used to test unaltered objects with PeopleSoft demonstration data or for training classes. You must have this environment so you can compare pristine objects that you modify.
<b>processing option</b>	A data structure that allows users to supply parameters that regulate the execution of a batch program or report.
<b>product data management (PDM)</b>	In PeopleSoft EnterpriseOne software, the system that enables a business to organize and maintain information about each item which it manufactures. Features of this system, such as bills of material, work centers, and routings, define the relationships among parents and components, and how they can be combined to manufacture an item. PDM also provides data for other manufacturing systems including Manufacturing Accounting, Shop Floor Management, and Manufacturing and Distribution Planning.
<b>product line</b>	A group of products with similarity in manufacturing procedures, marketing characteristics, or specifications that allow them to be aggregated for planning; marketing; and, occasionally, costing.
<b>product/process definition</b>	A combination of bill of material (recipe, formula, or both) and routing (process list). Organized into tasks with a statement of required consumed resources and produced resources.
<b>production environment</b>	An EnterpriseOne environment in which users operate EnterpriseOne software.
<b>program temporary fix (PTF)</b>	A representation of changes to PeopleSoft software that your organization receives on magnetic tapes or diskettes.
<b>project</b>	[In EnterpriseOne] A virtual container for objects being developed in Object Management Workbench.
<b>projected cost</b>	The target expenditure in added value for material, labor, and so on, during manufacture. See also standard cost.
<b>promotion path</b>	The designated path for advancing objects or projects in a workflow.
<b>protocollo</b>	See registration number.
<b>PST</b>	Provincial sales tax. A tax that is assessed by individual provinces in Canada.
<b>published table</b>	Also called a “Master” table, this is the central copy to be replicated to other machines and resides on the “publisher” machine. The Data Replication Publisher Table (F98DRPUB) identifies all of the published tables and their associated

	publishers in the enterprise.
<b>publisher</b>	The server that is responsible for the published table. The Data Replication Publisher Table (F98DRPUB) identifies all of the published tables and their associated publishers in the enterprise.
<b>pull replication</b>	One of the EnterpriseOne methods for replicating data to individual workstations. Such machines are set up as pull subscribers that use EnterpriseOne's data replication tools. The only time that pull subscribers are notified of changes, updates, and deletions is when they request such information. The request is in the form of a message that is sent, usually at startup, from the pull subscriber to the server machine that stores the Data Replication Pending Change Notification table (F98DRPCN).
<b>query by example (QBE)</b>	Located at the top of a detail area, this area is used to search for data to display in the detail area.
<b>rate scheduling</b>	A method of scheduling product or manufacturing families, or both.  Also a technique to determine run times and quantities of each item within the family to produce enough of each individual product to satisfy demand until the family can be scheduled again.
<b>rate type</b>	For currency exchange transactions, the rate type distinguishes different types of exchange rates. For example, you can use both period average and period-end rates, distinguishing them by rate type.
<b>real-time</b>	Pertaining to information processing that returns a result so rapidly that the interaction appears to be instantaneous.
<b>receipt routing</b>	A series of steps that is used to track and move items within the receipt process. The steps might include in-transit, dock, staging area, inspection, and stock.
<b>referential integrity</b>	Ensures that a parent record cannot be deleted from the database when a child record for exists.
<b>regenerable</b>	Source code for EnterpriseOne business functions can be regenerated from specifications (business function names). Regeneration occurs whenever an application is recompiled, either for a new platform or when new functionality is added.
<b>register types and classes</b>	In Italian VAT Summary Reporting, the classification of VAT transactions.
<b>relationship</b>	Links tables together and facilitates joining business views for use in an application or report. Relationships that are created are based on indexes.
<b>relevé d'identité bancaire (RIB)</b>	In France, the term that indicates the bank transit code, account number, and check digit that are used to validate the bank transit code and account number. The bank transit code consists of the bank code and agency code. The account number is alphanumeric and can be as many as 11 characters. PeopleSoft supplies a validation routine to ensure RIB key correctness.
<b>remessa</b>	In Brazil, the remit process for A/R.
<b>render</b>	To include external data in displayed content through a linking mechanism.
<b>repassé</b>	In Brazil, a discount of the ICMS tax for interstate transactions. It is the adjustment between the interstate and the intrastate ICMS tax rates.

<b>replenishment point</b>	The location on or near the production line where additional components or subassemblies are to be delivered.
<b>replication server</b>	A server that is responsible for replicating central objects to client machines.
<b>report design aid (RDA)</b>	The EnterpriseOne GUI tool for operating, modifying, and copying report batch applications.
<b>repost</b>	In Sales, the process of clearing all commitments from locations and restoring commitments, based on quantities from the Sales Order Detail table (F4211).
<b>resident</b>	Pertaining to computer programs or data while they remain on a particular storage device.
<b>retorno</b>	In Brazil, the receipt process for A/R.
<b>RIB</b>	See relevé d'identité bancaire.
<b>ricevute bancarie (RiBa)</b>	In Italy, the term for accounts receivable drafts.
<b>riepilogo IVA</b>	Summary VAT monthly report. In Italy, the term for the report that shows the total amount of VAT credit and debit.
<b>ritenuta d'acconto</b>	In Italy, the term for standard withholding tax.
<b>rollback</b>	[In database management] A feature or command that undoes changes in database transactions of one or more records.
<b>rollup</b>	See cost rollup.
<b>row exit</b>	[In EnterpriseOne] An application shortcut, available as a button on the Row Exit bar or as a menu selection, that allows users to open a form that is related to the highlighted grid record.
<b>runtime</b>	The period of time when a program or process is running.
<b>SAD</b>	The German name for a Swiss payment format that is accepted by Postfinance.
<b>SAR</b>	See software action request.
<b>scalability</b>	The ability of software, architecture, hardware, or a network to support software as it grows in size or resource requirements.
<b>scripts</b>	A collection of SQL statements that perform a specific task.
<b>scrub</b>	To remove unnecessary or unwanted characters from a string.
<b>search/select</b>	A type of form that is used to search for a value and return it to the calling field.
<b>selection</b>	Found on PeopleSoft menus, selections represent functions that you can access from a menu. To make a selection, type the associated number in the Selection field and press Enter.
<b>serialize</b>	To convert a software object into a stream of bytes to store on a disk or transfer across a network.
<b>server map</b>	The server view of the object configuration mapping.
<b>server workbench</b>	During the Installation Workbench process, Server Workbench copies the server

	configuration files from the Planner data source to the System release number data source. It also updates the Server Plan detail record to reflect completion.
<b>service interval</b>	The frequency at which a service type is to be performed. Service intervals can be based on dates, periods, or statistical units that are user defined. Examples of statistical units are hours, miles, and fuel consumption.
<b>service type</b>	An individual preventive maintenance task or procedure, such as an inspection, lubrication, or overhaul. Service types can apply to a specific piece of equipment or to a class of equipment. You can specify that service types come due based on a predetermined service interval, or whenever the task that is represented by the service type becomes necessary.
<b>servlet</b>	A [small] program that extends the functionality of a Web server by generating dynamic content and interacting with Web clients by using a request-response paradigm.
<b>share path</b>	The network node under which one or more servers or objects reside.
<b>shop floor management</b>	A system that uses data from multiple system codes to help develop, execute, and manage work orders and rate schedules in the enterprise.
<b>silent mode</b>	A method for installing or running a program that does not require any user intervention.
<b>silent post</b>	A type of post that occurs in the background without the knowledge of the user.
<b>simulated cost</b>	After a cost rollup, the cost of an item, operation, or process according to the current cost scenario. This cost can be finalized by running the frozen update program. You can create simulated costs for a number of cost methods—for example, standard, future, and simulated current costs. See also cost rollup.
<b>single-byte character set (SBCS)</b>	An encoding scheme in which each alphabetic character is represented by one byte. Most Western languages, such as English, can be represented by using a single-byte character set.
<b>single-level tracking</b>	Finding all immediate parents where a specific lot has been used (consumed).
<b>single-voyage (spot) charter</b>	An agreement for a single voyage between two ports. The payment is made on the basis of tons of product delivered. The owner of the vessel is responsible for all expenses.
<b>slimer</b>	A script that changes data in a table directly without going through a regular database interface.
<b>smart field</b>	A data dictionary item with an attached business function for use in the Report Design Aid application.
<b>SOC</b>	The Italian term for a Swiss payment format that is accepted by Postfinance.
<b>soft commitment</b>	The number of items that is reserved for sales orders or work orders in the primary units of measure.
<b>soft error</b>	An error from which an operating system or program is able to recover.
<b>software action request (SAR)</b>	An entry in the AS/400 database that is used for requesting modifications to PeopleSoft software.

<b>SOG</b>	The French term for a Swiss payment format that is accepted by Postfinance.
<b>source directory</b>	The path code to the business function source files belonging to the shared library that is created on the enterprise server.
<b>special period/year</b>	The date that determines the source balances for an allocation.
<b>specification merge</b>	<p>The Specification merge is comprised of three merges:</p> <p>Object Librarian merge (via the Object Management Workbench).</p> <p>Versions List merge.</p> <p>Central Objects merge.</p> <p>The merges blend customer modifications with data that accompanies a new release.</p>
<b>specification table merge workbench</b>	During the Installation Workbench process, Specification Table Merge Workbench runs the batch applications that update the specification tables.
<b>specifications</b>	A complete description of an EnterpriseOne object. Each object has its own specification, or name, which is used to build applications.
<b>spot charter</b>	See single-voyage charter.
<b>spot rates</b>	An exchange rate that is entered at the transaction level. Spot rates are not used on transactions between two EMU member currencies because exchange rates are irrevocably fixed to the euro.
<b>stamp tax</b>	In Japan, a tax that is imposed on drafts payable, receipts over 30000 Japanese yen, and all contracts. The party that issues any of the above documents is responsible for this tax.
<b>standalone</b>	Operating or capable of operating independently of certain other components of a computer system.
<b>standard cost</b>	The expected, or target cost of an item, operation, or process. Standard costs represent only one cost method in the Product Costing system. You can also calculate, for example, future costs or current costs. However, the Manufacturing Accounting system uses only standard frozen costs.
<b>standard costing</b>	A costing method that uses cost units that are determined before production. For management control purposes, the system compares standard costs to actual costs and computes variances.
<b>subprocess</b>	A process that is triggered by and is part of a larger process, and that generally consists of activities.
<b>subscriber table</b>	The Subscriber table (F98DRSUB), which is stored on the Publisher Server with the Data Replication Publisher table (F98DRPUB), that identifies all of the subscriber machines for each published table.
<b>summary</b>	The presentation of data or information in a cumulative or totaled manner in which most of the details have been removed. Many systems offer forms and reports that summarize information which is stored in certain tables. Contrast with detail.
<b>super backflush</b>	To create backflush transactions for material, labor, or both, against a work order at predefined pay points in the routing. By doing so, you can relieve inventory



	and account for labor amounts at strategic points throughout the manufacturing process.
<b>supersession</b>	Specification that a new product is replacing an active product on a specified effective date.
<b>supplemental data</b>	Additional types of data for customers and suppliers. You can enter supplemental data for information such as notes, comments, plans, or other information that you want in a customer or supplier record. The system maintains this data in generic databases, separate from the standard master tables (Customer Master, Supplier Master, and Address Book Master).
<b>supplying location</b>	The location from which inventory is transferred once quantities of the item on the production line have been depleted. In kanban processing, the supplying location is the inventory location from which materials are transferred to the consuming location when the containers are replenished.
<b>system code</b>	A numeric or alphanumeric designation that identifies a specific system in EnterpriseOne software.
<b>system function</b>	[In EnterpriseOne] A named set of pre-packaged, re-usable instructions that can be called from event rules.
<b>table access management (TAM)</b>	The EnterpriseOne component that handles the storage and retrieval of user defined data. TAM stores information such as data dictionary definitions; application and report specifications; event rules; table definitions; business function input parameters and library information; and data structure definitions for running applications, reports, and business functions.
<b>table conversion workbench</b>	During the Installation Workbench process, Table Conversion Workbench runs the table conversions that change the technical and application tables to the format for the new release of EnterpriseOne. It also updates the Table Conversions and Controls detail records to reflect completion.
<b>table design aid (TDA)</b>	An EnterpriseOne GUI tool for creating, modifying, copying, and printing database tables.
<b>table event rules</b>	Use table event rules to attach database triggers (or programs) that automatically run whenever an action occurs against the table. An action against a table is referred to as an event. When you create an EnterpriseOne database trigger, you must first determine which event will activate the trigger. Then, use Event Rules Design to create the trigger. Although EnterpriseOne allows event rules to be attached to application events, this functionality is application-specific. Table event rules provide embedded logic at the table level.
<b>table handle</b>	A pointer into a table that indicates a particular row.
<b>table space</b>	[In relational database management systems] An abstract collection of containers in which database objects are stored.
<b>task</b>	[In Solution Explorer and EnterpriseOne Menu] A user defined object that can initiate an activity, process, or procedure.
<b>task view</b>	A group of tasks in Solution Explorer or EnterpriseOne Menu that are arranged in a tree structure.
<b>termo de abertura</b>	In Brazil, opening terms for the transaction journal.

<b>termo de encerramento</b>	In Brazil, closing terms for the transaction journal.
<b>three-tier processing</b>	The task of entering, reviewing, approving, and posting batches of transactions.
<b>three-way voucher match</b>	The process of comparing receipt information to supplier's invoices to create vouchers. In a three-way match, you use the receipt records, the purchase order, and the invoice to create vouchers.
<b>threshold percentage</b>	In Capital Asset Management, the percentage of a service interval that you define as the trigger for maintenance to be scheduled. For example, you might set up a service type to be scheduled every 100 hours with a threshold percentage of 90 percent. When the equipment accumulates 90 hours, the system schedules the maintenance.
<b>throughput agreement</b>	A service agreement in which a business partner agrees to store and manage product for another business partner for a specified time period. The second partner actually owns the stock that is stored in the first partner's depot, although the first partner monitors the stock level; suggests replenishments; and unloads, stores, and delivers product to the partner or its customers. The first partner charges a fee for storing and managing the product.
<b>throughput reconciliation</b>	Reconcile confirmed sales figures in a given period with the measured throughput, based on the meter readings. This process is designed to catch discrepancies that are due to transactions not being entered, theft, faulty meters, or some combination of these factors. This reconciliation is the first stage. See also operational reconciliation.
<b>token</b>	[In Object Management Workbench] A flag that is associated with each object which indicates whether you can check out the object.
<b>tolerance range</b>	The amount by which the taxes that you enter manually can vary from the tax that is calculated by the system.
<b>TP monitor</b>	Transaction Processing monitor. A monitor that controls data transfer between local and remote terminals and the applications that originated them. TP monitors also protect data integrity in the distributed environment and can include programs that validate data and format terminal screens.
<b>tracing</b>	The act of researching a lot by going backward, to discover its origin.
<b>tracking</b>	The act of researching a lot by going forward, to discover where it is used.
<b>transaction set</b>	An electronic business transaction (EDI Standard document) composed of segments.
<b>transclude</b>	To include the external data in the displayed content through a linking mechanism.
<b>transfer order</b>	An order that is used to ship inventory between branch/plants within your company and to maintain an accurate on-hand inventory amount. An interbranch transfer order creates a purchase order for the shipping location and a sales order for the receiving location.
<b>translation adjustment account</b>	An optional G/L account used in currency balance restatement to record the total adjustments at a company level.
<b>translator software</b>	The software that converts data from an application table format to an EDI Standard Format, and from EDI Standard Format to application table format. The

	data is exchanged in an EDI Standard, such as ANSI ASC X12, EDIFACT, UCS, or WINS.
<b>tree structure</b>	A type of graphical user interface that displays objects in a hierarchy.
<b>trigger</b>	Allows you to attach default processing to a data item in the data dictionary. When that data item is used on an application or report, the trigger is invoked by an event which is associated with the data item. EnterpriseOne also has three visual assist triggers:  Calculator.  Calendar.  Search form.
<b>two-way voucher match</b>	The process of comparing purchase order detail lines to the suppliers' invoices to create vouchers. You do not record receipt information.
<b>universal batch engine (UBE)</b>	[In EnterpriseOne] A type of application that runs a noninteractive process.
<b>unnormalized</b>	Data that is a random collection of data elements with repeating record groups scattered throughout. Also see Normalized.
<b>user overrides merge</b>	The User Overrides merge adds new user override records into a customer's user override table.
<b>user-defined code (UDC)</b>	A value that a user has assigned as being a valid entry for a given or specific field.
<b>utility</b>	A small program that provides an addition to the capabilities which are provided by an operating system.
<b>variable numerator allocations</b>	A procedure that allocates or distributes expenses, budgets, adjustments, and so on, among business units, based on a variable.
<b>variable quantity</b>	A term that indicates the bill of material relationship between a parent item and its components or ingredients. When a bill of material component has a variable quantity relationship to its parent, the amount of the component changes when the software calculates parts list requirements for different work order quantities. Contrast with fixed quantity.
<b>variance</b>	1. In Product Costing and Manufacturing Accounting, the difference between the frozen standard cost, the current cost, the planned cost, and the actual cost. For example, the difference between the frozen standard cost and the current cost is an engineering variance. Frozen standard costs come from the Cost Components table, and the current costs are calculated by using the current bill of material, routing, and overhead rates.  2. In Capital Asset Management, the difference between revenue that is generated by a piece of equipment and costs that are incurred by the equipment.
<b>versions list merge</b>	The Versions List merge preserves any non-XJDE and non-ZJDE version specifications for objects that are valid in the new release as well as their processing options data.
<b>VESR</b>	Verfahren Einzahlungsschein mit Referenznummer. The processing of an ESR pay slip with reference line through accounts receivable and accounts payable.
<b>visual assist</b>	Forms that can be invoked from a control to assist the user in determining what

	data belongs in the control.
<b>voucher logging</b>	The process of entering vouchers without distributing amounts to specific G/L accounts. The system initially distributes the total amount of each voucher to a G/L suspense account, where it is held until you redistribute it to the correct G/L account.
<b>wareki date format</b>	In Japan, a calendar format, such as Showa or Heisei. When a new emperor begins to reign, the government chooses the title of the date format and the year starts over at one. For instance, January 1, 1998, is equal to Heisei 10, January 1st.
<b>wash down</b>	A minor cleanup between similar product runs. Sometimes used in reference to the sanitation process of a food plant.
<b>wchar_t</b>	An internal type of a wide character. Used for writing portable programs for international markets.
<b>web server</b>	A server that sends information as requested by a browser and uses the TCP/IP set of protocols.
<b>work order life cycle</b>	In Capital Asset Management, the sequence of events through which a work order must pass to accurately communicate the progress of the maintenance tasks that it represents.
<b>workfile</b>	A system-generated file that is used for temporary data processing.
<b>workflow</b>	According to the Workflow Management Coalition, workflow means “the automation of a business process, in whole or part, during which documents, information, or tasks are passed from one participant to another for action, according to a set of procedural rules.”
<b>workgroup server</b>	A network server usually containing subsets of data that are replicated from a master network server.
<b>WorldSoftware architecture</b>	The broad spectrum of application design and programming technology that PeopleSoft uses to achieve uniformity, consistency, and complete integration throughout its software.
<b>write payment</b>	A step in processing payments. Writing payments includes printing checks, drafts, and creating a bank tape table.
<b>write-off</b>	A method for getting rid of inconsequential differences between amounts. For example, you can apply a receipt to an invoice and write off the difference. You can write off both overpayments and underpayments.
<b>Z file</b>	For store and forward (network disconnected) user, EnterpriseOne store-and-forward applications perform edits on static data and other critical information that must be valid to process an order. After the initial edits are complete, EnterpriseOne stores the transactions in work tables on the workstation. These work table are called Z files. When a network connection is established, Z files are uploaded to the enterprise server; and the transactions are edited again by a master business function. The master business function then updates the records in your transaction files.
<b>z-process</b>	A process that converts inbound data from an external system into an EnterpriseOne software table or converts outbound data into an interface table for

	an external system to access.
<b>zusammenfassende meldung</b>	In Germany, the term for the EU Sales Listing.



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